



2026 REPORT OF THE AUDITOR GENERAL OF CANADA
TO THE PARLIAMENT OF CANADA

Procuring Technology for Call Centres



Office of the
Auditor General
of Canada

Bureau du
vérificateur général
du Canada

**INDEPENDENT
AUDITOR'S REPORT**

Performance audit reports

This report presents the results of a performance audit conducted by the Office of the Auditor General of Canada (OAG) under the authority of the Auditor General Act.

A performance audit is an independent, objective, and systematic assessment of how well government is managing its activities, responsibilities, and resources. Audit topics are selected on the basis of their significance. While the OAG may comment on policy implementation in a performance audit, it does not comment on the merits of a policy.

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- establish audit objectives and criteria for the assessment of performance
- gather the evidence necessary to assess performance against the criteria
- report both positive and negative findings
- conclude against the established audit objectives
- make recommendations for improvement when there are significant differences between criteria and assessed performance

Performance audits contribute to a public service that is ethical and effective and a government that is accountable to Parliament and Canadians.

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At a Glance



Overall message

In 2013, Shared Services Canada began work to acquire and deploy a modern telephony system infrastructure to support 220 federal public-facing and internal call centres. In 2015, the department awarded IBM Canada a 10-year contract, with 2 additional option years, for the Hosted Contact Centre Service. Starting in 2019, Shared Services Canada moved to alternative approaches to support the call centres that had not migrated to the Hosted Contact Centre Service. By 2020, the department had onboarded 8 call centres to the Hosted Contact Centre Service for \$52 million in implementation costs, 3 times the initial budget.

During our 2025 audit of the Canada Revenue Agency's contact centres, we identified weaknesses in Shared Services Canada's management of the Hosted Contact Centre Service contract. This audit builds on that earlier work, focusing on the 2015 Hosted Contact Centre Service contract and on the contracts for a new standardized cloud-based contact centre solution for call centres, known as a Contact Centre as a Service, which were put in place in 2025.

We found that weaknesses in the Hosted Contact Centre Service procurement process affected the cost and scope of the project. An error in the costing information required bidders not to account for the full cost of data storage across call centres. Although Shared Services Canada was aware of the issue, it did not correct it, choosing instead to amend the contract after it was issued to change how data storage fees would be calculated and removing some intended features of the call centre system.

For the Contact Centre as a Service, delays in procurement planning created pressure to extend existing Hosted Contact Centre Service arrangements and pursue the deployment of replacement solutions under constrained timelines. The Hosted Contact Centre Service system will reach its end of life and will no longer be usable after December 2028.

Key facts and findings



- As of March 2026, approximately \$180 million had been spent for the Hosted Contact Centre Service contract. The Hosted Contact Centre Service deployment cost increased to \$52 million, 3 times its initial estimate.
- After exercising the 2 option years and issuing a subsequent 14-month extension, the overall value of the Hosted Contact Centre Service contract will reach \$251 million through 2028.
- Shared Services Canada did not exercise rigorous controls over payments under the Hosted Contact Centre Service contract, as invoiced amounts were not verified as required.
- Procurement files relating to the Contact Centre as a Service call centres' contracts had gaps in documentation. While these documentation gaps did not change the outcome of the process or impact vendor selection, they represent opportunities to improve rigour and accountability.

See [**Recommendation and Response**](#) at the end of this report.

Table of Contents

Introduction	1
Background	1
Focus of the audit	2
Findings and Recommendation	3
Weaknesses in the Hosted Contact Centre Service contract procurement and administration	3
Procurement issues led to significant cost increases to the Hosted Contact Centre Service	3
Shared Services Canada did not exercise rigorous controls for payments under the contract	6
Delays in planning and replacing the Hosted Contact Centre Service led to increased risks and costs	7
Delays in planning led to extending the Hosted Contact Centre Service contract and to prolonging legacy systems	8
Shared Services Canada did not correct known weaknesses	11
The procurement process for the Contact Centre as a Service had gaps in documentation	12
Conclusion	14
Subsequent Event	14
About the Audit	15
Recommendation and Response	20
Appendix—Text Descriptions of Exhibits	21

Introduction

Background

1. Shared Services Canada acquires and, at times, manages the technology infrastructure for the federal government's public- and internal-facing call centres. Government organizations, including departments and agencies, then use that technology to operate their call centres. Each department or agency remains responsible for managing its business operations, call centre agents, service standards, and client interactions.
2. In 2013, Shared Services Canada launched the Contact Centre Transformation Initiative to replace and consolidate systems serving 220 call centres across the federal government. This initiative was expected to implement a modern call centre infrastructure to do the following:
 - replace aging information technology infrastructure
 - reduce security and disruption risks
 - lower operational costs
 - improve service delivery
 - meet the current and future needs of government call centres
3. In 2015, Shared Services Canada awarded IBM Canada a 10-year contract with 2 additional option years for the Hosted Contact Centre Service, a call centre telephony system. The contract was not for a specific number of call centres and by June 2020, the system had been deployed in 8 call centres in the Canada Revenue Agency, Employment and Social Development Canada, and Shared Services Canada.
4. In 2025, in order to replace the Hosted Contact Centre Service that was part of a contract ending in October 2027, Shared Services Canada moved to a new, standardized, cloud-based contact centre solution for call centres known as Contact Centre as a Service.
5. During our 2025 audit [Canada Revenue Agency Contact Centres](#), we found weaknesses in the management of the Hosted Contact Centre Service contract by Shared Services Canada and the Canada Revenue Agency. This audit is a more in-depth review of the Hosted Contact Centre Service contract and its Contact Centre as a Service replacement contracts.

Roles and responsibilities

6. **Shared Services Canada.** The department acquires goods and services related to email, data centres, networks, and end-user information technology for departments and agencies. The department is the procurement and technical authority for call centre systems, including the Hosted Contact Centre Service, and for the new procurements for its replacement. Shared Services Canada recovers part of contract costs through agreements with federal partner organizations.

7. **Canada Revenue Agency, Employment and Social Development Canada, and Immigration, Refugees and Citizenship Canada.** Each organization is responsible for managing its own call centres that use call centre systems. Each organization is also responsible for developing the business requirements for Shared Services Canada's procurement of the new technology infrastructure that will be used in its call centres.

Focus of the audit

8. This audit focused on whether Shared Services Canada, in collaboration with the Canada Revenue Agency, Employment and Social Development Canada, and Immigration, Refugees and Citizenship Canada, managed procurement and contracts for their call centre systems in accordance with applicable policies and with due regard for economy, efficiency, and effectiveness.

9. This audit is important because it provides insight and identifies opportunities for Shared Services Canada and federal organizations to improve procurement planning and contract management.

10. More details about the audit objective, scope, approach, and criteria are in [About the Audit](#) at the end of this report.

Findings and Recommendation

Weaknesses in the Hosted Contact Centre Service contract procurement and administration

Why this finding matters

11. This finding matters because awarding a contract requires evaluating multiple criteria, including cost and the vendor's ability to meet the requirements. Procurement processes are governed by policies to ensure fairness and transparency. An effective procurement process results in value for money.

Procurement issues led to significant cost increases to the Hosted Contact Centre Service

Findings

12. In July 2013, a project was launched by Shared Services Canada to transform all of the Government of Canada's contact centres. The project plan involved seeking an outside vendor to provide hosting services through a competitive procurement process. Shared Services Canada had an internal budget of \$16 million to deploy the hosting services solution. We examined the procurement process that Shared Services Canada launched in 2013 to modernize the technology of federal call centres, including the Request for Proposal (RFP), bid evaluations, and awarding the contract. We found an uncorrected error in the procurement process related to Hosted Contact Centre Service.

13. During the RFP phase of this procurement, potential bidders and the department's internal advisors cautioned Shared Services Canada that the costing information required of bidders understated anticipated contract costs. While the information requested included costs for core and add-on features, and training and professional services, it did not capture the full value of data storage costs. Shared Services Canada did not correct this error before evaluating bids and awarding a contract.

14. We found that a contract, with a minimum work guarantee of \$50 million, was awarded to IBM Canada in October 2015. We found that Shared Services Canada amended the terms of the contract in April 2017 to change the calculation of the cost of data storage fees to remove some features and change the data storage retention periods. For example, the cost per agent for core features, such as receiving and routing calls, increased from less than a dollar to more than \$100, the voice authentication feature was removed and the mandatory 5-year retention period for data storage was removed. During our [2025 audit of the Canada Revenue Agency's contact centres](#), the retention period for data for the Canada Revenue Agency was generally accessible for only 2 months for call recordings. These changes were made without changing the overall value of the contract.

15. Shared Services Canada's costs to implement the Hosted Contact Centre Service far exceeded its projections. In 2013, the department budgeted \$16 million to implement the new system. We found that by 2020, the costs to implement the system for 8 call centres had escalated to \$52 million, 3 times the initial estimate. By June 2020, Shared Services Canada decreased the number of call centres that would be onboarded to the Hosted Contact Centre Service to 8 call centres. Department officials told us this was because they reconsidered their approach for the remaining call centres and costs for the Hosted Contact Centre Service were significantly higher than forecasted.

16. As of June 2023, the value of the contract, with amendments affecting costs, had reached \$190 million (for implementation and usage). With the 2 option years that were part of the original contract and a subsequent 14-month extension, the overall contract value will reach \$251 million in 2028 ([Exhibit 1](#)). The contract value increased through 10 contract amendments ([Exhibit 2](#)). The changes in the Hosted Contact Centre Service contract value were due to amendments increasing the price of some features and the fees for data storage, as well as an increase in the number of call centre agents that could access the system concurrently. In our view, Shared Services Canada did not obtain the best value for money. This is because not correcting the costing error led to Shared Services Canada reducing some of the intended features of the system to be used by call centres while its implementation costs were higher than planned.

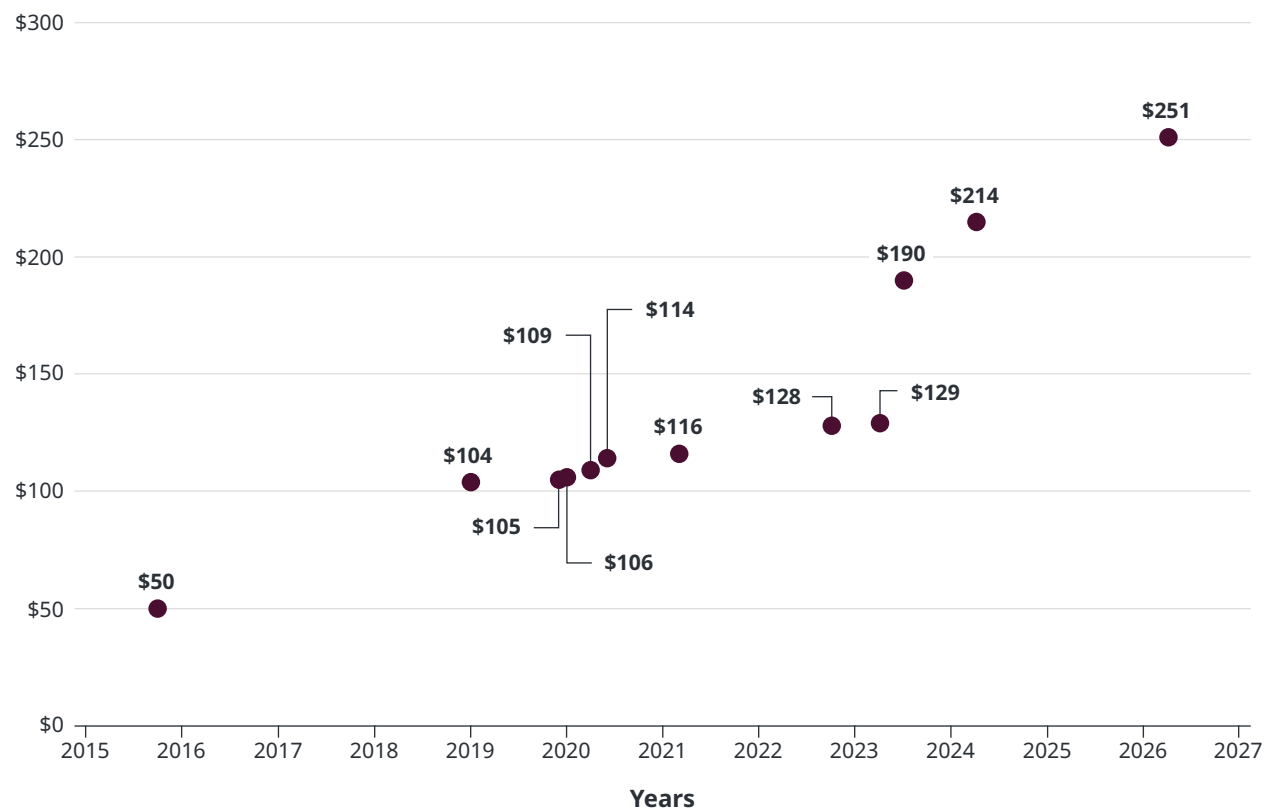
Exhibit 1—The Hosted Contact Centre Service contract values, 2015 to 2028

Period	Value
2015 to 2025 (system used from 2018 to 2025)	\$190 million
2026 to 2027 (option years)	\$25 million
2028 (Hosted Contact Centre Service 14-month extension)	\$36 million
Total	\$251 million

Source: Based on information from Shared Services Canada

Exhibit 2—The Hosted Contact Centre Service contract value increased from \$50 million to \$251 million

Millions of dollars



Note: Only the amendments that changed the value of the contract are presented.

Source: Based on information from Shared Services Canada



[Read the Exhibit 2 text description](#)

Shared Services Canada did not exercise rigorous controls for payments under the contract

Findings

17. We looked at a sample of invoices for payment made to IBM Canada under the 2015 Hosted Contact Centre Service contract. We found errors in Shared Services Canada's record keeping, such as invoices posted to the wrong general ledger accounts in the financial system. In addition, to respond to 1 of our audit requests and because of changes in its financial system, Shared Services Canada had to manually compile costing information on the payments made under the contract. As of March 2026, we found that approximately \$180 million had been spent on this contract.

18. Under the Financial Administration Act, an authorized individual certifies that the work was performed, the goods or services were received, and the payment to be made complies with the terms of a contract. The Hosted Contact Centre Service contract calls for professional fees—charges paid for expert labour and specialized skills; milestone payments for specific deliverables; and usage fees—which is the amount charged for the number of agents using the system or the available number of telephone lines.

19. We found that Shared Services Canada performed limited verification of invoices for usage-based charges before payment. For the invoices we reviewed, Shared Services Canada did not confirm with the Canada Revenue Agency and Employment and Social Development Canada what the actual usage of the system was by their call centre agents.

20. Shared Services Canada officials told us that they assessed whether invoices were reasonable by comparing them with historical usage data and the department's own forecasts of call volumes for Hosted Contact Centre Service supported call centres. We found no evidence that an assessment of reasonableness of invoices was completed. The department did not have procedures in place for resolving gaps when there was no historical data or when usage differed from forecasts. For example, the sharp increase in call volumes during the COVID-19 pandemic made forecasting future usage more difficult. As a result, Shared Services Canada did not provide evidence that invoices paid aligned with actual usage.

21. We also found that Shared Services Canada had limited supporting documentation of its review and approval of invoices related to professional services and milestone payments. For example, when timesheets were provided by IBM Canada, there was no evidence that Shared Services Canada officials reviewed and approved them to confirm that the hours billed accurately reflected hours worked.

22. The requirements to maintain well-documented approval of invoices for payments are well established in the Financial Administration Act and in Treasury Board policies.

Delays in planning and replacing the Hosted Contact Centre Service led to increased risks and costs

Why this finding matters

23. This finding matters because planning sufficient lead time helps organizations manage upcoming system replacements efficiently and economically. Delays in planning and procuring a replacement system increase the risk of service interruptions to Canadians. Delays in procurement planning can also result in prolonging existing contracts and systems, affecting opportunities to adopt more effective or innovative solutions.

Context

24. The Treasury Board's Directive on the Management of Procurement requires that a procurement file provide accurate, complete, and comprehensive procurement records. It is meant to document key events and milestones, approvals, governance, the rationale for decisions, and any deviations from the planned procurement process. Proper documentation ensures transparency and fairness. It also provides evidence in the event of disputes, complaints, legal challenges, and audits.

25. Government procurement includes several steps, including requirements to define and document risks and mitigation strategies, key project milestones, approvals, and key business decisions. To meet this requirement, Shared Services Canada developed a Procurement Summary and Risk Assessment tool, which is an internal form to obtain approvals, identify risks and mitigation strategies, and record key business decisions.

26. As of 2019, Shared Services Canada's delegated authority to award contracts for telecommunications service contracts was set at \$300 million without requiring Treasury Board approval. When the total contract value exceeds this limit, Shared Services Canada is required to seek Treasury Board's approval. The Treasury Board of Canada Secretariat then reviews and challenges proposed submissions, including the rationale, costs, and risks associated with the procurement. Shared Services Canada's authority threshold was increased to \$600 million in January 2026.

Delays in planning led to extending the Hosted Contact Centre Service contract and to prolonging legacy systems

Findings

27. Beyond exercising the 2 option years in the 2015 Hosted Contact Centre Service contract, we found that Shared Services Canada extended the contract by 14 months, to December 2028, for Employment and Social Development Canada only, at a cost of \$36 million ([Exhibit 1](#)). Shared Services Canada and Employment and Social Development Canada officials indicated that the contract extension was necessary because of the complexity of the services provided by these contact centres, their size, and to mitigate the risk of disruptions in service to Canadians in the event of potential delays during migration to a new system. Shared Services Canada is aware that the Hosted Contact Centre Service system will reach its end of life and will no longer be usable after December 2028. IBM Canada confirmed this to us during the audit.

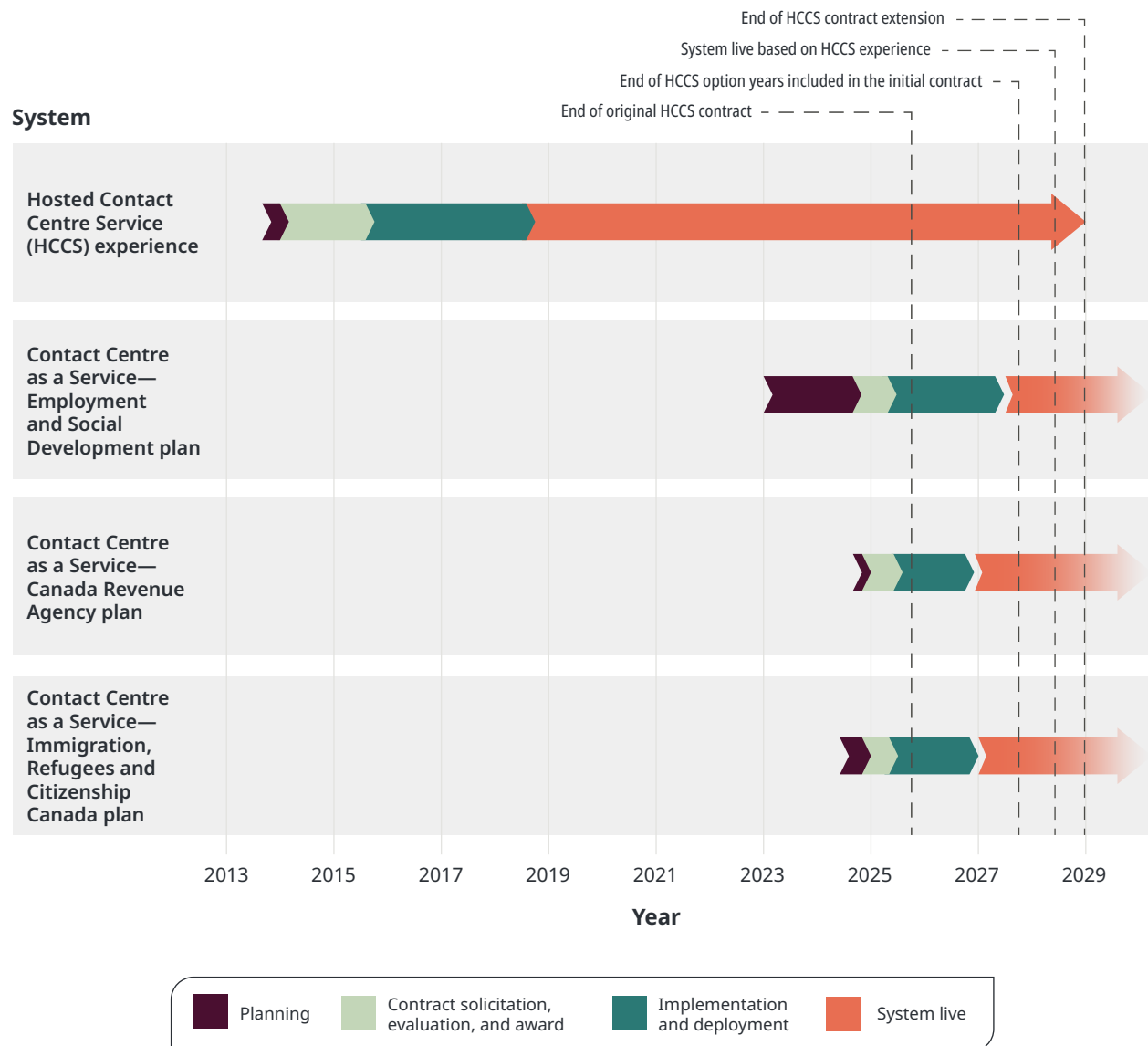
28. In our view, Shared Services Canada did not leverage experience from its prior procurement and contracting processes of call centre technology when planning the replacement of the Hosted Contact Centre Service. We found that the original Hosted Contact Centre Service procurement took approximately 3 years from awarding the contract to the system going live in 2018 ([Exhibit 3](#)).

29. We found that Shared Services Canada began procuring Hosted Contact Centre Service replacement solutions in October 2024 for Employment and Social Development Canada, followed by the Canada Revenue Agency and Immigration, Refugees and Citizenship Canada in early 2025. Contracts for all 3 organizations were awarded between May and July 2025 to Bell Canada.

30. Shared Services Canada estimated, in June 2024, that the newly procured solution would take 39 months to implement at Employment and Social Development Canada, resulting in a go-live date in mid-to-late 2028 and coinciding with the end of the 14-month extension of the Hosted Contact Centre Service. At the time of the audit, 3 call centres had completed migration to Contact Centre as a Service. Employment and Social Development Canada officials told us that once the system went live, functional issues arose that were not encountered during testing, increasing the risk of delays. We also found that Employment and Social Development Canada had updated its migration plans for Contact Centre as a Service 3 times since November 2025. The department had been postponing migration for more than half of its call centres and as of July 2026 estimated systems will go live by June 2027. In our

view, there is a risk that deployment may not be completed before the Hosted Contact Centre Service reaches its end of life and is no longer usable. Any delays in bringing the new systems online could impact service continuity.

Exhibit 3—The Contact Centre as a Service deployment plans are very tight



Source: Based on information from Shared Services Canada, Canada Revenue Agency, Employment and Social Development Canada, and Immigration, Refugees and Citizenship Canada



[Read the Exhibit 3 text description](#)

31. While the Hosted Contact Centre Service project, launched in 2013, was to modernize 220 call centres across 43 federal organizations, only 8 call centres across 3 federal organizations were onboarded by June 2020. Starting in 2019, Shared Services Canada used alternative approaches to support its call centres that had not migrated to the Hosted Contact Centre Service. As of July 2026, we found that 3 call centres migrated to the new cloud-based Contact Centre as a Service solution and 10 remained on the Hosted Contact Centre Service. We found that the systems used for the remaining call centres were at risk because

- 18 call centres are on technologies with contracts expiring in 2027, with no option years
- 101 call centres are on technology with contracts expiring either by the end of 2026 or in 2027; however, option years are available to extend the contracts for up to 5 additional 1-year periods
- 88 call centres use Shared Services Canada's internally developed legacy systems

32. Continuing to rely on legacy systems increases costs and risks to security, reliability, and long-term sustainability. Some Shared Services Canada legacy solutions require support from third parties. The department had already extended some support contracts.

Recommendation

33. Given the importance of government call centres in providing service to Canadians, Shared Services Canada should implement changes to prioritize and efficiently complete the replacement of call centre systems before existing contracts expire. It should be done in consultation with partner organizations, internal experts, and external parties.

The department's response. Agreed.

See [Recommendation and Response](#) at the end of this report for the detailed response.

Shared Services Canada did not correct known weaknesses

Findings

34. At the end of 2024, Shared Services Canada issued a Request for Proposal (RFP) to replace Employment and Social Development Canada's call centre system. We found that Shared Services Canada repeatedly identified in internal documentation that its timeline for the procurement of the replacement system was very tight. During the procurement process, bidders indicated that the aggressive timeline might limit their ability to submit comprehensive proposals, potentially affecting the overall quality of their submissions.

35. We found that Shared Services Canada made several adjustments to the procurement process to mitigate risks related to timelines. For example, the department modified evaluation steps and reduced the number of committee and entity reviews of its procurement documents. For the Employment and Social Development Canada procurement process, we found that changes made to the RFP before it was issued resulted in reduced system capabilities, security requirements deferred to after the awarding of the contract and removed service level targets. However, Shared Services Canada did not consult Employment and Social Development Canada consistently on these changes, which was a problem because Employment and Social Development Canada is responsible for operating the call centres.

36. In addition, lessons learned exercises conducted by Employment and Social Development Canada with Shared Services Canada on other procurement processes highlighted challenges regarding unclear schedules, delays, and insufficient technical support from Shared Services Canada to convert business requirements into technical specifications and other requirements. We found that planning and communication issues persisted between the departments in the Contact Centre as a Service procurement process.

37. In 2021, Shared Services Canada launched a procurement process to pilot a cloud-based solution to modernize call centre technology. This procurement process was cancelled in 2021 after only 1 vendor qualified. It was relaunched in 2023, but the pilot never started because of concerns including some related to work locations outside of Canada and a lack of clarity in the statement of work developed by Shared Services Canada. This further highlights weaknesses in planning and coordination of procurement processes.

38. Furthermore, as part of a procurement process, Shared Services Canada requires that a Procurement Summary and Risk Assessment be completed and approved internally, before launching an RFP. The risk assessment is prepared early in the procurement process to capture risk factors, mitigation strategies, and to obtain required Shared Services Canada approvals to proceed with the RFP. The Office of the Procurement Ombud recommended in 2023, and in a 2026 follow-up report, that Shared Services Canada should not initiate a procurement before a Procurement Summary and Risk Assessment was fully completed and required approvals were received. We found that Shared Services Canada did not apply these recommendations to the Contact Centre as a Service procurement process.

The procurement process for the Contact Centre as a Service had gaps in documentation

Findings

39. Our examination of the process to replace telephony systems for the Canada Revenue Agency, Employment and Social Development Canada, and Immigration, Refugees and Citizenship Canada call centres, including the request for information, the Request for Proposal, bid evaluations, and the awarding of the contract, showed gaps in several areas. While these documentation gaps did not change the outcome of the process or impact vendor selection, they represent opportunities to improve rigor and accountability.

40. The Procurement Summary and Risk Assessment is the key document intended to anchor Shared Services Canada's procurement activities. It outlines required steps, milestones, and approvals. We found many discrepancies and administrative errors throughout the planning and issuance of Request for Proposal (RFP) to procure replacement telephony systems for the Canada Revenue Agency and Immigration, Refugees and Citizenship Canada. Ultimately, Shared Services Canada could not provide the final approved Procurement Summary and Risk Assessment for these procurement processes. When discrepancies exist, it is unclear which requirements should guide the process.

41. For example, the Procurement Summary and Risk Assessment details the weighting of technical and financial requirements used to rank bids. For the 2025 Canada Revenue Agency and Immigration, Refugees and Citizenship Canada procurement processes, we found a discrepancy between the weighting of technical and financial requirements set out in the Procurement Summary and Risk Assessment and the issued RFP.

To assess the potential impact of this discrepancy, we applied the weighting of the Procurement Summary and Risk Assessment to the results of the bid evaluations that Shared Services Canada did using the RFP's weighting. Our analysis confirmed that the same vendor would have been selected. In our view, ensuring coherence within the procurement file would mitigate the risk that the outcome of a process could be contested.

42. We also found that Shared Services Canada issued multiple amendments to correct administrative errors in the RFPs for Canada Revenue Agency and Immigration, Refugees and Citizenship Canada after the proposals were opened to bidders. For example, the original RFPs were issued with a submission deadline that had already passed.

43. While the outcome of the evaluation of bids for the Canada Revenue Agency and Immigration, Refugees and Citizenship Canada processes was documented in the form of a summary scoresheet, we found that documentation of the steps within the bid evaluation processes did not clearly show how each evaluator assessed the criteria for different bidders. Documentation was also missing to show that all steps were completed for all evaluations. Gaps included missing information, such as evaluators' names and minutes of evaluation meetings. These gaps raise the question of consistent application of evaluation methodology across different procurement processes. Rigorously documenting evaluation decisions mitigates the risk that the outcome of a process could be contested.

44. Treasury Board policy requires that for the contracting approvals, the estimated value for a contract include taxes. We found that the cost estimation of \$286 million provided for the Canada Revenue Agency call centres procurement was not presented consistently in documentation, with some estimations including taxes and others not. When taxes are added, the total cost estimation would have exceeded Shared Services Canada's approval limit that was in effect at the time of the procurement of \$300 million, triggering additional approval requirements from the Treasury Board of Canada Secretariat. The Canada Revenue Agency estimated that the time needed to secure those additional approvals could have added 6 to 8 months to the procurement process.

45. The requirements to carry out effective procurement processes and to maintain well-documented procurement files are well established in Treasury Board policies and directives. The requirements were created to support fairness and transparency and deliver value for money for Canadians.

Conclusion

46. We concluded that Shared Services Canada, in collaboration with selected partners, did not manage the procurement and contracts of selected call centre systems in accordance with applicable policies and with due regard for economy, efficiency, and effectiveness.

Subsequent Event

47. On September 3, 2026, subsequent to the end of our audit period, a new federal organization called Digital Transformation Canada was launched. This new organization is intended to bring together key elements of digital activities from across the Government of Canada, including Shared Services Canada and selected functions from the Treasury Board of Canada Secretariat, Public Services and Procurement Canada, and the Canadian Digital Service from Employment and Social Development Canada.

48. This organizational change is significant to the audit because responsibilities for activities relevant to the findings and recommendation in this report will be transferred from Shared Services Canada to Digital Transformation Canada.

About the Audit

This independent assurance report was prepared by the Office of the Auditor General of Canada on procurement and contract administration for call centres. Our responsibility was to provide objective information, advice, and assurance to assist Parliament in its scrutiny of the government's management of resources and programs and to conclude on whether the administration of the Hosted Contact Centre Service and its replacement through procurement and contract complied in all significant respects with the applicable criteria.

All work in this audit was performed to a reasonable level of assurance in accordance with the Canadian Standard on Assurance Engagements (CSAE) 3001—Direct Engagements, set out by the Chartered Professional Accountants of Canada (CPA Canada) in the CPA Canada Handbook—Assurance.

The Office of the Auditor General of Canada applies the Canadian Standard on Quality Management 1—Quality Management for Firms That Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements. This standard requires our office to design, implement, and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

In conducting the audit work, we complied with the independence and other ethical requirements of the relevant rules of professional conduct applicable to the practice of public accounting in Canada, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

In accordance with our regular audit process, we obtained the following from entity management:

- confirmation of management's responsibility for the subject under audit
- acknowledgement of the suitability of the criteria used in the audit
- confirmation that all known information that has been requested, or that could affect the findings or audit conclusion, has been provided
- confirmation that the audit report is factually accurate

Audit objective

The objective of this audit was to determine whether Shared Services Canada, in collaboration with selected partners, managed procurement and contracts of selected call centre systems in accordance with applicable policies and with due regard for economy, efficiency, and effectiveness.

Scope and approach

This audit focused on procurement and **contract management**¹ of call centre systems. Key elements that we examined were

- The procurement and contract management for the Hosted Contact Centre Service for the Canada Revenue Agency, Employment and Social Development Canada, and Shared Services Canada.
- The procurement processes for the Contact Centre as a Service contracts awarded to replace call centre systems (for the Canada Revenue Agency, Employment and Social Development Canada, and Immigration, Refugees and Citizenship Canada), including the planning, approvals, solicitation, bid evaluation, and contract award.

The audit approach included a review of procurement and contracting policies and guidelines; interviews with relevant organization officials; third-party confirmations; analysis of procurement and contracting documents; and a review of a representative sample of invoices submitted by the Hosted Contact Centre Service contractor.

The sampling approach included the selection of a representative sample of 49 invoices, stratified by invoice type (rentals, professional and special services, and acquisition of machinery and equipment) and 6 additional samples that had a value of over \$1 million for the Hosted Contact Centre Service contract. Invoices were paid between 2018 and 2025. The representative sample was used to review compliance with section 33 and 34 of the Financial Administration Act, and post-payment verification completed by Shared Services Canada.

We did not examine the procurement and contract management of the other 212 call centres mentioned in this report.

¹ **Contract management.** The process of systematically and efficiently managing contract development, implementation, and administration for maximizing financial and operational performance and managing inherent risk. Contract management encompasses the life cycle of a contract and involves many interested parties including, but not limited to the contracting officer, the client department and the supplier.

Criteria

We used the following criteria to conclude against our audit objective:

Criteria	Sources (in force during the period of the audit)
<p>Shared Services Canada carried out procurement processes and contract management of the Hosted Contact Centre Service in a manner that complied with relevant government policies, procedures, and guidelines and that ensured the realization of expected benefits and results* for departments.</p> <p>* Considering factors for value for money such as a decision(s) that demonstrates the optimal balance of quality, risk, and cost over the full life cycle, in line with “best value,” including that measurable deliverables, oversight, and payments reflect the work performed.</p>	<ul style="list-style-type: none"> • Financial Administration Act • Shared Services Canada Act • Contracting Policy, Treasury Board • Directive on the Management of Procurement, Treasury Board • Directive on Account Verification, Treasury Board • Directive on Delegation of Financial Authorities for Disbursements, Treasury Board • Directive on Delegation of Spending and Financial Authorities, Treasury Board • SSC Procurement manual and other guides or publications • Supply Manual, Public Services and Procurement Canada • Policy on Results, Treasury Board • Directive on Results, Treasury Board • Directive on the Management of Projects and Programmes, Treasury Board
<p>Shared Services Canada and partner departments and agencies carried out appropriate validation to ensure that they received the services paid for according to the contract.</p>	<ul style="list-style-type: none"> • Financial Administration Act • Shared Services Canada Act • Contracting Policy, Treasury Board • Directive on the Management of Procurement, Treasury Board • Directive on Account Verification, Treasury Board • Directive on Delegation of Financial Authorities for Disbursements, Treasury Board • Directive on Delegation of Spending and Financial Authorities, Treasury Board • SSC Procurement manual and other guides or publications • Supply Manual, Public Services and Procurement Canada • Policy on Results, Treasury Board • Directive on Results, Treasury Board • Directive on the Management of Projects and Programmes, Treasury Board

Criteria	Sources (in force during the period of the audit)
<p>Shared Services Canada managed the Hosted Contact Centre Service transition, as part of the call centre modernization initiative, in a manner that allowed the delivery of expected services, with due regard for value for money.</p>	<ul style="list-style-type: none"> • Financial Administration Act • Shared Services Canada Act • Contracting Policy, Treasury Board • Directive on the Management of Procurement, Treasury Board • Directive on Account Verification, Treasury Board • Directive on Delegation of Financial Authorities for Disbursements, Treasury Board • Directive on Delegation of Spending and Financial Authorities Treasury Board • SSC Procurement manual and other guides or publications • Supply Manual, Public Services and Procurement Canada • Policy on Results, Treasury Board • Directive on Results, Treasury Board • Directive on the Management of Projects and Programmes, Treasury Board
<p>Shared Services Canada, in consultation with the Canada Revenue Agency, Employment and Social Development Canada, and Immigration, Refugees and Citizenship Canada, managed the procurement processes according to applicable procedures, regulations, and policies and with due regard to value for money for Canadians.</p>	<ul style="list-style-type: none"> • Financial Administration Act • Contracting Policy, Treasury Board • Directive on the Management of Procurement, Treasury Board • SSC Procurement manual and other guides or publications • Supply Manual, Public Services and Procurement Canada • Directive on Delegation of Spending and Financial Authorities, Treasury Board
<p>Shared Services Canada, in consultation with the Canada Revenue Agency, Employment and Social Development Canada, and Immigration, Refugees and Citizenship Canada put in place a contract management framework to enable the realization of the expected benefits and results for Canadians.</p>	<ul style="list-style-type: none"> • Financial Administration Act • Contracting Policy, Treasury Board • Directive on the Management of Procurement Treasury Board • SSC Procurement manual and other guides or publications • Supply Manual, Public Services and Procurement Canada • Directive on Delegation of Spending and Financial Authorities Treasury Board

Period covered by the audit

The audit covered the period from April 1, 2015 to July 18, 2026. This is the period to which the audit conclusion applies. However, to gain a more complete understanding of the subject matter of the audit, we also examined certain matters that preceded the start date of this period.

Date of the report

We obtained sufficient and appropriate audit evidence on which to base our conclusion on October 19, 2026, in Ottawa, Canada.

Audit team

This audit was completed by a multidisciplinary team from across the Office of the Auditor General of Canada led by Mathieu Lequain, Principal. The principal has overall responsibility for audit quality, including conducting the audit in accordance with professional standards, applicable legal and regulatory requirements, and the office's policies and system of quality management.

Recommendation and Response

The response appears as it was received by the Office of the Auditor General of Canada.

In the following table, the paragraph number preceding the recommendation indicates the location of the recommendation in the report.

Recommendation	Response
<p>33. Given the importance of government call centres in providing service to Canadians, Shared Services Canada should implement changes to prioritize and efficiently complete the replacement of call centre systems before existing contracts expire. It should be done in consultation with partner organizations, internal experts, and external parties.</p>	<p>The department's response. Agreed. Shared Services Canada (SSC) will develop a five-year, government-wide contact centre technology consolidation plan. The plan will reduce the number of contracts, keep pace with evolving technologies, scale to demand, and address diverse partner business needs. By March 31, 2027, SSC will deliver a product roadmap and procurement strategy informed by existing solutions, contract expiry dates, partner migration plans, and dependencies.</p> <p>SSC will use established interdepartmental committees to consult partners and subject-matter experts, including Employment and Social Development Canada, the Canada Revenue Agency, and Immigration, Refugees and Citizenship Canada. Building on lessons from the recent Contact Centre as a service procurement, future procurement will include early vendor and partner engagement. SSC will also assess greater use of its internally developed and managed solution for low- to medium-complexity services, reducing reliance on external vendors and improving long-term service stability. Together, these actions will support earlier planning and the timely replacement of contact centre services before existing contracts expire.</p>

Appendix—Text Descriptions of Exhibits

Here are the text descriptions of the exhibits.

Exhibit 2—The Hosted Contact Centre Service contract value increased from \$50 million to \$251 million—Text description

This chart with dots shows the following Hosted Contact Centre Service contract values:

October 2015: \$50 million

January 2019: \$104 million

December 2019: \$105 million

December 2019: \$106 million

March 2020: \$109 million

May 2020: \$114 million

February 2021: \$116 million

September 2022: \$128 million

March 2023: \$129 million

June 2023: \$190 million

March 2024: \$214 million

March 2026: \$251 million

Note: Only the amendments that changed the value of the contract are presented.

Source: Based on information from Shared Services Canada



Exhibit 3—The Contact Centre as a Service deployment plans are very tight—Text description

This timeline shows the following:

Hosted Contact Centre Service (HCCS) experience:

- Planning: September 2013 to February 2014
- Contract solicitation, evaluation, and award: March 2014 to October 2015
- Implementation and deployment: November 2015 to June 2018 (for 8 call centres); additional call centres were onboarded afterward
- System live: July 2018 to end of contract

Contact Centre as a Service—Employment and Social Development Canada plan:

- Planning: December 2022 to October 2024
- Contract solicitation, evaluation, and award: October 2024 to April 2025
- Implementation and deployment: May 2025 to June 2027
- System live: July 2027 and onward

Contact Centre as a Service—Canada Revenue Agency plan:

- Planning: September 2024 to December 2024
- Contract solicitation, evaluation, and award: January 2025 to July 2025
- Implementation and deployment: August 2025 to June 2027
- System live: July 2027 and onward

Contact Centre as a Service—Immigration, Refugees and Citizenship Canada plan:

- Planning: June 2024 to December 2024
- Contract solicitation, evaluation, and award: January 2025 to July 2025
- Implementation and deployment: August 2025 to March 2027
- System live: April 2027 and onward

A dotted line through the timeline marks each the following:

- The end of the original HCCS contract: October 2025
- The end of the HCCS option years included in the initial contract: October 2027
- System live based on HCCS experience: October 2028
- The end of the HCCS contract extension: December 2028

Source: Based on information from Shared Services Canada, Canada Revenue Agency, Employment and Social Development Canada, and Immigration, Refugees and Citizenship Canada





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