



HOUSE OF COMMONS  
CHAMBRE DES COMMUNES  
CANADA

# 2018-2019 QUARTERLY FINANCIAL REPORT (Q1)

UNAUDITED  
PRESENTED TO THE BOARD OF INTERNAL ECONOMY

AS AT JUNE 30, 2018



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## **1. Introduction**

The quarterly financial report is presented to the Board of Internal Economy in support of an effective oversight of public funds. It compares the year-to-date financial information of the current fiscal year (2018-2019) with the year-to date financial information of the same quarter of the previous fiscal year (2017-2018).

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

## **2. Basis of Presentation**

This report has been prepared using an expenditure basis of accounting, which is consistent with the *Public Accounts of Canada*. The authorities include the House of Commons' Main Estimates and other items for that same fiscal year, which have been approved by the Board of Internal Economy.

## **3. Corporate Risks**

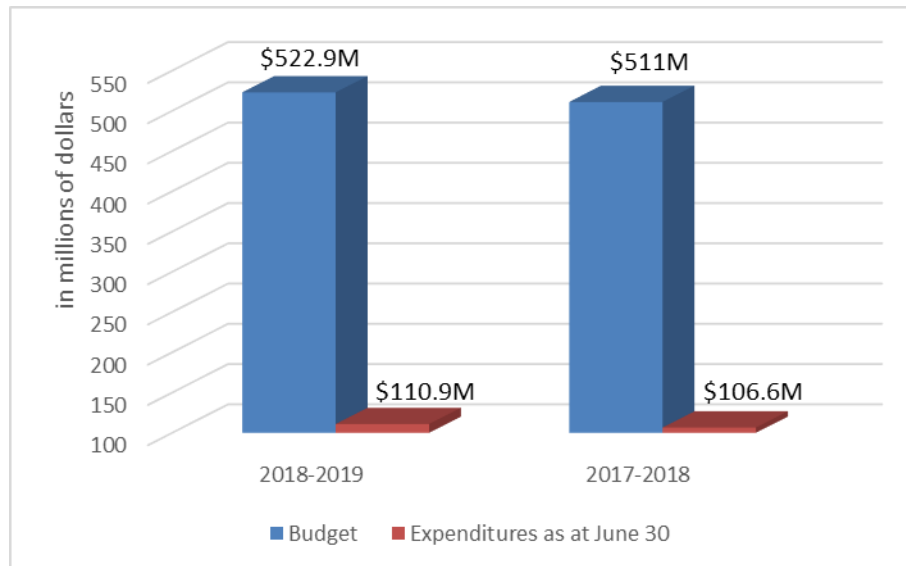
The House Administration's ability to quickly respond to various pressures on its clients and employees, its environment, and its systems and technologies allows it to continue to deliver on initiatives under the Long-Term Vision and Plan (LTVP). The House Administration therefore supports readiness through defined strategies and associated resource allocations in order to ensure business resilience, as well as the uninterrupted and efficient operations of the House of Commons. Such strategies and allocations enable more effective and efficient communications with Members, their employees and the House Administration employees.

Seeing that the House of Commons is one of Canada's top employers, the House Administration is looking to reinforce the importance of recruiting and retaining qualified and engaged personnel in a highly competitive labour market by focusing its efforts on employee engagement, succession planning and performance management.

## 4. Highlights of Quarterly Results as at June 30

The following graph provides a comparison between authorities approved for use by the Board of Internal Economy and actual expenditures as at June 30 of fiscal years 2018-2019 and 2017-2018.

**Graph 1. Comparison Between Approved Authorities and Actual Expenditures**



## 4.1 Authorities Analysis

### Approved Authorities for the Quarter Ended on June 30

Approved by the Board of Internal Economy by the end of the respective quarter.

**Table 1. Comparison of Approved Authorities for Quarter Ended June 30 of Fiscal Years 2018-2019 and 2017-2018**

(in thousands of dollars)

Type	Description	2018-2019	2017-2018	Variance (\$)	Variance (%)
Statutory	Members and House Officers	120,174	120,093	81	0.1
Statutory	Employee Benefit Plans — Members and House Officers, and House Administration	39,834	40,203	(369)	(0.9)
<b>Statutory</b>	<b>Subtotal</b>	<b>160,008</b>	<b>160,296</b>	<b>(288)</b>	<b>(0.2)</b>
Non-statutory	Members and House Officers	168,515	167,221	1,294	0.8
Non-statutory	Committees, Parliamentary Associations and Parliamentary Exchanges	9,160	8,310	850	10.2
Non-statutory	House Administration	185,236	175,186	10,050	5.7
<b>Non-statutory</b>	<b>Subtotal</b>	<b>362,911</b>	<b>350,717</b>	<b>12,194</b>	<b>3.5</b>
<b>Total</b>		<b>522,919</b>	<b>511,013</b>	<b>11,906</b>	<b>2.3</b>

For 2018-2019, the House of Commons' total approved authorities of \$522.9M are composed of the following items:

- \$507M obtained through the Main Estimates; and
- \$15.9M that will be requested through the Supplementary Estimates.

As reflected in the table above, the House of Commons' total approved authorities available for use in fiscal year 2018-2019 increased by \$11.9M (2.3%) compared to 2017-2018. The most significant changes to the authorities relate to the following:

- \$10.6M for the LTVP; and
- \$1M for conferences, associations and assemblies.

## 4.2 Expenditures Analysis

### Expenditures for the Quarter Ended on June 30

**Table 2. Comparison of Year-to-date Expenditures for Quarter Ended June 30 of Fiscal Years 2018-2019 and 2017-2018**

(in thousands of dollars)

Type	Description	2018-2019	2017-2018	Variance (\$)	Variance (%)
Statutory	Members and House Officers	22,834	22,849	(15)	(0.1)
Statutory	Employee Benefit Plans — Members and House Officers, and House Administration	9,958	9,661	297	3.1
<b>Statutory</b>	<b>Subtotal</b>	<b>32,792</b>	<b>32,510</b>	<b>282</b>	<b>0.9</b>
Non-statutory	Members and House Officers	34,656	33,877	779	2.3
Non-statutory	Committees, Parliamentary Associations and Parliamentary Exchanges	865	1,259	(394)	(31.3)
Non-statutory	House Administration	42,543	38,977	3,566	9.1
<b>Non-statutory</b>	<b>Subtotal</b>	<b>78,064</b>	<b>74,113</b>	<b>3,951</b>	<b>5.3</b>
<b>Total</b>		<b>110,856</b>	<b>106,623</b>	<b>4,233</b>	<b>4</b>

**Table 3. Comparison of Expenditures by Standard Object Between 2018-2019 and 2017-2018**

(in thousands of dollars)

<b>Expenditures</b>	<b>2018-2019</b>	<b>2017-2018</b>	<b>Variance (\$)</b>	<b>Variance (%)</b>
Salaries and Benefits	91,581	86,553	5,028	5.8
Transportation and Telecommunications	7,834	7,535	299	4
Advertising and Printing Services	1,445	1,426	19	1.3
Professional and Special Services	3,320	2,837	483	17
Rentals and Licences	4,202	5,676	(1,474)	(26)
Repairs and Maintenance	304	316	(12)	(3.8)
Utilities, Materials and Supplies	2,327	2,105	222	10.5
Computers, Office Equipment, Furniture and Fixtures	1,664	909	755	83.1
Transfer Payments	25	118	(93)	(78.8)
Other	184	150	34	22.7
<b>Total Gross</b>	<b>112,886</b>	<b>107,625</b>	<b>5,261</b>	<b>4.9</b>
Less Revenues Netted Against Expenditures	(2,030)	(1,002)	(1,028)	102.6
<b>Total Net</b>	<b>110,856</b>	<b>106,623</b>	<b>4,233</b>	<b>4</b>

Expenditures for 2018-2019 increased by \$4.2M (4%) at the end of June compared to the previous fiscal year. The most significant changes to the expenditures by standard object are explained below.

### **Salaries and Benefits**

Personnel expenditures increased by \$5M by the end of the first quarter of 2018-2019 compared to the previous fiscal year. This increase is mainly due to:

- additional employees hired in support of the LTVP and major investments, such as the Food Services Modernization and Optimization of Services, the House Officers' expenditure disclosure, and Human Resources Services' pay and benefit services, as well as the creation of the Office of the Deputy Clerk, Administration;
- cost of living increases, including the economic increases for approximately 1,600 employees of the House Administration; and
- additional staff hired to support Members in the discharge of their parliamentary functions.

**Rentals and Licences**

The decrease of \$1.5M is mainly due to changes in timing of payments associated with annual software licencing for various network and desktop applications.

**Computers, Office Equipment, Furniture and Fixtures**

The increase of \$0.8M is mainly due to higher IT investments (e.g. for the life cycling of workstations) and to other activities related to the LTVP.

**Revenues**

The \$1.0M increase in revenues is mainly due to earlier recoveries compared to the previous year.



### 4.3 Budget Utilization as at June 30

**Table 4. Budget Utilization for Quarter Ended June 30 of Fiscal Years 2018-2019 and 2017-2018**

(in thousands of dollars)

Type	Description	2018-2019 Authorities	2018-2019 Expenditures	2018-2019 % Spent	2017-2018 Authorities	2017-2018 Expenditures	2017-2018 % Spent
Statutory	Members and House Officers	120,174	22,834	19	120,093	22,849	19
Statutory	Employee Benefit Plans — Members and House Officers, and House Administration	39,834	9,958	25	40,203	9,661	24
<b>Statutory</b>	<b>Subtotal</b>	<b>160,008</b>	<b>32,792</b>	<b>20.5</b>	<b>160,296</b>	<b>32,510</b>	<b>20.3</b>
Non-statutory	Members and House Officers	168,515	34,656	20.6	167,221	33,877	20.3
Non-statutory	Committees, Parliamentary Associations and Parliamentary Exchanges	9,160	865	9.4	8,310	1,259	15.2
Non-statutory	House Administration	185,236	42,543	23	175,186	38,977	22.2
<b>Non-statutory</b>	<b>Subtotal</b>	<b>362,911</b>	<b>78,064</b>	<b>21.5</b>	<b>350,717</b>	<b>74,113</b>	<b>21.1</b>
<b>Total</b>		<b>522,919</b>	<b>110,856</b>	<b>21.2</b>	<b>511,013</b>	<b>106,623</b>	<b>20.9</b>

As at June 30, 2018, the utilization of authorities remains stable compared to the previous year, only showing a slight increase of 0.3%.