

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

1. Introduction

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

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

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

1.1. Basis of Presentation

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

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

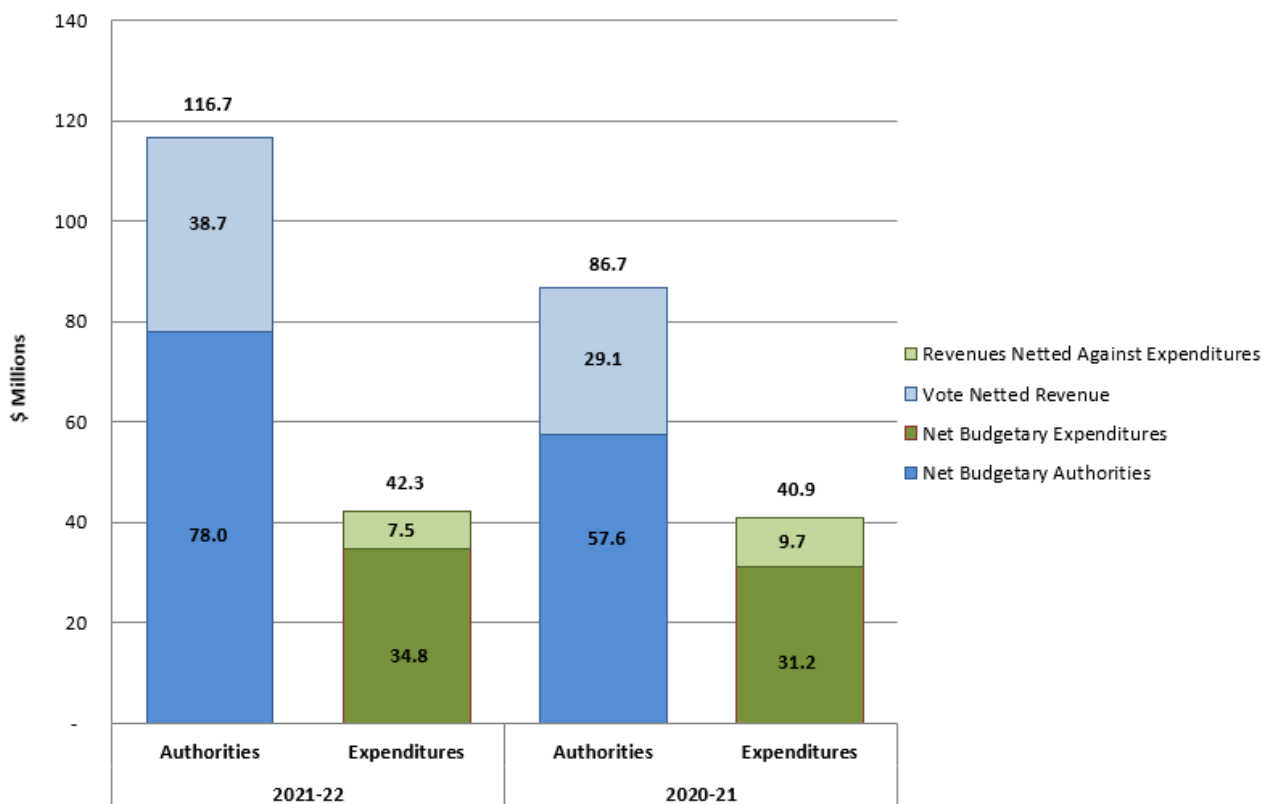
The ATSSC uses the full accrual method of accounting to prepare and present its annual departmental financial statements, which are part of the departmental results reporting process. However, the spending authorities voted by Parliament remain on an expenditure basis. The main difference between the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

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

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

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

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



The ATSSC expended \$42.3 million (36% of total authorities available for use), including Employee Benefit Plan (EBP), in the second quarter of 2021-22, compared to \$40.9 million (47% of total authorities available for use) in the same quarter of 2020-21. The majority of expenditures is related to personnel and totaled \$36.3 million (86% of gross expenditures). The remaining \$6.0 million primarily included professional and special services (mainly informatics services, translation costs and consulting services) and rental costs.

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2.1. Significant Changes to Authorities

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

As of September 30, 2021, the net authorities available for use (including EBP) totaled \$78.0 million, an increase of \$20.4 million compared to the prior year. This increase is due to having full supply of the Main Estimates in the second quarter of 2021-22 as opposed to having only partial supply in the second quarter of 2020-21. This was due to the extension into the fall of the Parliamentary supply study period in 2020-21 because of the Covid-19 pandemic.

2.2. Significant Changes to Vote Netted Revenue (VNR)

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

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

2.3. Significant Changes to Expenditures

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

Expenditures for the Quarter

Second quarter gross budgetary expenditures decreased from \$21.8 million in 2020-21 to \$20.6 million in 2021-22 mainly due to a decrease in personnel expenditures (\$1.2 million) and a decrease related to informatics equipment costs (\$0.4 million). The decrease in personnel expenditures for the quarter is mainly due to a decrease in spending related to casual employees and in amounts billed for work performed by part-time Governor in Council appointees.

This decrease is offset by an increase in professional and special services (\$0.6M), which is primarily related to informatics services, translation costs and consulting services.

Expenditures Year-to-Date

The year-to-date gross budgetary expenditures increased from \$40.9 million in 2020-21 to \$42.3 million in 2021-22. Notwithstanding the personnel expenditures decrease in the second quarter, there is an overall increase in personnel expenditures related to an increase in salary rates resulting from the signing of collective agreements (\$0.9 million). The year-to-date increase is also due to an increase in professional and special services (\$0.8M), which is primarily related to informatics services, translation costs and consulting services.

This increase is offset by a decrease related to informatics equipment costs (\$0.4 million) and a decrease in repair and maintenance costs for computer equipment (\$0.2 million).

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3. Risks and Uncertainties

The ATSSC is exposed to a variety of risks in its operating environment that could have a negative effect in achieving its objectives. The ATSSC has an efficient risk management process that includes management participation at the organization's highest levels. This process allows management to identify, evaluate and mitigate key risks by implementing risk mitigation strategies, which include the reallocation of resources, if so required.

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

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

4. Significant Changes Related to Operations, Personnel and Programs

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

Approval by Senior Officials

Approved by:

Orlando Da Silva, LSM
Chief Administrator

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

Ottawa, Canada.
November 29, 2021

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ANNEX A

5. Statement of Authorities (unaudited)

(in dollars)

	Fiscal year 2021-22			Fiscal year 2020-21		
	Total available for use for the year ending March 31, 2022 *	Used during the quarter ended September 30, 2021	Year to date used at quarter end	Total available for use for the year ending March 31, 2021 *	Used during the quarter ended September 30, 2020	Year to date used at quarter end
Vote 1— Program expenditures**	105,405,956	17,813,317	36,633,796	78,433,900	19,013,421	35,413,761
Less: Revenues netted against	(38,655,614)	(7,472,246)	(7,472,246)	(29,129,843)	(9,709,950)	(9,709,950)
Net Program expenditures	66,750,342	10,341,071	29,161,550	49,304,057	9,303,471	25,703,811
Budgetary statutory authorities	11,274,095	2,818,524	5,637,048	8,301,630	2,767,210	5,534,420
Total Budgetary authorities	78,024,437	13,159,595	34,798,598	57,605,687	12,070,681	31,238,231

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

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

ANNEX B

6. Departmental Budgetary Expenditures by Standard Object (unaudited)

(in dollars)

	Fiscal year 2021-22			Fiscal year 2020-21		
	Planned expenditures for the year ending March 31, 2022	Expended during the quarter ended September 30, 2021	Year to date used at quarter end	Planned expenditures for the year ending March 31, 2021	Expended during the quarter ended September 30, 2020	Year to date used at quarter end
Expenditures:						
Personnel*	91,350,282	16,882,040	36,320,309	66,095,382	18,047,780	35,387,291
Transportation and communications	3,341,576	287,485	508,058	3,711,110	215,758	359,415
Information	945,032	380,988	505,343	715,476	283,356	326,255
Professional and special services	9,370,083	2,257,850	3,331,045	7,804,123	1,615,459	2,509,993
Rentals	4,650,542	902,668	1,295,512	3,025,822	1,002,379	1,423,197
Repair and maintenance	2,738,563	22,291	64,013	1,713,515	183,674	261,066
Utilities, materials and supplies	703,016	61,283	131,393	639,449	167,045	212,826
Acquisition of land, building and works	0	0	0	545,803	-	-
Acquisition of machinery and equipment	3,571,413	(158,984)	110,950	2,386,390	265,270	468,227
Other subsidies and payments	9,544	(3,780)	4,220	98,460	(90)	(89)
Total gross budgetary expenditures	116,680,051	20,631,841	42,270,844	86,735,530	21,780,631	40,948,181
Less Revenues netted against expenditures:						
Revenues	(38,655,614)	(7,472,246)	(7,472,246)	(29,129,843)	(9,709,950)	(9,709,950)
Total Revenues netted against expenditures	(38,655,614)	(7,472,246)	(7,472,246)	(29,129,843)	(9,709,950)	(9,709,950)
Total net budgetary expenditures	78,024,437	13,159,595	34,798,598	57,605,687	12,070,681	31,238,231

*Employee Benefit Plan (EBP) is included.