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Canada



2015–16

DEPARTMENTAL PERFORMANCE REPORT PUBLIC SERVICES AND PROCUREMENT CANADA



Judy M. Foote, PC, MP

Minister of Public Services and Procurement

Catalogue Number: P1-29E-PDF

ISSN: 2371-5138

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Minister's Message

As Minister of Public Services and Procurement, I am pleased to present the 2015–16 Departmental Performance Report.

Since my arrival in November, I have seen the tremendous dedication of Public Services and Procurement Canada (PSPC) employees to deliver on the Department's mandate. The 2015–16 Performance report outlines the Department's goal to provide critical services to clients and Canadians.

I am particularly proud of PSPC's efforts to rapidly procure the broad range of goods and services required to resettle 25,000 Syrian refugees. The resettlement effort is an example of the Department's timely and efficient response to an important humanitarian effort.

Investments made through the National Shipbuilding Strategy and the Defence Procurement Strategy are equipping our uniformed women and men so they can fulfill their important roles. At the same time, we are creating middle-class jobs and generating economic benefits for Canada.

Through the Build in Canada Innovation Program, companies can test and market their innovative products and services within the federal government. As of March 2016, 251 innovations have been pre-qualified through this program and 75 contracts with a total contract value of over \$32 million were awarded to Canadian businesses in 2015–16.

PSPC also continued to make significant progress in restoring and modernizing the Parliamentary Precinct to meet the operational needs of a 21st century government and to provide a welcoming environment for Canadians and international visitors. In addition to completing the restoration of the heritage Wellington building, PSPC made

significant progress on the rehabilitation of the West Block and Government Conference Centre buildings and on the construction of Parliament Hill's new Visitor Welcome Centre.

As the manager of the largest and most diverse portfolios of real estate in the country, PSPC continued to deliver on capital infrastructure projects. PSPC facilitated the acceleration of the in-service date of the new bridge for the St. Lawrence corridor in the greater Montreal area, planned for 2018, entering into a contractual project agreement and completing the land acquisition required for the project.

PSPC continued the implementation of the Transformation of Pay Administration Initiative, replacing the outdated pay system, streamlining business processes, and consolidating pay services. This important initiative has faced challenges as many public servants experienced issues with their pay. Employees deserve to be paid accurately and promptly, and PSPC is working very hard to resolve pay problems and ensure that the public service has a reliable and effective pay system.

Much has been accomplished over the last several months, and we have an ambitious agenda ahead, including a review of Canada Post. I have met many employees throughout the Department, and they are energized, committed and eager to deliver. They are embracing innovation and a commitment to service. And they are working not only for, but with Canadians and other key stakeholders.

I look forward to reporting next year on the Department's many achievements.

Judy M. Foote, PC, MP
Minister of Public Services
and Procurement

Results Highlights

What funds were used?

- PSPC's actual spending (authorities used) for 2015–16 is **\$2,833,315,710**.

Who was involved?

- PSPC's actual FTEs number for 2015–16 is **11,745.15**.

Key Achievements

Commitment	Achievement
Review of Canada Post	<ul style="list-style-type: none"> • PSPC established a dedicated Secretariat to support an independent review of Canada Post to ensure Canadians receive quality postal services at a reasonable price.
Open and Transparent Competition to Replace the CF-18 Fighter Aircraft	<ul style="list-style-type: none"> • PSPC's procurement team worked closely with the Department of National Defence, and Innovation, Science and Economic Development Canada to support the due diligence activities required for the replacement of Canada's CF-18 fleet, including planning, preparation, and establishment of timelines.
Service Strategy, Single Online Window, Performance Standards and Assessment	<ul style="list-style-type: none"> • PSPC began working with the Treasury Board of Canada Secretariat and other Government departments to develop a Government of Canada Clients First Service Strategy that aims to create a single online window. The Strategy puts clients at the centre in setting the government direction for improved service delivery. • PSPC began working with Treasury Board of Canada Secretariat and Employment and Social Development Canada to develop new performance standards and a new approach to assessing client satisfaction.
Procurement Modernization	<ul style="list-style-type: none"> • PSPC undertook steps to revise and simplify procurement instruments and processes, improve fairness and access, increase the number of compliant bids, and maximize competition. • PSPC began working with Treasury Board of Canada Secretariat to develop and implement a new PSPC Supplier Performance framework, policy suite and tools.
Prioritize the National Shipbuilding Strategy (NSS)	<ul style="list-style-type: none"> • In consultation with industry, PSPC refined the procurement strategy for the Canadian Surface Combatant to improve the efficiency of the process while securing high-value investments in Canada. As of December 31, 2015, 492 Canadian suppliers had received \$1.3 billion in contracts related to the National Shipbuilding Strategy.
Restore a Fair and Balanced Approach to Organized Labour	<ul style="list-style-type: none"> • PSPC supported Employment and Social Development Canada to restore a fair and balanced approach to organized labour by repealing Bills C-377 and C-525 and implementing a modern Fair Wages Policy.

Commitment	Achievement
Inventory of all Available Federal Lands and Buildings for Affordable Housing	<ul style="list-style-type: none"> • PSPC developed its inventory of available federal buildings and properties, and has shared it with Employment and Social Development Canada, the Canada Mortgage and Housing Corporation, Infrastructure Canada, and TBS for application across the Government. PSPC and key federal partners developed clear criteria for the identification of available federal buildings that could be repurposed for affordable housing.
Government-Wide Integrity Regime	<ul style="list-style-type: none"> • PSPC implemented the <i>Ineligibility and Suspension Policy</i> to protect the integrity of procurement and real property transactions by ensuring that the Government of Canada does business with ethical suppliers in Canada and abroad.
Provision of IT systems to modernize administrative services and IT systems across government	<ul style="list-style-type: none"> • At the end of fiscal year 2015–16, PSPC’s Government-wide Human Resources Information Technology program (My GCHR) had on-boarded a total of 32 departments with a total population of 39,000 FTEs. • 11 departments and over 16,000 users have benefitted from the Government of Canada’s document and records management tool (GCDOCs), with another 20,000 expected in fiscal year 2016–17.
Long Term Vision and Plan (LTVP)	<ul style="list-style-type: none"> • PSPC advanced construction work on the Wellington Building, bringing it to substantial completion. As well, the Department made significant progress on construction work on the West Block, Visitor Welcome Centre, and the Government Conference Centre.
Greening Government Operations	<ul style="list-style-type: none"> • PSPC assisted other Government departments in greening operations and reduced the environmental footprint of carbon emissions in the Government of Canada’s properties.
Federal Pay and Pension Administration	<ul style="list-style-type: none"> • PSPC continued to implement the first phase of the Transformation of Pension Administration Initiative for the Canadian Armed Forces which will decrease the cost of pension administration for the Government of Canada, improve client service and increase alignment to common standards and processes.
Accommodation and Real Property Services	<ul style="list-style-type: none"> • PSPC facilitated the acceleration of the in-service date of the new bridge for the St. Lawrence corridor in the greater Montreal area, provided other public-private partnership (P3) procurement services for the Gordie Howe International Bridge, and a Conservation Centre for Library and Archives Canada. • By end of year, PSPC was on track towards full integration of the three transferred Enterprise Cape Breton Corporation business lines into the mandate and functions of Cape Breton Operations by 2016–17.
Linguistic Management and Services	<ul style="list-style-type: none"> • PSPC modernized the Translation Bureau by introducing innovative language tools and launching a new business model in order to ensure an efficient delivery of linguistic services to the Government of Canada at a lower cost. This improved the client experience, enhanced access to persons with disabilities, and allowed federal departments and agencies to focus on their core mandates.

Section I: Organizational Overview

1.1 Organizational Profile

Appropriate Minister: Judy M. Foote

Institutional Head: Marie Lemay¹

Ministerial Portfolio: Public Services and Procurement Canada

Enabling Instrument(s): The *Department of Public Works and Government Services Act*ⁱⁱ (*DPWGS Act*) establishes the Department of Public Services and Procurement Canada.

Year of Incorporation/Commencement: 1841

Other: The Minister of Public Services and Procurement (PSP) has responsibilities under 19 other Acts. The most important ones are:

- *Shared Services Canada Act*ⁱⁱⁱ
- *Expropriation Act*^{iv}
- *Defence Production Act*^v
- *Seized Property Management Act*^{vi}
- *Surplus Crown Assets Act*^{vii}
- *Financial Administration Act*^{viii}

¹ Appointed as of April 2016

1.2 Organizational Context

Raison d'être

Public Services and Procurement Canada (PSPC) plays an important role in the daily operations of the Government of Canada. It supports federal departments and agencies in the achievement of their mandated objectives as their central purchasing agent, real property manager, linguistic authority, treasurer, accountant, pay and pension administrator, and common service provider. The Department's vision is to excel in government operations, and its strategic outcome and mission is to deliver high-quality, central programs and services that ensure sound stewardship on behalf of Canadians and meet the program needs of federal institutions.

As per the Mandate Letter to the Minister of Public Services and Procurement, the Minister's overarching goal is to ensure that the services provided by her portfolio are delivered efficiently, and in a way that makes citizens feel respected and valued. At the same time, the Minister ensures that the government's internal services are held to an equally high standard and that procurement processes reflect modern best practices. The delivery of government services, including procurement practices, reflects public expectations around transparent, open, and citizen-centered government and serves the Government of Canada's policy goals of sustainable economic growth that grows the middle class.

Responsibilities

The Department, founded in 1841, was instrumental in the building of our nation's canals, roads and bridges, the Houses of Parliament, post offices and federal buildings across the country.

The *Department of Public Works and Government Services Act* (the Act), passed in 1996, established the current Department and set out the legal authorities for PSPC's services. The Act established PSPC as a common service organization providing government departments, boards and agencies with support services for their programs that today include:

- Procurement;
- Office accommodation and facilities;
- Architectural and engineering services;
- Construction, maintenance and repair of public works and federal real property;
- Pay and pension services;
- Receiver General, treasury of Canada administration, and maintenance of the Accounts of Canada;
- Linguistic services;
- Industrial security services; and
- Specialized programs, including government-wide applications and greening of government operations.

PSPC's goal is to manage its business in a way that demonstrates integrity, accountability, efficiency, transparency, and adds value for its client departments and agencies, and Canadians.

In doing so, PSPC:

- Manages approximately \$18 billion of procurements on behalf of other federal departments and agencies, of which approximately 40% goes to Canadian small and medium enterprises;
- Provides leadership and oversees the implementation of the Defence Procurement Strategy (DPS) as well as advances the Government's ability to leverage defence procurements to create jobs and economic benefits to Canada, and improve the governance and management of military procurement;
- Manages over \$2.2 trillion in cash flow of federal money in and out of the Consolidated Revenue Fund (CRF) through the Receiver General function;
- Issues more than 339 million payments annually of which 133 million payments are for Old Age Security and Canada Pension Plan, 71 million payments for Child Benefit related payments, 24 million payments for Employment Insurance, and 17.3 million payments for federal pay and pension;
- Produces the Public Accounts of Canada, including the audited financial statements of the Government of Canada;
- Provides accommodation to Parliamentarians and to more than 257,000 public servants in 1,647 locations across Canada;
- Manages a Crown-owned property portfolio with an estimated value of \$7 billion, including 17 engineering assets such as bridges and dams;
- Rehabilitates the buildings in the Parliamentary Precinct to meet accommodation requirements;
- Manages rental payments of approximately \$1.265 billion on 1,586 lease transactions across Canada, annually;
- Provides \$450 million in payments in lieu of taxes to 1,183 taxing authorities on behalf of the Government of Canada;
- Manages the translation of approximately one million words per day on behalf of other federal organizations and provides translation and interpretation services for more than 1,000 parliamentary meetings, making it the Government of Canada's center of expertise for linguistic services;
- Processes and images more than 36.4 million pages annually for federal government departments and agencies;
- Delivers HR services through standardized and consolidated HR systems and supports departments in the transition of 250,900 employees to a single HR management system (My GCHR);
- Provides travel management services for Government of Canada employees;

- Provides over 20,000 integrity verifications government-wide under the Integrity Regime pursuant to the *Ineligibility and Suspension Policy*;
- Processes over 129,000 personnel security screening requests annually to enable contractors to participate in sensitive Government of Canada contracts.

The portfolio of the Minister of Public Services and Procurement includes Shared Services Canada, which reports separately. It also includes three Crown corporations (Canada Lands Company Limited, Defence Construction Canada and Canada Post Corporation), two quasi-judicial bodies (Public Servants Disclosure Protection Tribunal and Public Service Labour Relations and Employment Board) and the Public Service Commission, an independent government agency. The Office of the Procurement Ombudsman (OPO) also reports to the Minister and operates independently. Details of the operations of the Crown corporations and OPO are provided in separate annual reports that are tabled in Parliament by the Minister.

Strategic Outcome and Program Alignment Architecture

PSPC's Program Alignment Architecture (PAA), as approved by the Treasury Board, supports our strategic outcome:

To deliver high-quality, central programs and services that ensure sound stewardship on behalf of Canadians and meet the program needs of federal institutions.

The following table lists the programs that comprised PSPC's PAA in 2015–16.

2015–16 PSPC Program Alignment Architecture (PAA)

Program	Sub-Program
1.1 Acquisitions	1.1.1 General Procurement Services 1.1.2 Customized Procurement Services 1.1.3 Acquisition Stewardship 1.1.3.1 Acquisition Policy and Strategic Management 1.1.3.2 Client and Supplier Engagement 1.1.4 Acquisition Support and Innovation 1.1.4.1 Build in Canada Innovation Program 1.1.4.2 Asset Disposal 1.1.4.3 Standards Development and Certification
1.2 Accommodation and Real Property Services	1.2.1 Federal Accommodation 1.2.2 Federal Holdings 1.2.3 Real Property Services 1.2.4 Payments in Lieu of Taxes 1.2.5 Parliamentary Precinct 1.2.6 Cape Breton Operations
1.3 Receiver General for Canada	1.3.1 Stewardship of Consolidated Revenue Fund and Accounts of Canada 1.3.2 Receiver General Services
1.4 Integrity Programs and Services	1.4.1 Contract Security 1.4.2 Controlled Goods 1.4.3 Forensic Accounting Services 1.4.4 Operational Integrity Services
1.5 Federal Pay and Pension Administration	1.5.1 Pay 1.5.2 Pension
1.6 Linguistic Management and Services	1.6.1 Terminology Standardization Program 1.6.2 Translation and Other Linguistic Services 1.6.3 Translation and Interpretation to Parliament 1.6.4 Conference Interpretation
1.7 Specialized Programs and Services	1.7.1 Greening of Government Operations 1.7.2 Client Service Strategy 1.7.3 Government Information Services 1.7.4 Document Imaging Services 1.7.5 Shared Travel Services 1.7.6 Central Relocation Services 1.7.7 Government of Canada Administrative Services
1.8 Procurement Ombudsman^{ix}	1.8.1 Review of Procurement Practices 1.8.2 Supplier Complaints
1.9 Internal Services	1.9.1 Management and Oversight Services 1.9.2 Communications Services 1.9.3 Legal Services 1.9.4 Human Resources Management Services 1.9.5 Financial Management Services 1.9.6 Information Management Services 1.9.7 Information Technology Services 1.9.8 Real Property Services 1.9.9 Materiel Services 1.9.10 Acquisition Services

Operating Environment and Risk Analysis

PSPC formally integrated risk into business planning, decision making and organizational processes to minimize negative impacts and maximize opportunities across its diverse range of services and operations. Risk management was conducted throughout PSPC in accordance with the Treasury Board Framework for the Management of Risk, PSPC Policy on Integrated Risk Management, the International Organization for Standardization 31000 and the Canadian Standards Association Implementation Guide to CAN/CSA-ISO 31000, Risk Management—Principles and Guidelines.

Key Risks

Risk	Risk Response Strategy	Link to the Department's Programs
<p>Financial Risk—PSPC's reliance on cost recovery posed risks in an environment of reduced expenditures on the part of client departments.</p>	<p>PSPC's risk responses included: sustaining rigorous management of revenues, expenditures, forecasting and commitment monitoring; and working closely with other departments through the client service network to identify changing requirements and their impacts on the Department.</p>	<ul style="list-style-type: none"> • Acquisitions • Accommodation and Real Property Services • Receiver General for Canada • Integrity Programs and Services • Linguistic Management and Services • Specialized Programs and Services • Internal Services
<p>Complex, Transformational and Interdepartmental Major Projects and Procurements Related Risk—There were inherent risks in PSPC undertaking and delivering complex, transformational and inter-departmental major projects and procurements on time, within the approved budget and according to scope (which could ultimately have had an impact on the Department's service strategy).</p>	<p>PSPC's risk responses included: implementation of disciplined investment and project management processes; development and implementation of service agreements and service standards with clear identification of responsibilities; sound contract management; early engagement with client departments and other stakeholders; and development and implementation of the Department's Integrated Investment Plan (IIP).</p>	<ul style="list-style-type: none"> • Acquisitions • Accommodation and Real Property Services • Receiver General for Canada • Integrity Programs and Services • Federal Pay and Pension Administration • Linguistic Management and Services • Specialized Programs and Services
<p>Workforce Risk—There was a risk that PSPC would not have the ability to maintain a high-performing workforce with the appropriate skills and competencies to achieve the expected service delivery levels in support of evolving business needs.</p> <p>In 2015–16, the Department managed the internal Human Resources impacts of the Transformation of Pay Administration Initiative.</p>	<p>PSPC's risk responses included: improving the staffing program and developing tools to help managers to identify and develop employees' potential; sustaining the momentum for Destination 2020 as a driver for people engagement and the building of an efficient workforce for the future; developing a placement strategy for PSPC's employees affected by the Transformation of Pay Administration Initiative; and reinforcing departmental strategies to effectively manage workforce adjustment activities, including the activities stemming from the transfer of compensation services to Miramichi.</p>	<ul style="list-style-type: none"> • Acquisitions • Accommodation and Real Property Services • Receiver General for Canada • Integrity Programs and Services • Federal Pay and Pension Administration • Linguistic Management and Services • Specialized Programs and Services • Internal Services

Risk Narrative

Financial Risk—PSPC implemented a more robust Financial Management Framework, a more rigorous approach to manage revenues, expenditures and commitments, as well as a departmental client service strategy targeted at providing quality services to clients in the context of fluctuating business volumes.

Complex, Transformational and Interdepartmental Major Projects and Procurements related Risk—As the Government of Canada’s common service provider, PSPC undertook large and complex enterprise initiatives for the government. There were risks associated with these projects. PSPC’s risk management approach included: implementation of disciplined investment and project management processes; and robust service agreements and service standards with clear identification of responsibilities.

Workforce Risk—PSPC implemented leadership development activities and a streamlined succession planning approach to ensure the required workforce was in place to deliver the Department’s mandate. The Department also developed strategies to foster a healthy work environment and continue to be an employer of choice.

Contribution of Priorities to Strategic Outcome

In 2015–16, PSPC had three organizational priorities that supported the Department’s strategic outcome and the Minister’s mandate:

- Service Excellence;
- Innovation and Modernization; and
- Value for Money.

These are reported on in the Organizational Priorities table and are also reflected in the Analysis of Programs in Section III of this report.

1.3 Organizational Priorities

In 2015–16, PSPC focused on offering better service to clients and Canadians, promoting innovation, and achieving value for money.

Priority	Type	Programs
Service Excellence	New	<ul style="list-style-type: none"> • Acquisitions • Accommodation and Real Property Services • Receiver General for Canada • Integrity Programs and Services • Federal Pay and Pension Administration • Linguistic Management and Services • Specialized Programs and Services • Internal Services
Description		
<p>Manage the delivery of our programs and services to ensure excellence and integrity while managing our clients' and Canadians' expectations.</p> <p>Why is this a priority?</p> <p>As the Government of Canada's common service provider, providing excellent service to our clients and Canadians is fundamental to ensure departments and agencies effectively achieve their mandates as well as to bolster client satisfaction. We also need to support federal government initiatives to improve service to clients as identified in the new Treasury Board Policy on Service as well as Destination 2020.</p> <p>Through its Client Service Strategy, the Department has, in recent years, positioned itself as an integrated, innovative and service-oriented organization. The Strategy has broken down internal and external barriers, and solidified horizontal relationships resulting in a better integration of services.</p> <p>As we fostered a culture of service excellence within the Department, we will also built on our strong relationships with client departments.</p> <p>What is this priority's link to the Minister's Mandate Letter?</p> <p>The "Service Excellence" priority supports the following Mandate Letter items:</p> <ul style="list-style-type: none"> • Undertaking a review of Canada Post to make sure it provides the high-quality service that Canadians expect at a reasonable price. • Working with the Treasury Board Secretariat and the Department of Employment and Social Development to establish new performance standards and set up a mechanism to conduct rigorous assessments of the performance of key government services and report findings publicly. • Supporting the Treasury Board Secretariat in the development of a new service strategy that aims to create a single online window for all government services with new performance standards. 		

Description (continued)

More specifically, in 2015–16, PSPC made the following progress towards this priority:

Planned Initiatives	Start Date	End Date	Status	Link to Department's Program Alignment Architecture
Acquisitions				
Improving contract management and create a supplier performance regime through a review of procurement instruments, policies and practices.	January 2016	December 2016	On track	Sub-Sub Program 1.1.3.1: Acquisition Policy and Strategic Management
Moving forward on transparency by making government information more accessible digitally and more open data available to suppliers and industry.	November 2014	September 2016	On track	Sub-Sub Program 1.1.3.2: Client and Supplier Engagement
Accommodation Management and Real Property Services				
Support the government-wide efforts to conduct an inventory of all available federal lands and buildings that could be repurposed for affordable housing in communities.	December 2015	August 12, 2016	On track	Program 1.2: Accommodation Management and Real Property Services
Support the government-wide efforts to resettle 25,000 refugees from Syria in the coming months.	December 2015	March 2016	Complete	Program 1.2: Accommodation Management and Real Property Services
Continue to implement the Long Term Vision and Plan to restore and modernize the Parliamentary Precinct to meet the needs of a 21 st century parliamentary democracy, to provide an environment where Canadians gather and to serve as an outward face to international visitors.	May 2001 (updated in 2007)	On going	On track	Sub-Program 1.2.5: Parliamentary Precinct
Integrity Programs and Services				
Streamlining and simplifying business processes within the Contract Security Program with existing IT systems and technology.	March 2015	March 2017	On track	Sub-Program 1.4.1: Contract Security

Description (continued)

Planned Initiatives	Start Date	End Date	Status	Link to Department's Program Alignment Architecture
Federal Pay and Pension Administration				
Continue optimization of pay administration through: <ul style="list-style-type: none"> • Continued improvements to the operations of the Public Service Pay Centre in Miramichi, NB; • Updated processes and back-office structures to reflect a client-service focus; • Initiating the decommissioning of the legacy pay system; and • Ongoing in-service support to departments. 	December 2015	On going PSPC continues to optimize the service delivery model until service standards are met consistently and operations stabilize	Resolving implementation issues	Sub-Program 1.5.1: Pay
Linguistic Management and Services				
Exploring ways to offer clients new efficient and innovative linguistic-service-related products and business lines, like remote interpretation, voice-to-text technology, the fully managed service approach and a simplified translation request interface, to improve the client experience, enhance access to persons with disabilities and allow federal departments and agencies to focus on their core mandates.	April 2015	March 2017	On track	Sub-Program 1.6.2: Translation and Other Linguistic Services Sub-Program 1.6.3: Translation and Interpretation to Parliament Sub-Program 1.6.4: Conference Interpretation

Description (continued)

Planned Initiatives	Start Date	End Date	Status	Link to Department's Program Alignment Architecture
Specialized Programs and Services				
Supporting departments and agencies to reduce the environmental footprint of federal government operations.	March 31, 2015	April 1, 2016	Complete	Sub-Program 1.7.1: Greening of Government Operations
Expand Document Imaging Services to support federal government departments and agencies in meeting information management policy requirements by reducing the need to store large volumes of paper documents, thus enabling departments to improve their client service and reduce operational costs.	January 2014	On going	On track	Sub-Program 1.7.4: Document Imaging Services
Partnering with client organizations to facilitate the roll-out, throughout the Government of Canada, of back-office systems: <ul style="list-style-type: none"> • HR management system • Document management system 	January 2013 December 2015	December 2020 March 2019	On track On track	Sub-Program 1.7.7: Government of Canada Administrative Services
Internal Services				
Developing a stand-alone privacy program, distinct from the access to information component, to provide enhanced support to senior management on proactively managing privacy-related risks.	December 2015	March 31, 2016	Complete	Sub-Program 1.9.6: Information Management Services
Assisting departments and agencies, including PSPC branches and regions, in procuring, implementing and operating innovative technologies, such as collaborative platforms and desktop video conferencing, to increase mobility and contribute to service delivery operations excellence.	April 2015	On going	On track	Sub-Program 1.9.7: Information Technology Services

Description (continued)**What progress has been made toward this priority?**

In 2015–16, PSPC implemented the following initiatives:

- Established a dedicated Secretariat within PSPC to support an independent review of Canada Post to ensure Canadians receive quality postal services at a reasonable price. Canadians from coast to coast will have a say in the services they value and want.
- Increased the speed of procurement processes to provide goods and services required by the federal government to resettle 25,000 Syrian refugees.
- Led a successful competitive process, in conjunction with Natural Resources Canada, which resulted in the award of a contract to advance the restructuring of the Atomic Energy of Canada Limited Nuclear Laboratories.
- Supported the federal procurement reform by simplifying processes and reducing administrative costs of the Government's procurement system.
- Advanced the Acquisitions Program Transformation Initiative in order to improve client service and relationships with key stakeholders, and streamline our procurement processes.
- Measured client departments' satisfaction with acquisitions services using a comprehensive client satisfaction survey.
- Implemented a portal to submit integrity verification checks, allowing PSPC branches, and other government departments and agencies, to quickly receive a response regarding supplier compliance with the Integrity Regime.
- Streamlined and accelerated the disposal process of real property through consultation with legal, Aboriginal, and heritage stakeholders as well as through environmental and security assessments. Performing these activities earlier and in parallel will reduce the average disposal timeframe through declaration of surplus. The result will be a portfolio inventory that is representative of the program requirements it supports while reducing the financial pressure for assets awaiting disposal.
- Ensured Parliament Buildings remained open and functional 24 hours a day, 7 days a week, ensuring uninterrupted Parliamentary business operations.
- Rehabilitated the buildings in the Parliamentary Precinct to meet accommodation requirements of the Senate, the House of Commons, the Library of Parliament, Parliamentary Protective Service, the Prime Minister's Office and the Privy Council Office.
- Facilitated the acceleration of the in-service date of the [new bridge for the St. Lawrence](#)^x and provided other public-private partnership procurement services for the development of the [Gordie Howe International Bridge](#)^{xi} and a Conservation Centre for Library and Archives Canada.
- Led a competitive procurement process on behalf of Employment and Social Development Canada and five provinces for the Canada Student Loans Program.
- Developed business cases for major National Capital Area renovation projects to support the program objectives of increased environmental performance, modern workplaces, and cost effectiveness. Renovations with approved budgets included, among others, the rehabilitation of the Lester B. Pearson Building, and the exterior renovation of Les Terrasses de la Chaudière.

Description (continued)

- Led the establishment of a new directive, effective April 1, 2016, whereby PSPC would no longer use asbestos in its new construction and major renovation projects.
- Managed the operations of the federal treasury through the issuance and settlement of more than 339 million federal and provincial payments annually, and the collection of revenues for all government departments, amounting to over \$2.2 trillion in cash flow; maintained the Accounts of Canada; produced the government's Monthly Statements of Financial Operations and the annual Public Accounts of Canada; and enhanced the systems that support these functions.
- Conducted supplier integrity verifications and determined whether suppliers were in compliance with the *Ineligibility and Suspension Policy*.
- Improved security screening processing times by undertaking a performance-based review; streamlined processes and stabilized information technology systems.
- Satisfied client demands for subject matter expertise on Fairness Monitoring services by opening the field to new suppliers through the launch of a new Standing Offer and Supply Arrangement.
- Continue the expansion of Document Imaging Services, ramping up the Enterprise Solution launched in the fall of 2015 to use the private sector to supplement internal production and support federal departments and agencies in meeting information management policy requirements.
- Supported partner departments to reduce the environmental footprint of federal government operations.
- Optimized the value and efficiency of services provided to other government departments and agencies by engaging clients early and continuously, enabled employees at all levels to foster service excellence, and offered integrated and effective solutions.

Priority	Type	Programs
Innovation and Modernization	New	<ul style="list-style-type: none"> • Acquisitions • Accommodation and Real Property Services • Receiver General for Canada • Integrity Programs and Services • Federal Pay and Pension Administration • Linguistic Management and Services • Specialized Programs and Services • Internal Services
Description		
Implement new forms of program and service delivery to respond to changing needs of clients and Canadians.		
Why is this a priority?		
To keep pace in an ever-changing environment, to support government priorities related to job creation and economic growth, and to support modernization initiatives such as Destination 2020, PSPC needs to implement new forms of program and service delivery.		
Our clients require integrated solutions that harness both specialized knowledge and technology. We will draw on our experience and expertise to improve upon existing processes and modernize our programs and services to find new and innovative ways to deliver them taking a whole of government approach. In doing so, we will continue to meet the future needs of our clients and Canadians.		
What is this priority's link to the Minister's Mandate Letter?		
The “Innovation and Modernization” priority supports the following Mandate Letter items:		
<ul style="list-style-type: none"> • Working with the Department of National Defence and the Department of Innovation, Science and Economic Development to launch an open and transparent competition to replace the CF-18 fighter aircraft, focusing on options that match Canada’s defence needs. • Prioritizing the National Shipbuilding Strategy to support renewal of the Canadian Coast Guard fleet and to ensure the Royal Canadian Navy is able to operate as a true blue-water maritime force. • Modernizing procurement practices so that they are simpler, less administratively burdensome, deploy modern comptrollership, and include practices that support our economic policy goals, including green and social procurement. 		

Description (continued)

More specifically, in 2015–16, PSPC made the following progress towards this priority:

Planned Initiatives	Start Date	End Date	Status	Link to Department's Program Alignment Architecture
Acquisitions				
Working with the Minister of National Defence and the Minister of Innovation, Science and Economic Development to launch an open and transparent competition to replace the CF-18 fighter aircraft.	January 2016	To be determined	On track	Sub-Program 1.1.2: Customized Procurement Services
Implementing the Sustainment Initiative which is a collaborative approach between Public Services and Procurement Canada, National Defence, and Innovation, Science and Economic Development that aims to better tailor Defence maintenance and repair contracts. This initiative will encourage contractors to be more efficient and innovative, and build flexibility to adapt to the changing needs over time.	November 2014	March 2018	On track	Sub-Program 1.1.1: General Procurement Services
Prioritizing the National Ship-building Procurement Strategy to support renewal of the Canadian Coast Guard and the Royal Canadian Navy fleets, including Public Quarterly Updates (started in March 2016) and an Annual Report to Parliament (starting in December 2016).	March 2016	First Status report released May 2016	On track <i>Annual report to Parliament in Fall 2016, to be followed by quarterly updates</i>	Sub-Program 1.1.2: Customized Procurement Services

Description (continued)

Planned Initiatives	Start Date	End Date	Status	Link to Department's Program Alignment Architecture
Accommodation Management and Real Property Services				
Achieving space efficiencies and cost savings over and above what is possible with the application of standards by close integration with technology (Shared Services Canada) and supporting alternative work arrangements.	April 2012	March 2020	On track	Sub-Program 1.2.1: Federal Accommodation
Integrating the functions of Cape Breton Operations (formerly Enterprise Cape Breton Corporation) into departmental operations by 2016–17, including obligations related to environmental impacts of mining, post-employment benefits for former miners, and portfolio management and divestiture planning for the 4,000 hectare portfolio.	June 2014	March 2017	On track	Sub-Program 1.2.6: Cape Breton Operations
Receiver General				
Advancing the Receiver General Modernization Initiative, designed to innovate the treasury and accounting processes, systems and services offered to client departments and Canadians as well as to ensure alignment with related work such as the Financial Management Transformation being undertaken by the Treasury Board Secretariat, by completing the planning stage and starting implementation. The modernization initiative will maintain the sustainability and integrity of the RG Control Framework, all the while streamlining processes.	February 2012	December 2020	On track	Sub-Program 1.3.2: Receiver General Services

Description (continued)

Planned Initiatives	Start Date	End Date	Status	Link to Department's Program Alignment Architecture
Integrity Programs and Services				
Implementing the Royal Canadian Mounted Police (RCMP) requirement for mandatory fingerprints to replace the Criminal Record Name Check.	May 2015	December 2016	On track	Sub-Program 1.4.1: Contract Security
Implementing new case management system for the Controlled Goods Program to support program change and improve service delivery.	September 2014	December 2016	Delayed ²	Sub-Program 1.4.2: Controlled Goods
Optimizing the functioning of the Integrity database services by transitioning the database from an access base to a web supported platform.	2014	September 2016	On track	Sub-Program 1.4.4: Operational Integrity Services
Federal Pay and Pension Administration				
Completing implementation and enhancing functionality of the new pay system, Phoenix, which is replacing the outdated pay system, and permitting expanded self-service offerings.	December 2012	March 2017	Delayed	Sub-Program 1.5.1: Pay
Completing the Transformation of Pension Administration Initiative for the Canadian Armed Forces, thus improving client service and increasing alignment to common Government of Canada pension administration services and standards, while decreasing the overall cost of pension administration.	March 2012	December 2016	On track	Sub-Program 1.5.2: Pension

²Project scope changed: this initiative will be rolled into the Industrial Security System Transformation Project which consolidates the requirements of the Controlled Goods case management system with the Contract Security case management system.”

Description (continued)

Planned Initiatives	Start Date	End Date	Status	Link to Department's Program Alignment Architecture
Linguistic Management and Services				
Offering an efficient and innovative enterprise solution to support the Public Service of Canada by deploying a language comprehension tool on the desktop of all public servants to foster collaboration and promote the use of both official languages.	June 2015	March 2017	On track	Sub-Program 1.6.2: Translation and Other Linguistic Services
Specialized Programs and Services				
Upgrading our service strategy to expand and promote internal e-services that support departmental delivery results. Establishing key targets in alignment with Canada Digital 1 st Policy on Service.	October 2014	March 2018	On track	Sub-Program 1.7.2: Client Service Strategy
Implementing a workflow management system which will allow the seamless tracking of documents throughout the <i>Canada Gazette</i> publication process.	May 2015	December 2016	On track	Sub-Program 1.7.3: Government Information Services
Rolling out the new Government of Canada Enterprise solution for document imaging by onboarding more client departments.	July 2015	March 2017	On track	Sub-Program 1.7.4: Document Imaging Services
Providing innovative solutions to modernize Government of Canada Administrative Services and IT systems across government.	January 2013	December 2020	On track	Sub-Program 1.7.5: Shared Travel Services Sub-program 1.7.7: Government of Canada Administrative Services

Description (continued)

Planned Initiatives	Start Date	End Date	Status	Link to Department's Program Alignment Architecture
Internal Services				
Transitioning the external Public Services and Procurement Canada website content to Canada.ca to meet the Government of Canada web renewal goal and improve overall web usability for Canadians.	June 2015	December 2016	On track	Sub-Program 1.9.2: Communications Services
Modernizing Government of Canada administrative services and IT systems with the continuous transformation of our back office IM/IT applications to provide Departments and Agencies with more robust applications, such as GCDOCS and MyGCHR, that are based on standardized processes and technology, which will provide increased functionality, scalability and flexibility.	April 2014	To be determined	On track	Sub-Program 1.9.6: Information Management Services Sub-Program 1.9.7: Information Technology Services
Using enabling technologies to allow for increased mobility of our workforce to improve client service and delivery of our departmental programs and services.	April 2014	To be determined	On track	Sub-Program 1.9.7: Information Technology Services

What progress has been made toward this priority?

In 2015–16, PSPC implemented the following initiatives:

- Advanced towards Destination 2020 by fostering innovative engagement approaches and enhanced its progress in the five areas that emerged as priorities during employee consultations: service to clients, performance, a collaborative workplace, process-busting and whole-of-government contribution.
- Worked closely with the Department of National Defence, and Innovation, Science and Economic Development Canada to support the due diligence activities required for the replacement of Canada's CF-18 fleet.
- Implemented the National Shipbuilding Strategy. Construction began at the two competitively-selected shipyards, and PSPC engaged an international shipbuilding expert to provide advice on the implementation of the Strategy.
- Expanded the use of the two-step bid evaluation process to a broad range of procurements, which provides a second opportunity for non-compliant bidders to comply with mandatory requirements after bid closing, thereby increasing competition.

Description (continued)

- Advanced the implementation of the Defence Procurement Strategy (DPS) by establishing the Defence Industry Advisory Group, implementing regular, early engagements with industry, establishing the Independent Review Panel for Defence Acquisition and increasing the delegated authority to the Department of National Defence.
- Reduced barriers for suppliers in doing business with the government through the Build in Canada Innovation Program (BCIP), by purchasing and testing suppliers' innovative products and services to support their commercialization plans.
- Enhanced the way PSPC does business with the provinces and territories via a new collaborative procurement initiative. The Department will soon finalize an agreement with Prince Edward Island and Alberta to allow them to use PSPC's standing offer for office supplies, which will result in reduced administrative costs and better value for all Canadians.
- Proceeded towards full integration of the three transferred Enterprise Cape Breton Corporation business lines into the mandate and functions of Cape Breton Operations by 2016–17.
- Implemented and expanded six new real property service management contracts nationally to meet the needs of client departments and explored the use of new contracting mechanisms to meet future client requirements.
- Developed a new strategy for the acquisition of an information technology solution to address both the needs of the Controlled Goods Program and the Contract Security Program.
- Developed a secure web portal where Branches and other Government departments and agencies can submit their supplier verification requests and receive query results from the Integrity database.
- Continued the implementation of the Transformation of Pay Administration Initiative, replacing the outdated pay system, streamlining business processes, and consolidating pay services in order to ensure the long-term sustainability of the Government of Canada pay administration and increase efficiency.
- Continued to implement the Transformation of Pension Administration Initiative for the Canadian Armed Forces which will decrease the cost of pension administration for the Government of Canada, improve client service and increase alignment to common standards and processes.
- Implemented the electronic revision of texts for publication in the *Canada Gazette*.
- Embraced the latest innovative tools in an effort to communicate as effectively as possible with Canadians, while preparing the Department to transition to the new Canada.ca website.
- Provided innovative solutions to modernize Government of Canada Administrative Services and IT systems across government, by facilitating the roll-out of the document and records management tool (GCDOCs) throughout the Government of Canada.
- Developed and implemented a government-wide Human Resources Information Technology application (My GCHR) which provides better value for the delivery of Government of Canada HR. The on-boarding of client departments and agencies participating in the first of four waves was completed in 2015–16.

Priority	Type	Programs
Value for Money	New	<ul style="list-style-type: none"> • Acquisitions • Accommodation and Real Property Services • Receiver General for Canada • Integrity Programs and Services • Federal Pay and Pension Administration • Linguistic Management and Services • Specialized Programs and Services • Procurement Ombudsman • Internal Services
Description		
Implement initiatives to increase efficiency and effectiveness of our program and services.		
Why is this a priority?		
PSPC will demonstrate to Canadians and parliamentarians that our programs and services provide value and demonstrate an optimal level of performance in meeting the program objectives.		
To implement this priority, we will implement initiatives that increase efficiency and effectiveness of our programs and services in order to be relevant in terms of our clients' and the federal government's needs and demonstrate value for money.		
What is this priority's link to the Minister's Mandate Letter?		
In 2015–16, the Department started to deliver on its top priorities as outlined in the Mandate Letter to the Minister of PSP, by working with other Departments and Agencies to implement the following priority activities which support "Value for Money":		
<ul style="list-style-type: none"> • Supporting the Department of Employment and Social Development Canada to restore a fair and balanced approach to organized labour by repealing Bills C-377 and C-525 and implementing a modern Fair Wages Policy. • Working with the Department of Infrastructure and Communities to conduct an inventory of all available federal lands and buildings that could be repurposed for affordable housing in communities. 		

Description (continued)

More specifically, in 2015–16, PSPC made the following progress towards this priority:

Planned Initiatives	Start Date	End Date	Status	Link to Department's Program Alignment Architecture
Acquisitions				
Leveraging private sector experience and expertise for large public-private partnerships (P3) procurement projects to support the government's economic policy goals. This will start with the Champlain Bridge Corridor project.	March 2014	December 2018	On track	Sub-Program 1.1.2: Customized Procurement Services
Accommodation Management and Real Property Services				
Managing nationally a regionally implemented infrastructure program which will deliver \$1.2 billion in projects to 13 other government departments as well as \$174 million in PSPC projects. PSPC projects include key infrastructure repairs to Crown-owned engineering assets such as the Esquimalt Graving Dock, the Alaska Highway and the Alexandra Bridge, and \$85 million in necessary repairs to federally-owned buildings across Canada.	April 2015	March 2017	On track	Sub-Program 1.2.2: Federal Holdings Sub Program 1.2.3: Real Property Services
Advancing workplace improvements by applying the space standards modernization and space recapture initiatives, updating workspaces and enabling new technologies, as appropriate, to create a more efficient workplace and realize savings.	April 2012	March 2019	On track	Sub-Program 1.2.1: Federal Accommodation

Description (continued)

Planned Initiatives	Start Date	End Date	Status	Link to Department's Program Alignment Architecture
Receiver General				
Further reducing the number of paper cheques issued by the Receiver General in favour of direct deposit which is a more secure, timely and cost-effective method of payment.	April 2012	On going	On track	Sub-Program 1.3.2: Receiver General Services
Linguistic Management and Services				
Maintaining the delivery of high quality and exemplary linguistic services while pursuing further reductions in the cost of delivery of linguistic services to the Government of Canada through an optimal use of linguistic technologies, cost-containment measures, continuous improvement of systems and processes, and a greater partnership with the private sector.	April 2016	March 2017	On track	Sub-Program 1.6.2: Translation and Other Linguistic Services
Specialized Programs and Services				
Adopting lean management principles aimed at reducing costs, improving quality and timeliness, improving usability and integrating service channels. Started with the Service Policy entering into effect, this initiative will come to an end with the completion of our current Service Management Strategy.	October 2014	March 2018	On track	Sub-program 1.7.2: Client Service Strategy
Implementing lean practices within the Document Imaging Solutions Centre (DISC) in both our offices (Matane and Winnipeg) in order to improve processing efficiencies and therefore value for money.	November 2015	On going	On track	Sub-Program 1.7.4: Document Imaging Services
Enhancing the efficiency of administrative services within the Government of Canada by taking advantage of economies of scale through common back-office systems.	April 2012	December 2020	On track	Sub-program 1.7.5: Shared Travel Services Sub-program 1.7.7: Government of Canada Administrative Services

Description (continued)

Planned Initiatives	Start Date	End Date	Status	Link to Department's Program Alignment Architecture
Procurement Ombudsman				
Delivering timely and effective dispute resolution services to Canadian businesses and federal departments as a means of resolving contract disputes and avoiding lengthy and costly litigation, through the Office of the Procurement Ombudsman (OPO).	2008	2017	On track	Program 1.8: Procurement Ombudsman
Internal Services				
Providing sound financial leadership and oversight in delivering on departmental priorities.	April 2015	To be determined	On track	Sub-Program 1.9.5: Financial Management Services
Enabling new technologies to improve efficiencies of operations for the department.	June 2015	June 2019	On track	Sub-Program 1.9.5: Financial Management Services
Providing a cost-effective and sustainable IM/IT environment that reduces the number of applications through the proactive management of the departmental Application Portfolio.	April 2014	To be determined	On track	Sub-Program 1.9.6: Information Management Services Sub-Program 1.9.7: Information Technology Services
Implementing a departmental-wide approach to the management of IM/IT to ensure cost-effective and efficient IM/IT solutions and services are in place and where IM/IT investment decisions are aligned with departmental and Government of Canada priorities.	April 2014	To be determined	On track	Sub-Program 1.9.6: Information Management Services Sub-Program 1.9.7: Information Technology Services
Leading the National Accommodation Program to provide modern, collaborative workspaces that ensure more efficient use of space.	June 2015	March 2022	On track	Sub-Program 1.9.8: Real Property Services
Enhancing materiel management and accommodation practices in the Department to maximize resources and efficiencies.	October 2015	June 2017	On track	Sub-Program 1.9.9: Materiel Services Sub-Program 1.9.10: Acquisition Services

Description (continued)

What progress has been made toward this priority?

In 2015–16, PSPC implemented the following initiatives:

- Advanced workplace improvements, updated workspaces, and enabled new technologies that support new ways of working.
- Executed the Carling Campus project, providing office space to accommodate up to 8,500 DND team members from other National Capital Area locations through full project integration with DND (client) and Shared Services Canada.
- Completed a National Portfolio Management Framework for implementing national programs of work, which outlines the projects, and portfolio activities, that will be undertaken with the intention of achieving the optimal portfolio state.
- Worked with the Canada Lands Company Limited to establish the next bundles for disposal and to develop generic templates for real property transactions.
- Provided leadership with key federal partners and custodians criteria for assessing the suitability of federal real properties for repurposing as affordable housing and applied the criteria to develop a draft inventory of PSPC real properties that could be repurposed.
- Enhanced and streamlined the processes for verifying supplier compliance with the Integrity Regime, in order to further improve its efficiency and ensure integrity of procurement and real property transactions.
- Continued the implementation of the government’s direct deposit initiative to transition all payments to direct deposit.
- Modernized the Translation Bureau by launching a new business model in order to ensure an efficient delivery of linguistic services to the Government of Canada.
- Maintained sound materiel management and accommodation practices in the Department to maximize resources and efficiencies.
- Mitigated workforce adjustment impact costs by developing strategies to maximize placement of affected employees resulting from transformation initiatives such as the Transformation of Pay Administration Initiative; there were no involuntary terminations of Public Service employment.

For more information on organizational priorities, see the Minister’s mandate letter on the [Prime Minister of Canada’s website](#)^{xii}.

Section II: Expenditure Overview

2.1 Actual Expenditures

Budgetary Financial Resources (dollars)

2015–16 Main Estimates	2015–16 Planned Spending	2015–16 Total Authorities To Date*	2015–16 Actual Spending (authorities used)	Difference (actual minus planned)
2,871,525,596	2,871,525,596	3,215,618,591	2,833,315,710	(38,209,886)

Totals may not add up due to rounding.

* PSPC's 2015–16 Total Authorities To Date exclude amounts that were unavailable as a result of the Revolving Fund Principles. Also, these include \$51.4 million that was set aside by Central Agencies mainly for projects and initiatives to be carried out in future years.

Human Resources (Full-Time Equivalents [FTEs])

2015–16 Planned	2015–16 Actual	2015–16 Difference (actual minus planned)
12,103.58*	11,745.15	(358.43)

* In the PSPC 2015–16 Report on Plans and Priorities (RPP), the planned FTEs were erroneously reported as 11,986.68. This oversight was attributed to a miscalculation under Program 1.9 Internal Services.

2.2 Budgetary Performance Summary

Budgetary Performance Summary for Programs and Internal Services (dollars)

Programs and Internal Services	2015–16 Main Estimates	Planned Spending			2015–16 Total Authorities To Date*	Actual Spending (authorities used)		
		2015–16	2016–17	2017–18		2015–16	2014–15	2013–14
Strategic Outcome 1: High quality, central programs and services that ensure sound stewardship on behalf of Canadians and meet the program needs of federal institutions.								
Acquisitions	151,339,610	151,339,610	148,255,037	155,238,902	155,042,770	151,557,532	144,689,522	152,781,604
Accommodation and Real Property Services	2,175,548,102	2,175,548,102	2,192,828,508	2,070,671,770	2,441,749,987	2,112,305,111	2,032,720,120	2,111,237,753
Receiver General for Canada	99,157,873	99,157,873	106,647,604	106,227,619	110,793,370	109,908,581	116,448,841	120,686,479
Integrity Programs and Services	15,505,622	15,505,622	15,184,073	15,184,073	21,448,262	20,273,364	22,035,911	0
Federal Pay and Pension Administration	114,163,435	114,163,435	81,761,681	83,952,459	137,618,499	128,954,893	115,698,499	101,211,263
Linguistic Management and Services	60,913,368	60,913,368	60,707,474	60,530,122	60,754,093	51,299,267	57,727,344	61,627,911
Specialized Programs and Services	29,617,191	29,617,191	29,454,041	30,059,862	31,228,075	24,537,710	47,133,036	56,443,733
Procurement Ombudsman	4,111,325	4,111,325	4,118,152	4,118,152	4,101,959	3,830,009	3,889,948	4,075,023
Subtotal	2,650,356,526	2,650,356,526	2,638,956,570	2,525,982,959	2,962,737,015	2,602,666,467	2,540,343,220	2,608,063,764
Internal Services Subtotal	221,169,070	221,169,070	231,502,828	231,902,320	252,881,576	230,649,243	226,820,291	239,060,369
Total	2,871,525,596	2,871,525,596	2,870,459,398	2,757,885,279	3,215,618,591	2,833,315,710	2,767,163,511	2,847,124,134

* PSPC's 2015–16 Total Authorities To Date exclude amounts that were unavailable as a result of the Revolving Fund Principles. Also, these include \$51.4 million that was set aside by Central Agencies mainly for projects and initiatives to be carried out in future years.

As part of the present Departmental Performance Report, PSPC is informing parliamentarians and Canadians of the budgetary performance achieved for 2015–16. This performance is measured against the planned spending defined in PSPC's 2015–16 Report of Plans and Priorities (RPP).

After the Planned Spending was submitted as part of the 2015–16 Main Estimates, PSPC was provided new funding for various initiatives, such as the Accelerated Infrastructure Program (Budget 2015) and the Parliamentary Precinct Rehabilitation.

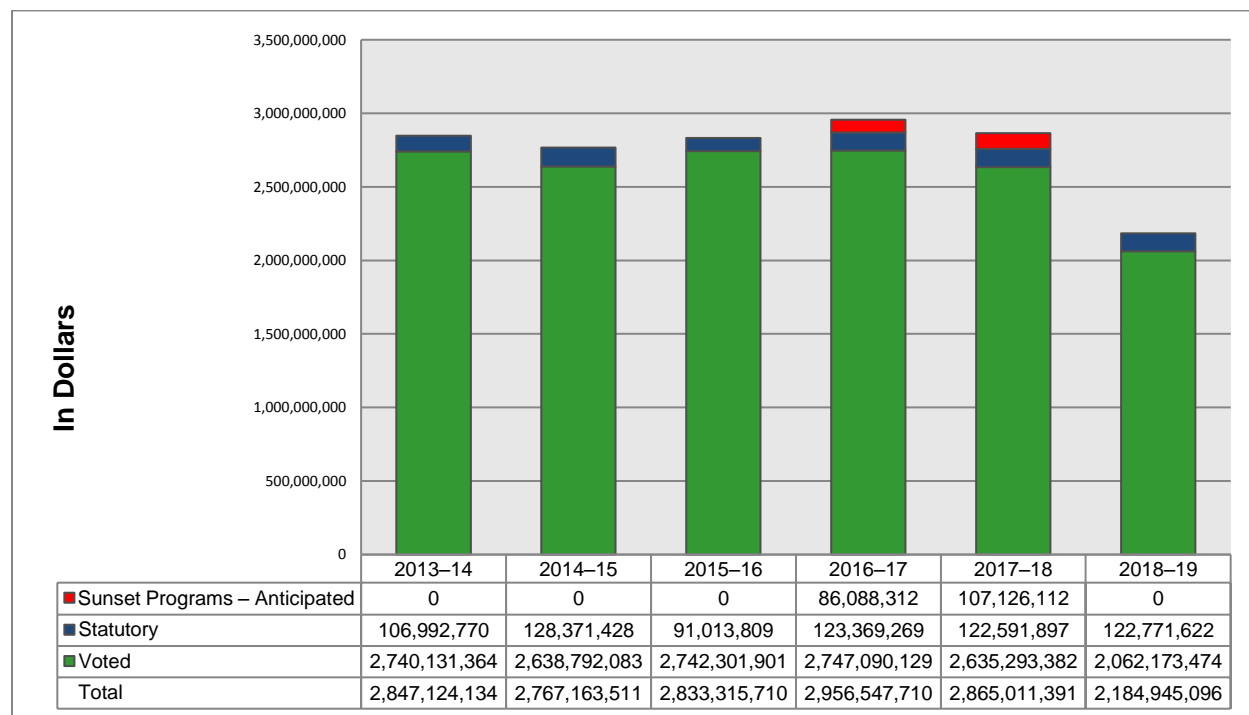
The Actual versus Planned Spending variance of (\$38 million) is primarily the result of:

- A change in project timing for various initiatives, such as the preparation of federal accommodation space for occupancy, the Alaska Highway and the Esquimalt Graving Dock.
- A reduction in demand for translation services to the Parliament during the election period.
- A reduction in the number of advertising campaigns under the Whole-of-Government Web-Buy initiative.

For additional information on:

- Past years Actual Spending, please consult the 2013–14, 2014–15 and 2015–16 Public Accounts.
- Future years Planned Spending, please consult the 2015–16 and 2016–17 RPPs.

2.3 Departmental Spending Trend



The cause of the variances to the sunset programs is the result of:

From 2015–16 to 2016–17, the following will be completed

- Transformation of Pay Administration initiative;
- Phase II of the Federal Contaminated Sites Action Plan; and
- Whole-of-Government Web Buy initiative.

From 2016–17 to 2017–18, the following will be completed:

- Accelerated Infrastructure Program (Budget 2015); and
- Cost and Profit Assurance Program.

The decrease observed from 2017–18 to 2018–19 is the result of planned reductions in cash flow for various initiatives, such as the Parliamentary Precinct Rehabilitation. Also, this graph does not account for Budget 2016 items, which were approved after the 2016–17 RPP.

2.4 Expenditures by Vote

For information on PSPC's organizational voted and statutory expenditures, consult the [Public Accounts of Canada 2016](#)^{xiii} which is available on the [Public Services and Procurement Canada website](#)^{xiv}.

2.5 Alignment of Spending with the Whole-of-Government Framework

Alignment of 2015–16 Actual Spending with the [Whole-of-Government Framework](#)^{xv} (dollars)

Strategic Outcome	Program	Spending Area	Government of Canada Outcome	2015–16 Actual Spending
High quality, central programs and services that ensure sound stewardship on behalf of Canadians and meet the program needs of federal institutions.	1.1 Acquisitions	Government Affairs	Well-managed and efficient government operations	151,557,532
	1.2 Accommodation and Real Property Services	Government Affairs		2,112,305,111
	1.3 Receiver General for Canada	Government Affairs		109,908,581
	1.4 Integrity Programs and Services	Government Affairs		20,273,364
	1.5 Federal Pay and Pension Administration	Government Affairs		128,954,893
	1.6 Linguistic Management and Services	Government Affairs		51,299,267
	1.7 Specialized Programs and Services	Government Affairs		24,537,710
	1.8 Procurement Ombudsman	Government Affairs	A transparent, accountable and responsive federal government	3,830,009

Total Spending by Spending Area (dollars)

Spending Area	Total Planned Spending	Total Actual Spending
Economic Affairs	0	0
Social Affairs	0	0
International Affairs	0	0
Government Affairs	2,638,956,570	2,602,666,467

2.6 Financial Statements and Financial Statements Highlights

Financial Statements Highlights

The highlights presented in this sub-section [2.6] are intended to serve as a general overview of PSPC's financial results. The following condensed financial statements are prepared on an accrual basis of accounting which aligns consumption of resources with the services provided, rather than reporting on the use of authorities as is done in the sub-sections above [2.1 to 2.5]. Note 3 Parliamentary Authorities of the **Consolidated Departmental Financial Statements** provides reconciliation between these two bases of accounting.

Condensed Consolidated Statement of Operations and Departmental Net Financial Position

Public Services and Procurement Canada Condensed Consolidated Statement of Operations and Departmental Net Financial Position (Unaudited) For the Year Ended March 31, 2016 (in millions of dollars)					
Financial Information	2015–16 Planned Results	2015–16 Actual	2014–15 Actual	Difference (2015–16 actual minus 2015–16 planned)	Difference (2015–16 actual minus 2014–15 actual)
Total expenses	5,112.2	5,312.1	5,239.1	199.9	73.0
Total revenues	(2,578.7)	(2,754.7)	(2,578.7)	(176.0)	(176.0)
Net cost of operations before government funding and transfers	2,533.5	2,557.4	2,660.3	23.9	(103.0)

Overall, the actual Net Cost of Operations (\$2,557.4 million) decreased by \$103 million compared to the prior year (\$2,660.4 million). Key variances for both Expenses and Revenues are explained below.

Expenses

Actual over Planned

The **2015–16 expenses were \$199.9 million higher than planned** (planned: \$5,112.2 million; actual: \$5,312.1 million). The increase is mainly attributable to the **Accommodation and Real Property Services** program and is due to increased business volume related to construction and repair work performed on new and existing federal infrastructure across Canada for other government departments.

Actual Year over Year

The **increase in expenses of \$73 million** (2015–16: \$5,312.1 million; 2014–15: \$5,239.1 million) is mainly attributable to the **Accommodation and Real Property Services** program and is due to:

- Increased business volume related to construction and repair work performed on new and existing federal infrastructure across Canada for other government departments;

Offset by

- A decrease due to a re-evaluation of the liability transferred from Enterprise Cape Breton Corporation (ECBC) to PSPC in 2014–15.

Revenues

Actual over Planned

The **2015–16 revenues were \$176.0 million higher than planned** (planned: \$2,578.7 million; actual: \$2,754.7 million). The increase is mainly attributable to **Accommodation and Real Property Services** program and is due to increased business volume related to construction and repair work on new and existing federal infrastructure across Canada for other government departments.

Actual Year over Year

The **increase in revenues of \$176 million** (2015–16: \$2,754.7 million; 2014–15: \$2,578.7 million) is mainly attributable to the **Accommodation and Real Property Services** program and is due to increased business volume related to construction and repair work on new and existing federal infrastructure across Canada for other Government departments.

Condensed Consolidated Statement of Financial Position

Public Services and Procurement Canada Condensed Consolidated Statement of Financial Position (Unaudited) As of March 31, 2016 (in millions of dollars)			
Financial Information	2015–16	2014–15	Difference (2015–16 minus 2014–15)
Total net liabilities	3,880.9	3,922.2	(41.3)
Total net financial assets	(993.7)	(833.9)	(159.8)
Departmental net debt³	2,887.2	3,088.3	(201.1)
Total non-financial assets	6,463.9	6,343.6	120.3
Departmental net financial position	3,576.7	3,255.3	321.4

³ Departmental net debt represents all items for which PSPC will require future appropriations to settle the liabilities.

The **Departmental net financial position**, calculated by the difference between Departmental net debt and Total non-financial assets, **increased by \$321.4 million** (2015–16: \$3,576.7 million; 2014–15: \$3,255.3 million). The increase can be explained by the following:

The **decrease in liabilities of \$41.3 million**, mainly due to.

- a decrease in **Environmental liabilities** (estimated costs related to the management and remediation of contaminated sites) as a result of a re-evaluation of the liability transferred from Enterprise Cape Breton Corporation (ECBC) to PSPC in 2014–15;
- a decrease in **Lease obligations** (future payments to be made) for lease tangible capital assets as a result of the payments made during the year;

Offset by

- an increase in **Accounts payable** directly related to the increased business volume for accelerated infrastructure program projects.

An **increase in net financial assets of \$159.8 million**, mainly due to:

- an increase in the **Due From Consolidated Revenue Fund** (amount of cash that the Department is entitled to, without further authorities, in order to pay its liabilities) and in the **Accounts receivable and advances** due to the increased business volume for accelerated infrastructure program projects.

An **increase in non-financial assets of \$120.3 million**. (Non-financial assets are non-monetary assets such as physical assets that have been purchased, built or leased). The increase is, mainly due to:

- an increase in **Assets under construction** (physical assets that are being constructed) mainly related to the following projects and initiatives:
 - Buildings—Parliamentary Precinct restoration and rehabilitation projects;
 - Works and infrastructure—Alaska Highway and Esquimalt Graving dock projects; and
 - Informatics, hardware and software—development of IT systems for the Transformation of Pay and Pension Administration initiatives.
- an increase in the **Leased tangible capital assets** (physical assets held under lease on a continuing basis) due to the acquisition of new buildings under capital leases of which the most significant is 2575 Boulevard Ste-Anne in Quebec, QC.

Offset by:

- A decrease mainly due to depreciation of tangible capital assets (physical assets held on a continuing basis).

Financial Statements

The complete set of PSPC's Consolidated Financial Statements can be found on [PSPC Reports website](#)^{xvi}.

Section III: Analysis of Programs and Internal Services

Strategic Outcome

PSPC's strategic outcome is to deliver high-quality central programs and services that ensure sound stewardship on behalf of Canadians and meet the program needs of federal institutions.

3.1 Programs

The following section describes PSPC's programs and planning highlights that supported our strategic outcome. It also includes an overview of the financial and human resources, the expected results, and the performance indicators and targets for each program. Additional information is available on our [departmental website](#)^{xvii}.

Program 1.1: Acquisitions

This program provides federal organizations with procurement solutions such as specialized contracts, standing offers, supply arrangements, and memoranda of understanding for acquiring a broad range of goods and services, including construction services. This program delivers acquisitions and related common services using the Smart Procurement principles (early engagement, effective governance, independent advice, and benefits for Canadians) through an open, fair and transparent process to ensure best value to Canadians and the federal government.

Program Performance Analysis and Lessons Learned

Modernizing procurement is one of PSPC's key priorities and a priority for the Government of Canada. Over the past year, great strides were made in making procurement processes more streamlined, efficient and strategic. Much has been accomplished in improving the procurement process, including through the expanded use of the Smart Procurement approach in a broader range of projects. In addition, lean approaches were applied to identify and eliminate those elements within a procurement process that are not adding value and that can help reduce procurement costs.

In 2015–16, PSPC moved towards a more coordinated and strategic contracting approach for complex, high-risk, in-service defence procurements, that imposed rigour, promoted innovation through the use of incentives and built stronger business partnerships with industry. In-service defence procurements include all of the activities required to maintain and support military equipment, which represents over \$2 billion in Canadian industry annual revenue. PSPC, the Department of National Defence and Innovation, Science and Economic Development worked

collaboratively towards a tailored approach through the Sustainment Initiative, to meet the specific needs of each sustainment project. To this end, decision-making for each project was guided by four principles: performance, value for money, flexibility and economic benefits. Three pilot projects are underway under this initiative to test new, tailored procurement approaches and to develop lessons learned and best practices.

PSPC launched the procurement process for a new e-Procurement Solution (EPS) to make it easier for clients to procure the goods and services they needed to deliver their programs, and to make it easier for suppliers to do business with the Government. In addition to supporting core contracting functions in a modern, e-business environment, such as e-tendering and e-bidding, the EPS will help the government improve business analytics and effectively monitor and manage the performance and qualification of suppliers.

This year, PSPC strove to improve service and meet client expectations. The Department developed an action plan to address issues identified by suppliers who participated in the federal procurement process. Examples of changes include a new flexible bid compliance process to avoid bids being rejected for minor administrative errors or omissions, and a simplified and standardized bid solicitation format that will reduce costs and the administrative burden on suppliers.

The Build in Canada Innovation Program helped Canadian businesses get their innovative products and services from the lab to the marketplace and helped reduce barriers for suppliers to do business with the federal government. For example, starting with the program's sixth Call for Proposals, companies are now able to submit their proposals any time during the year, as soon as their innovation is ready to be tested. In addition, Canadian innovators who have already received a Build in Canada Innovation Program contract are now able to sell their products or services to more than one federal organization for further testing. As of March 2016, 251 innovations were pre-qualified through the program and 75 contracts with a total contract value of over \$32 million were awarded to Canadian businesses in 2015–16 alone. To date, 28 federal organizations have participated in testing innovations.

PSPC continued to oversee the ongoing implementation of the Defence Procurement Strategy (DPS), working collaboratively with the Department of National Defence, Innovation, Science and Economic Development Canada and the Canadian Coast Guard as well as other partner departments. The Defence Procurement Strategy Secretariat worked with partner departments to enable integrated and effective decision-making for defence and major Canadian Coast Guard procurements and in the implementation of key initiatives, all while respecting existing individual ministerial accountabilities and mandates.

There is no significant variance in actual spending over the planned spending.

The difference between planned and actual spending and FTEs is mainly due to the transfer of resources to another branch due to a re-organization.

More about the Defence Procurement Strategy Secretariat (DPSS)

The DPS partner departments have progressed on several initiatives including:

- the establishment of the Defence Industry Advisory Group which will help inform the Government's approach to defence procurement;
- the implementation of regular, early engagements with industry;
- the release of the second Defence Acquisition Guide;
- the continued application of Value Propositions in eligible procurements;
- the establishment of the Independent Review Panel for Defence Acquisition which provides an independent, third-party challenge for major procurements; and
- the increase in delegated authority to the Department of National Defence and the establishment of an analytical framework for identifying Key Industrial Capabilities.

Interdepartmental working groups have also been established to implement the Export Strategy and to advance work on streamlining defence procurement processes.

Budgetary Financial Resources (dollars)

2015–16 Main Estimates	2015–16 Planned Spending	2015–16 Total Authorities To Date*	2015–16 Actual Spending (authorities used)	2015–16 Difference (actual minus planned)
151,339,610	151,339,610	155,042,770	151,557,532	217,922

* Acquisitions' 2015–16 Total Authorities To Date exclude amounts that were unavailable as a result of the Revolving Fund Principles. Also, these include \$10.0 million that was set aside by Central Agencies mainly for projects and initiatives to be carried out in future years.

Human Resources (Full-Time Equivalents [FTEs])

2015–16 Planned	2015–16 Actual	2015–16 Difference
1,777	1,712.34	(64.66)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Fair, open and transparent acquisition that provides best value to Canadians and is delivered effectively and efficiently to the satisfaction of the government and Canadians.	Percentage of Government of Canada procurement value through PSPC Procurement instruments (Standing Offers and Supply Arrangements).	15%	9% ⁴
	Percentage of total contracted value awarded competitively.	70%	86%
	Cost of General and Customized Procurement Services per \$100 of contracts awarded by PSPC annually. (Based on 3-year average).	\$2.40	\$2.00
	Percentage of competitive processes using fairness monitors which are supported by finalized FM reports.	100%	100% ⁵

⁴ There is a drop in the percentage of procurement through SO/SA due to the large Property Management contract awarded to Brookfield. This indicator includes a \$10B contract, when excluding this usually high value contract the indicator would be 14%.

⁵ For every contracting process concluded in the FY (whether a contract was awarded or the solicitation was cancelled) and where a fairness monitor was engaged, the report has been made public.

Program 1.2: Accommodation and Real Property Services

PSPC provides federal departments and agencies with affordable office and common use accommodation that supports the delivery of their programs and services. The Department acts as steward for various public works such as buildings, bridges and dams, and national treasures such as the Parliamentary Precinct and other heritage assets across Canada. PSPC also provides other federal departments, agencies, and the Parliament of Canada with responsive and cost-effective real property services.

Program Performance Analysis and Lessons Learned

In 2015–16, PSPC provided accommodation at the lowest possible cost for the Crown and Canadians maintained a higher than targeted result for delivering real property projects that were valued greater than \$1 million on time, on scope and on budget. The overall cost per square meter (m²) was higher than targeted as increases are based on the Consumer Price Index. This typically represents an annual average market value increase between five and 10 dollars per m².

Delivering workplace solutions that address the needs of our client departments is an important real property service. Part of workplace fit-up is the accreditation component. This accreditation measures a standard of excellence highlighting an office that is modern, sustainable, and connected where employees have a flexible and healthy work environment. In 2015–16, PSPC completed 51 accredited workplace fit-up projects: 23 bronze, 21 silver and 7 gold. This equals a total of 94,479 m² of accredited space that has reached this standard of excellence.

In order to make accessing real property services easier for our clients, PSPC led the development of national memoranda of understanding (MOU) with clients to allow them to contract directly with its private sector partners for their requirements. Forty-seven client departments signed an MOU by March 31, 2016.

In response to the mandate letter, the Department worked with federal partners to develop criteria to assess the suitability of federal property for repurposing as affordable housing. PSPC prepared an inventory of its buildings and lands appropriate for advancing this social infrastructure objective. Three properties (located in Baie-Sainte-Anne and Tide Head, New Brunswick; and Ucluelet, British Columbia) were transferred under the [Surplus Federal Real Property for Homelessness Initiative](#)^{xviii}. They will provide long-term housing for individuals or families who are homeless or at risk of becoming homeless.

PSPC divested the Kingston Dry Dock, the Selkirk Shipyard, and two wharfs in keeping with our long-term divestiture strategy of surplus assets.

A sale-leaseback oversight framework was implemented to ensure consistent national management and support joint governance at various levels between the private sector landlords and PSPC. Sale-leaseback is the sale of Crown-owned buildings that we then lease back from the new owner, thus transferring to ultimately transfer capital risk to the private sector landlord saving the GC and taxpayers money in the long term. The office portfolio is largely commodity based and can be provided by the private sector.

In 2015–16, PSPC advanced construction work on the Wellington Building, bringing it to substantial completion. As well, the Department made significant progress on construction work on the West Block, Visitor Welcome Centre Phase 1, and the Government Conference Centre (formerly Ottawa Union Station). These projects are on time, on scope and on budget and will be completed by 2018, positioning the Department to initiate work on the Centre Block as planned.

With the receipt of accelerated infrastructure funding, PSPC awarded five contracts for a total of \$53 million for infrastructure improvements on the Alaska Highway, in British Columbia, completing two projects to reconstruct and resurface sections of the highway. As well, of the six electrical safety and infrastructure projects underway at the Esquimalt Graving Dock, one was completed.

PSPC also managed the removal, off-site disposal and recycling of selected equipment and inventory as well as cleaned-up debris, soil, and materials in the Experimental Lakes Area located near Kenora, Ontario. To reduce impacts to this environmentally sensitive area with no access roads, helicopters were used to transport people, equipment and materials to and from the sites.

PSPC leveraged its expertise and demonstrated its leadership by taking over the operations of the previous organization, Enterprise Cape Breton Corporation, in contaminated site remediation. The Department provided sound stewardship of approximately \$32 million in environmental and human resource obligations.

Finally, a less known service provided by PSPC is the administration of the Payment in Lieu of Taxes Program that makes payments to Canadian municipalities to share the cost of local government for properties owned by federal departments and agencies. The Department resolved payment in lieu of taxes disputes with four municipalities.

The decrease in actual spending over the planned spending is primarily related to deferred fit-up projects, offset by additional work performed on the Alaska Highway, the Esquimalt Graving Dock and various engineering assets.

The difference between planned and actual FTEs is mainly due to the ongoing changes to the Real Property Financial Framework (fixed vs variable activities).

Budgetary Financial Resources (dollars)

2015–16 Main Estimates	2015–16 Planned Spending	2015–16 Total Authorities To Date*	2015–16 Actual Spending (authorities used)	2015–16 Difference (actual minus planned)
2,175,548,102	2,175,548,102	2,441,749,987	2,112,305,111	(63,242,991)

* Accommodation and Real Property Services' 2015–16 Total Authorities To Date exclude amounts that were unavailable as a result of the Revolving Fund Principles. Also, these include \$18.3 million that was set aside by Central Agencies mainly for projects and initiatives to be carried out in future years.

Human Resources (Full-Time Equivalents [FTEs])

2015–16 Planned	2015–16 Actual	2015–16 Difference
3,669.68	3,410.4	(259.28)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Federal organizations have affordable accommodation and facilities that meet Government standards.	More efficient use of office space as measured by m ² allocation per person.	18.4 m ² /person	17.4 m ² /person
	Affordability of office space as measured by cost (\$) per m ² .	\$330/m ²	\$341.07/m ²
Federal organizations and the Parliament of Canada receive responsive and cost-effective real property services.	Percentage of all Real Property projects >\$1 million that are on-time, on-budget, on-scope (average of on-time, on-budget and on-scope performance indicators).	90%	96%
A real property portfolio that maximizes economic benefit and minimizes short and long term liability.	Percentage of vacant marketable Crown-owned office space.	≤ 3.5%	2.93%
	Maintenance and recapitalization costs as a percentage of portfolio replacement cost. (Facilities Condition Index).	< 10%	9.23%

Program 1.3: Receiver General for Canada

This program manages the operations of the federal treasury, produces the Public Accounts, and maintains the Accounts of Canada. It provides federal departments with an optional departmental financial and materiel management system offering and bill payment services.

Program Performance Analysis and Lessons Learned

In 2015–16, PSPC achieved timely and efficient issuance of all government payments and the provision of central accounting reports. The Receiver General (RG) function is evolving in order to remain relevant and responsive, and to keep pace with the shift in Canadians' expectations in terms of electronic banking services, direct deposit and the availability of real time Government of Canada financial data.

The Department carried out mission critical functions. For example, the Department is responsible for managing the operations of the federal treasury through the issuance and settlement of more than 339 million federal and provincial payments. In 2015–16, 291 million of those payments were issued to Canadians and businesses by direct deposit and 48 million by cheque. The Department also collected revenue for all government departments which resulted in an approximate cash flow of \$2.2 trillion.

In 2015–16, PSPC pursued service transformation in line with the PSPC Client Service Strategy. The review of the Receiver General service delivery and supporting systems has been initiated and efforts to ensure modern, best-in-class RG treasury functions will continue.

The Department also maintained the Accounts of Canada and produced the *Public Accounts of Canada*. PSPC also maintained the government's Monthly Statements of Financial Operations in compliance with the *Financial Administration Act*. In addition, it maintained the integrity of the Consolidated Revenue Fund, and provided sound financial management and transparent financial reporting to Canadian taxpayers.

The Department complied with sound business reporting practices, policies, regulations and procedures with respect to the Government's Financial Statements published in the Public Accounts. The Public Accounts were tabled in December 2015 due to the federal election and received an unmodified opinion from the Office of the Auditor General for the 17th consecutive year.

The Receiver General for Canada successfully participated in the implementation of the Open Government Action Plan 2.0. This year, eight additional public accounts, payment and revenue data sets were published, for a total of 23, which contributed to the advancement of the Government of Canada Open Government agenda.

The increase in actual spending over the planned spending is mainly related to the substantial increases in card acceptance as well as postage fees mostly related to the issuance of payments for the enhanced Universal Child Care Benefit program.

The difference between planned and actual FTEs is mainly due to changes in staffing requirements.

In 2015–16, the percentage of payments issued via direct deposit was 85.9%. While this increased from the previous year, it did not reach the target rate of 90%. This can be explained in part by the fact that enrolling for direct deposit remained optional. While the Receiver General and other Government departments and agencies encouraged recipients to enroll for direct deposit, and increased the awareness of Canadians on its advantages, Canadians wishing to receive their payments from the Government via cheque were entitled to do so.

Budgetary Financial Resources (dollars)

2015–16 Main Estimates	2015–16 Planned Spending	2015–16 Total Authorities To Date*	2015–16 Actual Spending (authorities used)	2015–16 Difference (actual minus planned)
99,157,873	99,157,873	110,793,370	109,908,581	10,750,708

* Receiver General for Canada's 2015–16 Total Authorities To Date include \$0.6 million that was set aside by Central Agencies mainly for projects and initiatives to be carried out in future years.

Human Resources (Full-Time Equivalents [FTEs])

2015–16 Planned	2015–16 Actual	2015–16 Difference
356	319	(37)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Timely and efficient issuance of all government payments, provision of deposit detail reports, and central accounting reports.	Percentage of payments issued through direct deposit.	90%	85.9%
	Public Accounts of Canada posted on the web within 24 hours of tabling in the House of Commons.	100%	100%
	Average unit cost per payment.	\$0.33	\$0.27
	Percentage of Receiver General payments issued within established timeframes.	99.99%	99.99%

Program 1.4: Integrity Programs and Services

This program provides the government of Canada with high quality, timely and accessible specialized services and programs in support of sound, prudent and ethical management and operations.

Program Performance Analysis and Lessons Learned

On July 3, 2015, PSPC implemented the new government-wide Integrity Regime to ensure that the Government conducts business with ethical suppliers in Canada and abroad. The regime was designed to ensure that procurement practices reflect public expectations, ensure highest ethical standards, and that the care and prudence is applied in the handling of public funds. A secure web portal was developed where PSPC Branches and other government departments and agencies can submit their supplier verification requests and receive query results from the Integrity database.

In 2015–16, PSPC processed 22,595 integrity verification requests and 94,150 verification checks against the Integrity database. To meet an increased demand of the verification requests, especially during the last quarter of the year, PSPC enhanced its efficiency and provided timely verification checks (processed 96% of checks within four hours). In addition, PSPC undertook numerous outreach activities to engage suppliers, industry associations, civil society organizations, and other key stakeholders on the Integrity Regime.

The Department improved security screening processing times by undertaking a performance-based review and identifying projects to streamline processes and stabilize legacy information technology systems. As a result, 71% of simple reliability screenings were processed within seven business days.

PSPC implemented a new virtual contact center for the contract security services, which decreased the average caller wait time from 12 to 5 minutes, despite an increase in call volume of 33% over the last year. In addition, training was provided to over 1,000 Company Security Officers across Canada, and 15 webinars on specific topics to over 400 participants. Moreover, a new strategy for the acquisition of a new information technology solution was developed to address the needs of the service.

The Department continued with the implementation of the Enhanced Security Strategy (ESS) for the Controlled Goods Program, for which funding was provided in Budget 2016. A regulatory change package in support of ESS was developed and consultations were undertaken through the publication at *Canada Gazette* Part I.

PSPC collaborated with law enforcement agencies for the investigation and prosecution of individuals for offences under the *Defence Production Act* and the *Controlled Goods Regulations*. It also increased the engagement with industry associations and security partners

to address heightened risks for unauthorized access to controlled goods in electronic format. In addition, specialized training sessions were held on cyber-security risks, threat and risk assessments, and interview techniques for inspectors.

PSPC supported, through the Forensic Accounting Management Group (FAMG), national, provincial and municipal law enforcement organizations and other government departments and agencies by providing expert forensic accounting services, including expert testimony, for criminal investigations, assisting clients to resolve a myriad of legal issues. In addition, the Department shared work and expertise cross-regionally, and promoted the expertise of the FAMG throughout government by contacting and making presentations to numerous departments, working on a pilot project with the Competition Bureau and increasing involvement in investigation and procurement reviews.

The increase in actual spending over the planned spending is primarily related to the additional funding received for the support and enhancements brought to the Controlled Goods program.

The difference between planned and actual FTEs is mainly due to staffing actions that had yet to be concluded successfully at the end of the 2015–16 fiscal year, which offset a temporary increase in the contingent workforce (casual, student) to address the contract and personnel security backlogs in the Contract Security Program.

Budgetary Financial Resources (dollars)

2015–16 Main Estimates	2015–16 Planned Spending	2015–16 Total Authorities To Date	2015–16 Actual Spending (authorities used)	2015–16 Difference (actual minus planned)
15,505,622	15,505,622	21,448,262	20,273,364	4,767,742

Human Resources (Full-Time Equivalents [FTEs])

2015–16 Planned	2015–16 Actual	2015–16 Difference
368	354	(14)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
High quality integrity programs and services that ensure government operations are carried out securely and with probity and integrity.	Percentage of verification checks completed within two hours.*	80%	93%

* This indicator was changed to four hours effective July 2015, in concurrence with the launch of government-wide Integrity Regime.

Program 1.5: Federal Pay and Pension Administration

This program provides reliable central systems and processes for pay and pension administration to other federal organizations. Through our pay and pension services, PSPC ensures that federal government employees and pensioners are paid accurately and on time.

Program Performance Analysis and Lessons Learned

In 2015–16, PSPC maintained the integrity of the *Public Service Superannuation Act* (PSSA) and the recently transferred *Royal Canadian Mounted Police Superannuation Act* (RCPMSA) pension administration. As well, with the Transformation of Pension Administration project, the migration of the *Canadian Forces Superannuation Act* (CFSA) improves client service and increases alignment towards a common Government of Canada service standard and process. During the year, the Department met its service standards in the delivery of these pension services and payments.

PSPC migrated the Canadian Forces pension plan administration to the new pension infrastructure implemented by the Transformation of Pension Administration Initiative for the public service pension plan. The project completed testing for the first release which will involve transferring the administration of contributor accounts to the Government of Canada Pension Centre using the new pension solution. The project also conducted activities required to establish a new pension centre operated in the National Capital Area, transferring the DND pension staff to the new centre in July 2016. In addition, the project completed design activities and continued development for the second and final release to be implemented by the end of 2016, which will migrate the administration of annuitant (retired plan member) accounts to the new pension solution.

PSPC continued with the implementation of the Transformation of Pay Administration Initiative, replacing the outdated pay system, streamlining business processes, consolidating pay services, and increasing efficiency. As a result of the implementation of Phoenix, a new interface for data feeds between the Federal Pay and Pension systems has been put into effect.

In December 2015, the 550 employees (460 compensation advisors) in Public Service Pay Centre in Miramichi, NB were providing pay services to 96,000 employees from 46 organizations. Having completed the integration between Phoenix and the GC HR system, Compensation Advisors in the Pay Centre will soon be able to increase their workflow and within the coming year double the number of accounts that they can manage. As a result, the Pay Centre will be servicing 191,000 employees from the 46 organizations once Phoenix is fully implemented.

The new pay system roll-outs which had been planned for October and December 2015 were postponed to February and April 2016.

This major transformation encountered significant challenges. The Department is working with departments, unions and stakeholders to address and resolve any issues as they emerge.⁶

In partnership with DND, project definition activities were initiated to determine if Phoenix would be used to provide pay services to both regular and reserve soldiers.

The increase in actual spending over the planned spending is mainly related to the implementation of the Transformation of Pay Administration initiative.

The difference between planned and actual FTEs is mainly due to the Pay Modernization project coming to a close in April 2016.

Budgetary Financial Resources (dollars)

2015–16 Main Estimates	2015–16 Planned Spending	2015–16 Total Authorities To Date	2015–16 Actual Spending (authorities used)	2015–16 Difference (actual minus planned)
114,163,435	114,163,435	137,618,499	128,954,893	14,791,458

Human Resources (Full-Time Equivalents [FTEs])

2015–16 Planned	2015–16 Actual	2015–16 Difference
1,861	1,773	(88)

⁶ Comprehensive measures are being implemented to address and resolve pay issues. This includes resolving challenges in the Pay Centre in Miramichi to process pay within service standards, enhancing Phoenix system functionality, providing additional training and education, and supporting users through the transition to steady state (that is when pay requests are processed in an efficient, consistent manner with minimal errors and the department is meeting its service standards). The Department continues to work closely with all departments, unions and stakeholders to address and resolve pay issues as soon as possible.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Employees and retirees are paid accurately and on time through reliable and efficient central systems and processes.	Timely and accurate processing of government payroll as per schedule.	100%	26 of 26 payrolls were administered*
	Timely and accurate processing of pension payments as per schedule.	100%	100%
	PSPC cost per account to administer pay systems and associated processes for all Government of Canada employees.	\$115	\$108.44
	Government of Canada-wide cost per account to administer pension.	\$174	\$165.50
Transactions are processed in the pay system and payments are issued on time.	Percentage of public service pay transactions processed by the Pay Centre within established timeframes.	95%	92.25%**

* This metric measures how often we produce the payroll for the Government of Canada on time every second Wednesday.

** These results reflect April 2015–March 2016 for General Enquiries but April 2015–February 2016 for New Hires, Changes in Pay and Terminations due to dual-system status (RPS & Phoenix) in March 2016.

Program 1.6: Linguistic Management and Services

This program defines the Translation Bureau of PSPC as a key component of the federal government's service delivery infrastructure. The Bureau is the sole internal linguistic services provider and offers translation, revision, interpretation and other linguistic services for Parliament, the judiciary, and federal departments and agencies. It is also the terminology authority within the federal government and has been mandated to develop terminology standards to ensure clear, uniform and quality communications within government. The Linguistic Management and Services program is mandated under the *Translation Bureau Act*.

Program Performance Analysis and Lessons Learned

Following a few years marked by an overall reduction of the demand for translation services, during which PSPC strove to modernize its processes, business volumes appeared to stabilize in 2015–16, and the volume of translation delivered for departments increased by 6.8% compared to last year. Business volumes do fluctuate and the emergence of social media and new technology may impact future demand.

In 2015–16, PSPC provided high quality and exemplary translation and interpretation services to Parliament and to federal departments and agencies on a 24 hours a day, 7 days a week basis. It translated close to 332 million words for other departments and agencies and successfully managed deliverables in support of such projects as the production of the Truth and Reconciliation Commission Reports, the New Government transition, the welcoming of Syrian refugees and the New Bridge for St. Lawrence Project, among other files. It also translated almost 28 million words for Parliament, offering services to 30 additional Members of Parliament following the revision of the *Canada Elections Act*.

PSPC provided more than 2,550 interpreter-days for Parliament and delivered approximately 4,000 conference interpretation assignments for events such as the G7 and G20 Summits. It also delivered over 2,500 visual interpretation assignments to support deaf and hard of hearing public servants. In addition, PSPC examined ways to offer remote interpretation services to reduce costs and encourage bilingual engagement.

PSPC rolled-out a Language Comprehension Tool to six departments totaling 25,000 public servants, hence promoting the use of both official languages in the federal public service. Furthermore, in order to enhance the client experience and to allow federal departments and agencies to focus on their core mandates, the Department successfully piloted a new Fully-Managed Service where PSPC's Translation Bureau took on responsibility for managing all of Environment Canada's linguistic services, including their external translation contracts. This generated additional revenue of \$2.95 million and is testing a service delivery model which could be used with other clients. PSPC also implemented a new online client interface which simplifies the ordering process to improve client satisfaction.

In addition, to ensure client loyalty, PSPC reduced the prices of linguistic services to better align with the private sector, thus returning six million dollars in rebates to clients. It also reinforced its partnership with the private sector by outsourcing a larger portion of its volume and held regular Industry Representatives Advisory Panel meetings.

PSPC developed the prototype of a new interface for the Language Portal of Canada, which will feature an enhanced indigenous languages section, and launched a new, more user-friendly interface for TERMIUM Plus[®], the Government of Canada's terminology and linguistic data bank. In order to promote a consistent use of terminology across the Government of Canada, PSPC's Translation Bureau also made more than 54,000 changes to update and add content to TERMIUM Plus[®] and produced lexicons on matters such as workplace mental health.

PSPC delivered on its promises, while also implementing initiatives to foster employee engagement: PSPC's Translation Bureau led an organization-wide engagement strategy in which senior management met close to 100% of employees, followed by its first ever Innovation Summit, attended by more than 200 employees. It also maintained its position as leader of the creation of a virtual workforce, having 30% of its employees working remotely.

The decrease in actual spending over the planned spending is primarily related to the fluctuation in demand from federal organizations for translation and interpretation services. It is also the result of a reduction in business volume from Parliament during the election period.

The difference between planned and actual FTEs is mainly due to the planned attrition not materialized during 2015–16.

Budgetary Financial Resources (dollars)

2015–16 Main Estimates	2015–16 Planned Spending	2015–16 Total Authorities To Date*	2015–16 Actual Spending (authorities used)	2015–16 Difference (actual minus planned)
60,913,368	60,913,368	60,754,093	51,299,267	(9,614,101)

* Linguistic Management and Services' 2015–16 Total Authorities To Date exclude amounts that were unavailable as a result of the Revolving Fund Principles.

Human Resources (Full-Time Equivalents [FTEs])

2015–16 Planned	2015–16 Actual	2015–16 Difference
1,165	1,197	32

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The Government of Canada is able to operate in both official languages and to communicate with Canadians in the official language of their choice.	Percentage of documents translated and revised for Parliament within the agreed-upon deadlines.	95%	96.7%
	Percentage of clients satisfied with services provided by the Translation Bureau.	85%	87.4%
	Cost per word for linguistic services.*	\$0.40	\$0.39

* This represents the costs incurred by federal organizations to acquire linguistic services from PSPC.

Program 1.7: Specialized Programs and Services

This program provides federal organizations with high quality, timely and accessible specialized services and programs.

Program Performance Analysis and Lessons Learned

In 2015–16, PSPC provided guidance and consulted with partner departments to support them in reducing the overall environmental footprint of federal government operations. Through consultations, a greater understanding of the challenges facing departments was established and resulted in the development of a more flexible, results oriented approach.

The Department signed three number of Departmental Service Agreements (DSA) in 2015–16 as a commitment to improve client service under the Strategy and its engagement efforts with client departments and agencies. In addition, two service summits have been organized to foster improved engagement and collaboration with client departments and agencies.

PSPC supported client departments and agencies in the modernization of their data collection processes by successfully implementing the electronic revision of texts for publication in the *Canada Gazette* and introducing tools to simplify the ability of client departments to effectively manage communication activities and track performance.

Through the provision of Documents Imaging Services, the Department supported client departments and agencies in modernizing their data collection processes.

Initial usage statistics of the Shared Travel System demonstrates slow take-up due to low client satisfaction, usability constraint and product limitations.

In 2015–16, a client usability study was conducted. The results, combined with annual client satisfaction observations were used to drive the product enhancements. This has resulted in 13% increase in user satisfaction this fiscal year.

PSPC continues to explore means to increase user satisfaction and expand business model to garner greater economies of scale for government business travel.

In addition, PSPC implemented new functionality for the My GCHR PeopleSoft 9.1 standard (with two major releases in April and October 2015) which was developed simultaneously with the onboarding of a number of Government of Canada's organizations. Approximately 39,000 federal employees were using the system as of March 31, 2016. Departments and agencies continued to be systematically engaged on their readiness to adopt My GCHR. Production support and maintenance to departments already on boarded to My GCHR were strengthened, ensuring that the system is reliable and that it meets the needs of users.

The decrease in actual spending over the planned spending is mainly related to a reduction in the number of advertising campaigns from the Whole-of-Government Web-Buy initiative.

The difference between planned and actual FTEs is mainly due to a wide range of factors across departmental activities such as shifts in governmental requirements, streamlining of program areas, and changes in client departments' business volume.

Budgetary Financial Resources (dollars)

2015–16 Main Estimates	2015–16 Planned Spending	2015–16 Total Authorities To Date*	2015–16 Actual Spending (authorities used)	2015–16 Difference (actual minus planned)
29,617,191	29,617,191	31,228,075	24,537,710	(5,079,481)

* Specialized Programs and Services' 2015–16 Total Authorities To Date exclude amounts that were unavailable as a result of the Revolving Fund Principles.

Human Resources (Full-Time Equivalents [FTEs])

2015–16 Planned	2015–16 Actual	2015–16 Difference
455	479.65	24.65

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Federal organizations have access to quality services to improve the management, delivery and safeguard of selected government operations and/or assets while minimizing their impact on the environment.	Percentage of clients satisfied with quality of services.	85%	82.5%
	Percentage of sub-programs and services that meet their expected results including service levels or published standards.	100%	71.4%

Program 1.8: Procurement Ombudsman

This program, operating at arm's length from the government, reviews procurement practices across federal departments and agencies, investigates complaints from suppliers regarding the award and administration of contracts for goods and services, and ensures the provision of alternative dispute resolution services for existing contracts. This program helps to promote fairness, openness and transparency in the federal procurement process.

Program Performance Analysis and Lessons Learned

The 2015–16 Annual Report of the Procurement Ombudsman provided Parliamentarians and Canadians with information on the Office of the Procurement Ombudsman's (OPO) mandate and services, as well as the results of OPO's activities in 2015–16.

OPO provided an independent and neutral avenue to address supplier complaints regarding the award or administration of federal contracts. In 2015–16, OPO received 52 written complaints, representing a 35% increase compared to the previous fiscal year.

In 2015–16, OPO completed seven reviews of supplier complaints, the highest number completed in one fiscal year. The seven reviews and the resulting reports included one that had been launched the previous fiscal year, as well as the first ever report related to the review of a supplier complaint regarding the administration of a federal contract. Two additional reviews were launched in 2015–16 and were carried over to 2016–17.

OPO also offered dispute resolution services to suppliers and departments, and provided a timely, neutral and cost-effective alternative to potentially lengthy and expensive litigation. In 2015–16, OPO received the highest number of requests for dispute resolution services within a fiscal year, and was able to help resolve the disputes in all instances where departments agreed to collaborate.

OPO reviewed the procurement practices of departments to assess their fairness, openness and transparency, and made recommendations for the improvement of those practices.

In 2015–16, OPO launched two procurement practice reviews. The first is assessing bid evaluation processes, while the second is examining non-competitive contracting. Both reviews are exploring whether departments conducted activities consistent with applicable sections of the *Financial Administration Act* and regulations made under it, the Treasury Board Contracting Policy, and the principles of fairness, openness and transparency.

In addition, OPO assessed the response to recommendations contained in procurement practice reviews conducted in 2012–13 involving the Canada School of Public Service (CSPS). The Office was encouraged by the fact that CSPS took action on all the recommendations and the associated action plans made in OPO's 2012–13 reviews. The resulting report highlights the

actions undertaken and planned by CSPA to improve the fairness, openness and transparency of its assessed procurement practices.

The Procurement Ombudsman retired in December 2015 and issued an End of Mandate report, which outlined the Ombudsman's observations in the field of federal procurement at the end of his five-year mandate.

All reviews were completed and reported within the legislated timelines, and reports or summaries are available on the OPO website and in the 2015–16 Annual Report.

The decrease in actual spending over the planned spending is primarily related to delays in staffing, as well as a decrease in outreach and advertising activities resulting from the election period.

The difference between planned and actual FTEs is mainly due to employee departures and delays in staffing processes.

Budgetary Financial Resources (dollars)

2015–16 Main Estimates	2015–16 Planned Spending	2015–16 Total Authorities To Date	2015–16 Actual Spending (authorities used)	2015–16 Difference (actual minus planned)
4,111,325	4,111,325	4,101,959	3,830,009	(281,316)

Human Resources (Full-Time Equivalents [FTEs])

2015–16 Planned	2015–16 Actual	2015–16 Difference
26	25.14	(0.86)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Increased awareness of fairness, openness and transparency in federal procurement practices.	Percentage of written complaints, requests for alternative dispute resolution services and procurement practice reviews addressed within the timelines stipulated in the Procurement Ombudsman Regulations.	100%	100%
	Percentage of all inquiries and complaints addressed by the provision of information, facilitation and referrals to appropriate authorities.	100%	100%

3.2 Internal Services (IS)

Internal Services are groups of related activities and resources that are administered to support the needs of programs and other corporate obligations of an organization. Internal Services include only those activities and resources that apply across an organization and not those provided specifically to a program. The groups of activities are Management and Oversight Services; Communications Services; Legal Services; Human Resources Management Services; Financial Management Services; Information Management Services; Information Technology Services; Real Property Services; Materiel Services; and Acquisition Services.

Program Performance Analysis and Lessons Learned.

IS 1. Management and Oversight Services

In 2015–16, PSPC supported the Minister and Deputy Minister in the development and stewardship of Cabinet and Treasury Board submissions and the management of Parliamentary Affairs, ensuring requirements from central agencies and parliamentarians were adhered to and subject to appropriate assessment and evaluation. The Department also ensured a successful transition to a new Minister and staff through the delivery of meaningful transition products.

PSPC established a Results and Delivery Unit to lead the department's implementation of the new government-wide focus on results. The Unit worked with business lines in PSPC to design tools to effectively monitor and report on progress toward mandate commitments and priorities. The Unit worked closely with Privy Council Office, TBS, and the interdepartmental community, to ensure alignment of approaches, share best practices, and support horizontal engagement on joint commitments and priorities

PSPC worked with four new organizations to smoothly integrate them into the Minister's portfolio and organized the annual meeting of Federal/Provincial/Territorial Deputy Heads of Public Works and facilitated visits from international delegations.

In addition, PSPC established a dedicated Secretariat within PSPC to support an independent review of Canada Post to ensure Canadians receive quality postal services at a reasonable price. Canadians from coast to coast will have a say in the services they value and need.

PSPC's Office of Greening Government Operations has worked closely with key federal partners to prepare the greening government elements of the 2016-19 cycle of the Federal Sustainable Development Strategy and to renew whole-of-government efforts to reduce the impact of federal activities on climate change

PSPC ensured the protection of departmental personnel, information and assets through its Corporate Security and Emergency Preparedness functions. In 2015–16, PSPC leveraged its

extensive experience in emergency management to support Operation Syrian Refugees, in which it provided the Government Operations Centre with liaison officers.

During 2015–16, the Office of Internal Disclosure was merged with the Special Investigations Division in order to increase efficiency by pooling resources and expertise. Through these two services, PSPC upheld the responsibility for administering the Public Servants *Disclosure Protection Act (PSDPA)*. Outreach programs were put in place to encourage public servants to report wrongdoing in the workplace without fear from reprisal. PSPC also had a significant presence on the government-wide Internal Disclosure Working Group where best practices are exchanged. The Department conducted administrative investigations and reviewed procurement award practices in response to allegations of wrongdoing.

The Department contributed to the integrity and effectiveness of departmental operations by delivering eleven independent and credible internal audits that provided reasonable assurance on the effectiveness and adequacy of risk management, controls and governance processes; delivered three neutral evaluations on the relevance and performance of departmental programs, policies and initiatives; and continued to play an important role in supporting the Deputy Minister's responsibilities as Accounting Officer.

IS 2. Communications Services

PSPC provided external and internal communications strategic advice, support and services to the department's business lines and the senior executive offices (Deputies' and Minister's offices) and served as the focal point for the flow of strategic and operational communications to advance departmental and governmental priorities.

PSPC completed 75% of its web content rewrites and is on track to complete the remaining 25% before migration begins in the fall of 2016 to Canada.ca. The Department also expanded the use of innovative tools in Social Media through the use of Periscope and Facebook Live to record and broadcast ministerial events live.

IS 3. Legal Services

In 2015–16, PSPC provided operational and administrative support to Counsels and the Senior General Counsel. The Department also provided paralegal support to Counsels and the Senior General Counsel.

IS 4. Human Resources Management Services

In 2015–16, PSPC embarked on an ambitious renewal initiative that encompassed several modernizations initiatives. Collectively, these efforts enhanced the overall efficiency and effectiveness of the Department in building and maintaining a capable, productive workforce while providing a safe, healthy workplace. In addition to modernizing systems and tools, the PSPC’s renewal initiative aimed to redesign the organizational structure to better integrate and streamline functions for optimal client service.

Throughout the year, PSPC remained focused on strengthening workforce capacity to meet departmental needs and creating a sustainable healthy workplace to position the Department for the future. To support continuous improvement, a Pulse Check Survey was conducted for all employees across the organization to share feedback regarding the Department’s progress in addressing results from the 2014 Public Service Employee Survey. The results from the Pulse Check were used to establish or realign workplace strategies and priorities. The Department developed a comprehensive Talent Management Guide with tools that focus on supporting managers and Branches/Regions with their talent management approach. Sessions were delivered across the Department starting in February 2016. PSPC also successfully managed the Performance and Talent Management programs for the EX cadre and the respective review committees.

PSPC reviewed and redesigned its staffing program, in line with the Public Service Commission’s New Direction in Staffing. The new PSPC Staffing Program aimed to maximize legislative flexibilities, minimize irritants and control measures, enable managers to exercise judgment/discretion in an environment of greater accountability, and support staffing advisors to become strategic business partners. Through its Staffing Reboot, the Department also removed inflexible, complex or outdated elements of the HR management regime within the organization. This initiative explored innovative approaches and practices which decreased the overall “time to staff” while reinvigorating strategic discussions between HR advisors and hiring managers.

Committed to fostering workplace well-being, the Department created a new Workplace Well-Being Directorate, integrating Employee and Organizational Assistance, Informal Conflict Management, Values and Ethics and Disability Management. Of note, each Branch/Region has identified potential suitable positions for telework and the Department, through supporting tools and advice by Human Resources Branch, has begun to implement its telework action plan to increase engagement and productivity while saving on office space.

IS 5. Financial Management Services

In 2015–16, PSPC provided strong financial leadership and oversight with the implementation of approved budget savings measures. It achieved significant accomplishments in financial management, improved efficiency of operations and leveraged technology to implement a Digital Signature and Electronic Approvals process. This supports a paperless workplace and increases automation of the procurement invoice to payment process. The Department also led robust and sound financial management via the implementation and reinforcement of a number of initiatives including the Pay on Time, Budget Management Excellence, Departmental Investment Management, Chief Financial Officer Attestation on Cabinet Submissions, and excellence in financial reporting.

IS 6. Information Management Services

In 2015–16, PSPC maintained a very high compliance rate to respond to Access to Information (ATI) requests of 94.3% on time while fielding a 25% increase in volume, and consistently provided training and support for ATIP liaison officers and employees in the Department.

The Department improved its management framework for protecting personal information by creating and appointing a Chief Privacy Officer supported by a Director-General level Privacy Oversight Committee, instituting a new Privacy Breach Protocol and developing its first Departmental Privacy Impact Assessment Plan.

PSPC also made significant improvements to Information Management by successfully implementing the Records Management component of the GCDOCS deployment, which enables full lifecycle management of electronic information, as well as by meeting its paper holdings targets.

Under the Open Government Initiative, the Department produced 10 datasets for a total of 30 available on the Open Government Portal for public use. Four of our datasets were in the Top 25 downloaded for all government datasets throughout the year. In addition, PSPC delivered its Open Government Implementation plan in October 2015 which describes the Department's activities and deliverables to achieve compliance to the directive on Open Government.

IS 7. Information Technology Services

In 2015–16, PSPC continued its department-wide service transformation agenda by operating with an open, transparent and standards-based model that ensures cost-effective and efficient IT solutions that align IT investment decisions with departmental and Government of Canada priorities. The Department progressed in its departmental IT application portfolio by developing an action plan to address its legacy business applications. In addition, PSPC strengthened the governance structure to better support IM/IT investments.

PSPC worked collaboratively with partners to maximize the value of technology in support of the Government of Canada modernization initiatives. The Department demonstrated leadership in establishing and managing common business applications that allow other government departments and agencies to meet their legislative requirements, modernize their IT systems and decommission legacy systems. Shared efficiencies across multiple service lines have been achieved with the onboarding of federal departments and agencies on three IT modernization initiatives respectively for personnel management, document and records management, and case management and client relationship management.

IS 8. Real Property Services

In 2015–16, PSPC delivered effective management of the Department's National Accommodation Program by focusing on the provision of a productive workplace while considering the wide range of services provided to departmental programs. The Department also ensured the optimal use of space and aligned its objectives with targets established in the Federal Budget.

Moreover, a project management office was created to support the delivery of the major departmental initiative to modernize PSPC space across Canada.

IS 9. Materiel Services

In 2015–16, PSPC reviewed each vehicle request and acquired vehicles that were fuel efficient in their class to achieve the fleet right-sizing goal.

Of the acquired vehicles, more than 66% were trucks that have a high fuel consumption rating which made it difficult to meet the targeted average rated fuel efficiency. These trucks were required to meet operational requirements. As new and improved vehicle technologies that provide better fuel consumption become available, the Department will purchase environmentally-friendly vehicles to the fullest extent possible, provided that they meet operational requirements.

In addition, PSPC disposed of assets in an environmentally sound and secure manner by implementing best practices and utilizing various programs that are ecologically certified.

IS 10. Acquisition Services

In 2015–16, PSPC’s Contracting and Procurement Division identified procurement strategies that would ensure fairness, openness and transparency. This allowed for the Departmental Procurement Plan to be developed and integrated within the Departmental Investment Plan.

The Department strengthened its internal procurement management framework and implemented it through enhanced communication, training and support to employees. The team also strengthened oversight and monitoring of procurement, particularly for low-dollar value transactions, through a robust quality assurance function.

Additionally, the Department established the Federal Sustainable Development Strategy with regards to Green Procurement and Waste Management targets. It also contributed to reducing greenhouse gas emissions for departmental fleet vehicles.

Financial and FTE Variances for the Program “Internal Services”

The increase in actual spending over the planned spending is mainly related to the increased workload stemming from government-wide Information Management and Technology initiatives, in order to align with the new vision of modernization and transformation of the government.

The difference between planned and actual FTEs is mainly due to the following reasons:

- For Management and Oversight Services, there were delays in the anticipated staffing processes and the planned FTEs as reported in the 2015–16 Report on Plans and Priorities (RPP) included only Executive Services for National Capital Area while the reporting for this exercise includes all relevant service groupings.
- There has been a realignment of the Communications functions to align with the departmental structure.
- Legal Services FTEs planned in March were not hired before the New Year, since the staffing process was longer than expected.
- Human Resources Branch staffing actions were not completed before fiscal year end to allow a greater latitude during a period of HR Branch restructuring.
- Information Technology Services planned FTEs as reported in the 2015–16 RPP included only the services for National Capital Area while the reporting for this exercise also includes regional information management staff.
- Under Real Property Services, a project management office was created for the delivery of a major departmental initiative to modernize PSPC space across Canada.

Budgetary Financial Resources (dollars)

2015–16 Main Estimates	2015–16 Planned Spending	2015–16 Total Authorities To Date*	2015–16 Actual Spending (authorities used)	2015–16 Difference (actual minus planned)
221,169,070	221,169,070	252,881,576	230,649,243	9,480,173

* Internal Services' 2015–16 Total Authorities To Date include \$22.5 million that was set aside by Central Agencies mainly for projects and initiatives to be carried out in future years.

Human Resources (Full-Time Equivalents [FTEs])

2015–16 Planned	2015–16 Actual	2015–16 Difference
2,425.9	2,474.62	48.72

Section IV: Supplementary Information

4.1 Supporting Information on Lower Level Programs

The Sub-Programs and Sub-Sub-Programs which comprise the Programs listed in the 2015–16 Departmental Performance Report can be found on [Supporting Information on Lower Level Programs](#)^{xix}.

4.2 Supplementary Information Tables

The [supplementary information tables](#)^{xx} listed in the 2015–16 Departmental Performance Report can be found on [PSPC's website](#)^{xxi}.

- Departmental Sustainable Development Strategy (including GGO Table);
- Details on Transfer Payment Programs of \$5 Million or More;
- Internal Audits and Evaluations;
- Responses to Parliamentary Committees and External Audits;
- Status Report on Transformational and Major Crown Projects; and
- User Fees, Regulatory Charges and External Fees.

4.3 Federal Tax Expenditures

The tax system can be used to achieve public policy objectives through the application of special measures such as low tax rates, exemptions, deductions, deferrals and credits. The Department of Finance publishes cost estimates and projections for these measures annually in the [Tax Expenditures and Evaluations](#)^{xxii} publication. The tax measures presented in the *Tax Expenditures and Evaluations* publication are the sole responsibility of the Minister of Finance.

4.4 Organizational Contact Information

For more information on programs and services of Public Services and Procurement Canada, please communicate with:

Public Services and Procurement Canada
11 Laurier Street, PDP III
Gatineau, Quebec K1A 0S5
Canada

ATTN: General Enquiry Website: <http://www.tpsgc-pwgsc.gc.ca/comm/index-eng.html>

E-mail—General Inquiries: questions@tpsgc-pwgsc.gc.ca

Toll-free number for hearing-impaired person: 1-800-926-9105

Appendix: Definitions

Appropriation (crédit): Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

Budgetary expenditures (dépenses budgétaires): Operating and capital expenditures; transfer payments to other levels of government, organizations or individuals; and payments to Crown corporations.

Departmental Performance Report (rapport ministériel sur le rendement): Reports on an appropriated organization's actual accomplishments against the plans, priorities and expected results set out in the corresponding Reports on Plans and Priorities. These reports are tabled in Parliament in the fall.

Full-time equivalent (équivalent temps plein): A measure of the extent to which an employee represents a full person-year charge against a departmental budget. Full-time equivalents are calculated as a ratio of assigned hours of work to scheduled hours of work. Scheduled hours of work are set out in collective agreements.

Government of Canada outcomes (résultats du gouvernement du Canada): A set of 16 high-level objectives defined for the government as a whole, grouped in four spending areas: economic affairs, social affairs, international affairs and government affairs.

Management, Resources and Results Structure (Structure de la gestion, des ressources et des résultats): A comprehensive framework that consists of an organization's inventory of programs, resources, results, performance indicators and governance information. Programs and results are depicted in their hierarchical relationship to each other and to the Strategic Outcome(s) to which they contribute. The Management, Resources and Results Structure is developed from the Program Alignment Architecture.

Non-budgetary expenditures (dépenses non budgétaires): Net outlays and receipts related to loans, investments and advances, which change the composition of the financial assets of the Government of Canada.

Performance (rendement): What an organization did with its resources to achieve its results, how well those results compare to what the organization intended to achieve, and how well lessons learned have been identified.

Performance indicator (indicateur de rendement): A qualitative or quantitative means of measuring an output or outcome, with the intention of gauging the performance of an organization, program, policy or initiative respecting expected results.

Performance reporting (production de rapports sur le rendement): The process of communicating evidence-based performance information. Performance reporting supports decision making, accountability and transparency.

Planned spending (dépenses prévues): For Reports on Plans and Priorities (RPPs) and Departmental Performance Reports (DPRs), planned spending refers to those amounts that receive Treasury Board approval by February 1. Therefore, planned spending may include amounts incremental to planned expenditures presented in the Main Estimates.

A department is expected to be aware of the authorities that it has sought and received. The determination of planned spending is a departmental responsibility, and departments must be able to defend the expenditure and accrual numbers presented in their RPPs and DPRs.

Plans (plan): The articulation of strategic choices, which provides information on how an organization intends to achieve its priorities and associated results. Generally a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead up to the expected result.

Priorities (priorités): Plans or projects that an organization has chosen to focus and report on during the planning period. Priorities represent the things that are most important or what must be done first to support the achievement of the desired Strategic Outcome(s).

Program (programme): A group of related resource inputs and activities that are managed to meet specific needs and to achieve intended results and that are treated as a budgetary unit.

Program Alignment Architecture (architecture d'alignement des programmes): A structured inventory of an organization's programs depicting the hierarchical relationship between programs and the Strategic Outcome(s) to which they contribute.

Report on Plans and Priorities (rapport sur les plans et les priorités): Provides information on the plans and expected performance of appropriated organizations over a three-year period. These reports are tabled in Parliament each spring.

Results (résultat): An external consequence attributed, in part, to an organization, policy, program or initiative. Results are not within the control of a single organization, policy, program or initiative; instead they are within the area of the organization's influence.

Statutory expenditures (dépenses législatives): Expenditures that Parliament has approved through legislation other than appropriation acts. The legislation sets out the purpose of the expenditures and the terms and conditions under which they may be made.

Strategic Outcome (résultat stratégique): A long-term and enduring benefit to Canadians that is linked to the organization's mandate, vision and core functions.

Sunset program (programme temporisé): A time-limited program that does not have an ongoing funding and policy authority. When the program is set to expire, a decision must be made whether to continue the program. In the case of a renewal, the decision specifies the scope, funding level and duration.

Target (cible): A measurable performance or success level that an organization, program or initiative plans to achieve within a specified time period. Targets can be either quantitative or qualitative.

Voted expenditures (dépenses votées): Expenditures that Parliament approves annually through an Appropriation Act. The Vote wording becomes the governing conditions under which these expenditures may be made.

Whole-of-government framework (cadre pangouvernemental): Maps the financial contributions of federal organizations receiving appropriations by aligning their Programs to a set of 16 government-wide, high-level outcome areas, grouped under four spending areas.

Endnotes

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- i New Champlain Bridge Corridor Project, <http://www.infrastructure.gc.ca/nbsl-npsl/nbsl-npsl-eng.html>
- ii *Department of Public Works and Government Services Act*, <http://laws-lois.justice.gc.ca/eng/acts/P-38.2/>
- iii *Shared Services Canada Act*, <http://laws-lois.justice.gc.ca/eng/acts/S-8.9/>
- iv *Expropriation Act*, <http://laws-lois.justice.gc.ca/eng/acts/E-21/>
- v *Defence Production Act*, <http://laws-lois.justice.gc.ca/eng/acts/D-1/>
- vi *Seized Property Management Act*, <http://laws-lois.justice.gc.ca/eng/acts/S-8.3/>
- vii *Surplus Crown Assets Act*, <http://laws-lois.justice.gc.ca/eng/acts/S-27/>
- viii *Financial Administration Act*, <http://laws-lois.justice.gc.ca/eng/acts/f-11/>
- ix Although it is a program of Public Works and Government Services, the Office of the Procurement Ombudsman is required to operate in an impartial and independent manner. The details of its operations and performance results are provided in the Procurement Ombudsman's annual report, which is tabled in each House of Parliament by the Minister of Public Works and Government Services following the fiscal year in accordance with legislative requirements.
- x New Champlain Bridge Corridor Project, <http://www.infrastructure.gc.ca/nbsl-npsl/nbsl-npsl-eng.html>
- xi Infrastructure Canada and the Windsor-Detroit Bridge Authority (Gordie Howe International Bridge), <http://www.infrastructure.gc.ca/wdba-apwd-eng.html>
- xii Minister of Public Services and Procurement Mandate Letter, <http://pm.gc.ca/eng/minister-public-services-and-procurement-mandate-letter>
- xiii *Public Accounts of Canada 2015*, <http://www.tpsgc-pwgsc.gc.ca/recgen/cpc-pac/index-eng.html>
- xiv Public Works and Government Services Canada website, <http://www.tpsgc-pwgsc.gc.ca/comm/index-eng.html>
- xv Whole-of-Government Framework, <http://www.tbs-sct.gc.ca/hgw-cgf/finances/rgs-erdg/wgf-ipp-eng.asp>

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- xvi PSPC Reports website, <http://www.tpsgc-pwgsc.gc.ca/rapports-reports/index-eng.html>
- xvii Public Services and Procurement Canada,
<http://www.tpsgc-pwgsc.gc.ca/comm/index-eng.html>
- xviii Surplus Federal Real Property for Homelessness Initiative,
<https://realproperty.esdc.gc.ca/ibief-sfrphi/h.4m.2@-eng.jsp>
- xix Supporting Information on Lower Level Programs,
<http://www.tpsgc-pwgsc.gc.ca/rapports-reports/index-eng.html>
- xx Supplementary information tables,
<http://www.tpsgc-pwgsc.gc.ca/rapports-reports/index-eng.html>
- xxi Public Services and Procurement Canada Reports website,
<http://www.tpsgc-pwgsc.gc.ca/rapports-reports/index-eng.html>
- xxii *Tax Expenditures and Evaluations* publication, <http://www.fin.gc.ca/purl/taxexp-eng.asp>