

**Business Plan**  
**Update: 1999-2000**  
**Passport Office**

(FINAL VERSION)

Dept. of Foreign Affairs  
Min. des Affaires étrangères

NOV 21 2001

Return to Departmental Library  
Retourner à la bibliothèque du Ministère

# Foreword

The Business Plan of the Passport Office places particular emphasis on the priorities and resources allocated for the current year while looking at the issue within the three-year horizon defined by the Strategic Plan.

Besides taking into account the mandate, mission and vision of the Passport Office, the Business Plan also includes the strategic imperatives derived from the Strategic Plan for the Fiscal Years 1997-1998 to 2000-2001, and the priorities laid down by the Executive Committee (EC). Furthermore, it takes into account the adjustments that will be required in activities and projects if we are to attain our objectives.

This version includes the following main points:

- I. Highlights of the year
- II. Description of the basic activities of the Passport Office
- III. The situation in 1999-2000
- IV. Strategic imperatives and corporate goals
- V. Demand for services
- VI. Financial analysis
- VII. Performance objectives
- VIII. The near future

The document contains the following appendices:

- "A": Charts
- "B": Presentation of the major activities
- "C": Brief description of the Mandate, Mission and Vision of the Passport Office
- "D": Detailed presentation of the environmental analysis.

62522339

# I. Highlights

## **Production automation**

The year 1999-2000 witnessed an innovation: the Passport Office converted from producing passports manually to automated production. The implementation of the IRIS automated passport production system across the country, as well as the methods of production, will result in major changes in the way the Passport Office operates. It will pay particular attention to these changes by ensuring a gentle transition that is respectful of the employees, and that will ensure that service (level and provision) and quality are the same, if not better. These measures will help the Passport Office to enhance its performance, especially in terms of integrity and security, and to meet the needs of its clients. In the first year, however, the introduction of IRIS will result in a temporary drop in productivity.

## **Human resources**

The Passport Office expects to make a major effort to increase the quality of its human resources management. An overall Human Resources Plan will be developed, which will include a training plan and a review of the mechanisms for reviewing employee performance and for providing feedback. The Office will resume the enhancement of the human resources information system (HRIS) by improving its access. In addition, it will pay particular attention to two challenges: the implementation of the new Universal Classification Standard (U.C.S.), and the reallocation of human resources as required for automated production.

## **Integrity and security**

The improvement in activities to support the integrity of the empowerment process and the evaluation of risks and threats to security will strengthen the efforts of the Passport Office to facilitate the movement of people with travel documents through borders, while maintaining Canada's reputation in the international community.

## **Alternative service delivery**

While continuing its efforts to diversify the ways in which it delivers services, the Passport Office will continue to upgrade its alliances and partnerships with other organizations. A series of pilot projects involving certain government departments and agencies (for example, Canada Post, Citizenship and Immigration) will be assessed to determine what efficiency gains the Passport Office has achieved and what benefits have accrued to its clients.

## **Research and development**

The Passport Office is continuing with its research efforts concerning the passport card. This involves developing a technology to be shared with other departments including Citizenship and Immigration, and other international organizations. Besides increasing passport security, this research activity could lead to a shared service for the production and manufacture of cards for other government departments.

## **Excellence**

The pursuit of **excellence** will be marked by the development of a set of instruments and tools specifically designed to measure performance. The full implementation of the integrated system of managing finances and materiel, and the system of accounting by activities will ensure more effective and efficient management of resources. A review of the mechanisms relating to controls and planning will ensure more effective decision-making.

## **Financial situation**

Losses are expected in the first few years. To deal with them, the Passport Office has developed a Long-Term Financial Plan (LTFP) which includes measures that will make it possible to achieve a balanced budget while providing quality service to clients.

## **Year 2000 Compliance**

The Passport Office has completed its assessment of all its systems and is developing an emergency plan to deal with the "Year 2000" or "millennium problem".

## **Detailed Plan**

Appendix "B" contains a detailed description of the main activities for 1999-2000.

# **II. Basic activities**

The central activity of the Passport Office is the issuance of travel documents that enjoy international prestige. To attain the goals and objectives it has set itself in terms of performance, the Passport Office must invariably evaluate the *integrity* of travel documents and the *security* of the eligibility and issuing process, while at the same time providing top-quality service and aiming at a balanced budget through a careful examination of the cost of providing services.

Clients can also apply in person at the 28 offices located across the country or make use of the mail. The Passport Office also issues diplomatic passports and special passports. In the latter case, the Passport Office provides a "personalized" service: it looks after obtaining visas at no extra charge. It also issues travel documents for refugees (as defined in the 1951 United Nations Convention) and provides certificates of identity for landed immigrants who cannot obtain passports from their country of origin. The Passport Office also provides service throughout the world at Canadian missions abroad.

All these services must be both efficient and economical. In addition, sometimes service must be provided on weekends or to meet very tight deadlines.

## Security and integrity of travel documents

The integrity of travel documents and the security of the eligibility process are essential both for the Passport Office and for the bearers of Canadian documents.

For the bearers, the integrity of the documents and the security of the eligibility process help to make the inspections carried out by foreign customs officers more efficient. In fact, Canadian travel documents and the inherent checking and eligibility processes are well known to foreign customs officers. Canadians are quickly allowed entry into foreign countries.

For the Passport Office, integrity and security are certainly important at the stage of processing the application, but they also apply to everything that is done in the Passport Office, from the design of the passport to internal and external communications; from a regional office to foreign missions. The cost-effective measures that a public service organization like ours is required to take cannot be considered without first undertaking a study of their impact on security. The Passport Office works closely with other governments, other government departments, and with international organizations in reacting to security issues. Through constant vigilance, the Passport Office ensures that the trust placed in Canadian travel documents by travellers around the world will always be deserved.

## Clients

The Passport Office deals with a volume of approximately 2.9 million client transactions annually. Whether this involves processing a passport application or an inquiry, the Passport Office must be able to deliver approximately 11,000 transactions each working day. This number will increase over the next few years.

Today, almost 25 percent of Canadians hold a valid passport, which is evidence of continuous growth since 1990, the figure for that year being 18.8 percent. Note, however, that this growth tapers off whenever there is a recession.

A study of Canadians travelling abroad by the Canadian Tourism Research Institute of the Conference Board of Canada, shows that the disposable personal income of these travellers (who accordingly bear passports)<sup>1</sup> is greater than the average. Note also that people aged 55 and over are more likely to travel abroad, since the financial obligations of many of them may not be as burdensome as those of younger people.

---

<sup>1</sup> Travel Forecasts 2000: Twenty-one Questions for the 21<sup>st</sup> century. There has always been a close link between the rate of growth in the number of Canadian passengers on international airlines (except for travel to the United States), and the growth in demand for passports.

Be that as it may, all our clients generally have the same needs: they want a passport that is respected in all countries, issued within a reasonable time, and with accessible points of service and convenient office hours, although their specific priorities may vary. For example, for business travellers it is essential that the passport be issued quickly and that it contain enough pages. Recreational travellers, for their part, prefer points of service that are easy to access and office hours that fit their schedules.

### **III. The situation in 1999-2000**

In its ongoing planning, the Passport Office takes into account the dynamics of organizational context, the market and the environment. This forces it to emphasize certain aspects of its own activities in order to remain productive, efficient and in touch with current realities. In addition, it must look to the future in order to have the people, the tools and the skills that will enable it to meet the requirements of the market and its clients. The main items involving change are a result of changing expectations of clients and of the public service, the introduction of new technologies, certain basic trends, and the harsh reality of budget cuts, to which no organization is immune.

The primary change factors fall into two categories: the first consists of elements, linked to the environment as a whole, that may have an effect either directly or indirectly on organizations and individuals. The second consists of factors that impact more explicitly and directly on the Passport Office, factors that relate to its mandate and its activities. These factors are presented in greater detail in Appendix "D".

#### **Overview of trends**

Pressures created by these main trends have a direct effect on the services of the Passport Office. Economic factors such as globalization and the increasing integration of economies and markets, technological factors such as those relating to information and communication (e-commerce and the Internet), and cultural and demographic factors such as the imposing presence of the baby-boom generation, all exert pressures on government services. These pressures point in a specific direction: services must be provided that not only meet the requirements of efficiency and speed but are also reliable and honest.

Factors relating directly to the mandate of the Passport Office create similar pressures: while clients expect service that is easier to access, our partners in government pursue similar objectives in terms of performance and service. Employees are looking for a work environment that is rewarding to them, and in which they can grow.

In her *Fifth Annual Report to the Prime Minister on the Public Service of Canada*, the Clerk of the Privy Council reaffirmed the objectives that the government has adopted over the last few years:

In service delivery, the challenge will be to use information technology to provide Canadians with access to government services on their terms and according to their needs and circumstances. In human resources management, the goal is to become a learning and knowledge-based organization, one able to provide people with the breadth of knowledge and experience necessary to advise or serve in a modern global environment.

Besides the emphasis placed on *la Relève*, the Clerk of the Privy Council established specific objectives for the future:

**A borderless institution**

As issues become more global and more complex, and as citizens and the collective interest become the focus of policy development and service delivery, the work done by public sector employees is changing. To respond to this challenge, the Public Service of Canada must become a borderless institution. This does not mean it has organizations without structure, without legislative frameworks or without accountability. Rather, it is an institution committed to reducing the barriers to the flow of ideas and information within and among public sector organizations.

**A learning organization**

The Public Service of Canada must become a continuous learning organization. It is still far from that goal: it requires a transformation in its people, its attitudes and its leadership. The challenge of becoming a learning organization requires that we go beyond the provision of training and development.

**Effective leadership**

Building an open, borderless, learning organization requires everyone to change ... And it needs leadership. A new approach to management is called for. This approach requires a climate of trust, encourages collaboration, and favours inclusiveness. It recognizes the importance of sharing power in exchange for having everyone gain a greater sense of collective responsibility.

# IV. Strategic Imperatives and goals

All of these factors and pressures require that the Passport Office consider a number of critical issues. In order to make continuous improvements in the provision of quality service and the issuance of honest and secure travel documents, the Passport Office must: (1) pursue efficiency and performance in a consistent and ongoing way; (2) make use of technological advances; (3) seek diligently for alternative ways to deliver services in collaboration with its partners and its alliances; (4) reconsider its service and productivity goals at a fundamental level.

In its Strategic Plan, the Passport Office has established a viable and gradual strategy. It includes four strategic imperatives which define the direction of its efforts to meet the requirements of its mandate, mission and vision, the needs of its clients, and the existing constraints. The imperatives thus define the area of the objectives and operational activities of the Passport Office.

## The four imperatives are as follows

I) Exploit the concept of Alternative Service Delivery to its full potential in order to reduce duplication and costs, achieve government-wide goals and attract new alliances that leverage our core competencies.

II) Provide management with the necessary skills, information and processes in order to strengthen the decision-making capabilities of the Passport Office.

III) Accelerate the application of technology to our processes to ensure that employees at all levels have the tools and information they need to operate in a rapidly-changing environment.

IV) Re-engineer the application process in order to reduce impositions on our clients.

## Corporate Goals

Taking into account the changes that have occurred in the Passport Office since the current strategic planning cycle was implemented, the Executive Committee (EC) has reviewed its mission critical results in light of constraints and changes in the environment. Among them, the EC has established the most pressing priorities. Translated into corporate goals, they are,

- Reduce costs and increase cost-effectiveness
- Improve staff effectiveness
- Improve employee morale
- Maintain/increase client satisfaction
- Improve the state of our finances



# V. Demand for services

## Analysis of demand

Ninety-eight per cent of the passports issued are 24-page passports (see **Chart 1** in Appendix "A"). Demand varies in line with demographic and economic factors, as well as with the political climate of other countries. Clients apply for passports for various reasons: recreational or business travel, to visit family or friends, travel for compassionate reasons. Some people apply for passports without having any specific travel plans ("just in case") or in some cases to have an identity document.

In the case of passports required for immediate travel, demand is relatively stable. It is possible to forecast this on the basis of demographic trends and travel statistics.<sup>2</sup> It can be seen that fluctuations occur when airlines change some of their travel practices (costs, destinations) or when countries change their conditions of entry. However, when a person obtains a passport ("just in case"), the demand is elastic, as the applicant does not need the passport for travel. Demand may also vary in line with the fees, the location of points of service, the simplicity of the form to be completed, the weather forecast and other factors. This demand is difficult to forecast accurately.

## Estimates of demand

Our estimates are based primarily on projections of the number of passengers using the international airlines. The projections, which were prepared by Transport Canada, include factors such as demography, trends in immigration, the international political situation, the economy, disposable personal income and the cost of fuel.

Transport Canada estimates that the number of Canadian passengers travelling by air will increase by 3.5 percent in 1999 over the previous year, and will climb again by 2.5 percent in 2000. Of all international travel (for more than one night) by Canadians, almost 76 percent is to the United States.<sup>3</sup>

**Chart 2** shows that the number of passengers on international airlines (excluding the United States) should double between 1998 and 2017.

---

<sup>2</sup> As mentioned earlier, there is a close correlation between the rate of growth in the number of passengers on international airlines (excluding travel to the United States) and the growth in demand for travel documents.

<sup>3</sup> Although Canadians are not legally required to present passports when they travel to our neighbour to the south, Consular Affairs in DFAIT recommends that they have a valid travel document with them when they use public transport (which accounts for 40 percent of travel (for more than one night) to the United States).

## Planned Demand and Forecasts

In 1998-1999, it was estimated that demand (almost 1.5 million 24-page passports) would increase by 5.5 percent over the previous year (1997-1998). This growth closely tracks that in international travel, which witnessed a 5.9 percent growth in 1998.

	Estimate of volumes			
	Planned 1998-99	Estimated 1999-00	Estimated 2000-01	Estimated 2001-02
<i>Passports</i>				
24 pages	1,569,042	1,609,418	1,649,927	1,689,721
48 pages	19,624	20,280	20,818	21,125
Official	7,637	7,838	8,036	8,224
<i>Other documents</i>				
Refugee Travel Documents	6,230	6,386	6,546	6,710
Certificates of Identity	2,247	2,303	2,361	2,420
Emergency	1,220	12,275	1,311	1,310
<b>TOTAL</b>	<b>1,606,000</b>	<b>1,647,500</b>	<b>1,689,000</b>	<b>1,729,500</b>

In 1999-2000, given the constant increase in international air travel, we anticipate a 2.5 percent growth in demand for passports over the previous year, involving the issuance of just over 1.6 million 24-page passports.

**Chart 3** shows the forecasts by regional office for the number of passports to be issued, including the actual figures for 1993-1994, and the forecasts for the years 1994-1995 to 2001-2002.

It should be noted that the issuance of passports is subject to seasonal fluctuations. Thus, the peak period is in the winter while the less busy season is in the summer. Our forecasts take these fluctuations into account to ensure that we can maintain both our level of service and our productivity.

## Types of service

Canadians can send their passport applications by mail or drop them off at one of the 28 points of service located across the country. The Passport Office also has offices that issue Certificate of Identity, Refugees travel documents and Official Travel Documents in Hull.

The opening of new offices over the last few years has led to an increase in the number of over-the-counter applications. In 1997-1998, more than 87 percent of all applications were made by the applicants in person and 13 percent were sent by mail (**Chart 4**). The latter figure includes applications made by Canadians living in the United States. If these are excluded, the proportion of applications made in person compared with those sent by mail rises to 89 percent.

# VI. Financial analysis

The Passport Office is self-financing and it recovers its costs from the revenues it obtains in the form of the fees collected for passport services. As an SOA, the Passport Office must constantly improve its services and its service delivery to meet the needs and requirements of its clients while aiming toward a balanced budget over a four-year cycle (prescribed operation of the Passport Office's revolving fund).

The Statement of Operations table (page 10) shows losses in the next few fiscal years. It should be noted that the figures are based on an estimate submitted to the Treasury Board (TB) in 1997-1998. The Passport Office is awaiting a decision by the TB approving new reference levels.

To ensure its financial stability, the Passport Office has analysed the structure of its costs in its Long-Term Financial Plan (LTFP), 1998-1999 to 2003-2004. This was submitted to Treasury Board.

## Analysis of cost structure

The analysis in the LTFP is based on projected expenditures and revenues over a five-year period. The analysis takes into account an increase in the operating costs of IRIS (passport automated production system), salary increases, costs relating to the new printers and new booklets, ongoing improvements in Information Technology (IT) infrastructure and hardware and increased volumes. It is clear that the Passport Office will be facing increases in its operating costs.

Although expenditure control is obviously the order of the day (e.g. tight monitoring of volumes, variable revenues and costs, strict control of fixed costs and review of the budget in mid-fiscal year), it does not prevent the implementation of IRIS and new production methods from making an impact on the cost structure and consequently on the Passport Office's room to manoeuvre.

The *Long-Term Financial Plan* contains a three-pronged strategy designed to ensure sound financial health:

- Cuts in operating expenditures;
- Structural review of costs;
- Development of new services and new charges.

In a more detailed way, the LTFP includes a series of considerations and measures that would make it possible to weigh the negative impacts:

---

- \$2.9 million in cuts in operating expenditures in 1998-1999;
- The Passport Office has undertaken a review of the structure of its basic operations to ensure that the general costs, as planned for 1999-2000, amount to 18 percent of total expenditures and remain at that level (Chart 5);
- Some activities relating to alternative service delivery will be reviewed, especially the pilot projects, to determine whether they are cost-effective;
- The Passport Office is finding new ways to do more things, more cost-effectively: gradual elimination of paper, implementation of an integrated management system for finances and equipment, and implementation of a system of accounting by activities, which will enable us to identify and eliminate activities that generate additional costs;
- At the present time, the Passport Office is offering its clients new services on an experimental basis: clients may choose between regular service, or, for an additional charge, URGENT SERVICE (the passport is issued in one working day: 24 hours) and EXPRESS SERVICE (two working days: 48 hours), or accelerated service by mail;
- New services such as passport cards and the production of cards for other government departments and agencies could generate further revenues. Where appropriate, these services will be integrated into our operational infrastructure.

However, this series of measures is not sufficient to change the long-term structure of our operating costs as much as we would like. If other measures have to be considered, this could have a negative impact on both the secure issuance and the integrity of travel documents and the quality and level of service. In this situation, the Passport Office will maintain its strategy of investing in, and updating, training, technological infrastructure, and new printers.

Consequently, the Passport Office needs to review its scale of charges for products and services. An analysis of costs shows that several products finance one another. In other words, some products are not covering their own costs. Real and substantial gaps exist between the production cost and the fees charged. Although it would require a major change in the policy of charging for products and services, elimination of this cross-funding would seem to be the cornerstone of a balanced budget in order to provide our clients with quality service at a fair and reasonable cost.

**Statement of Operations of the Passport Office 1999 - 2000**

	Actual figures	Budget	Forecasts (see Note A)		
	1997-1998	1998-1999	1999-2000	2000-2001	2001-2002
<b>Revenues</b>					
Fees earned	\$54,033,162	\$57,089,000	\$54,266,989	\$55,596,159	\$55,596,159
Miscellaneous revenue	\$216,364				
	\$54,249,526	\$57,089,000	\$54,266,989	\$55,596,159	\$55,596,159
<b>Operating expenditures</b>					
Salaries and benefits	\$23,954,107	\$27,513,000	\$25,722,429	\$26,689,930	\$26,689,930
Passport materials and application forms	\$5,271,840	\$5,905,233	\$6,055,220	\$6,328,090	\$6,328,090
Passport operations in missions abroad	\$4,447,460	\$4,447,460	\$4,447,460	\$4,447,460	\$4,447,460
Accommodation	\$3,328,948	\$3,642,752	\$3,627,185	\$3,699,729	\$3,699,729
Professional and special services	\$2,404,297	\$2,020,129	\$4,451,991	\$4,545,212	\$4,545,212
Provision for severance pay	\$1,930,015	\$751,853	\$576,443	\$598,631	\$598,631
Freight, delivery and trucking	\$1,778,597	\$1,988,000	\$2,208,131	\$2,309,494	\$2,309,494
Printing, stationery and supplies	\$1,198,943	\$984,373	\$854,136	\$871,218	\$871,218
Telecommunications	\$1,127,705	\$1,429,617	\$1,332,476	\$1,359,125	\$1,359,125
Depreciation	\$1,070,654	\$2,621,317	\$5,211,520	\$5,327,454	\$5,327,454
Miscellaneous expenditures	\$2,054,712	\$3,396,277	\$2,018,825	\$2,170,980	\$2,170,980
	\$48,567,279	\$54,700,011	\$56,505,816	\$58,347,323	\$58,347,323
<b>Net profit (loss)</b>	\$5,682,247	\$2,388,989	(\$2,238,827)	(\$2,751,164)	(\$2,751,164)

*Note A: The existing reference levels are based on those submitted to Treasury Board in 1997-1998. They will be changed following approval of the Long-Term Financial Plan by Treasury Board.*

# VII. Performance Objectives

## Standards of service

Passports are normally issued in Canada within five working days when an application is submitted in person at one of the offices located in this country. Where the client uses the mail, the application will normally be processed within ten working days. The time taken to process travel documents is shown in the Table below.

## Productivity

The concept of productivity is used in the Passport Office to assess the efficiency of the organization. The productivity rate, that is the number of travel documents issued per full-time equivalent (FTE) has two components. The first includes only operational staff, while the second includes both operations and administrative services. The rate is calculated globally, for each region and for each office, on a monthly or an annual basis.

The Table below shows projections for the annual productivity rate during the period of four fiscal years ending on March 31, 2002, and anticipated productivity in 1998-1999. The forecasts for 1999-2000 and 2000-2001 show productivity of 2,423 and 2,602 respectively. The decline is explained by the changes in operations resulting from the implementation of IRIS on the national level. However, note the substantial rise in the productivity rate to the 1998-1999 level. It should be noted that the productivity rate reflects the seasonal changes in demand for travel documents by Canadians.

### Planned performance objectives

	Estimate 1998-1999	Forecast 1999-2000	Forecast 2000-2001	Forecast 2001-2002
<b>Time taken</b>				
Applications received by mail	97% in 10 days	100% in 17 days	Some applications must be examined in greater detail (security checks), which explains the discrepancies.	
Applications made in person	98% in 5 days	100% in 7 days		
<b>Productivity objectives</b>				
Travel documents issued by employees	2,628	2,423	2,602	2,601
Travel documents issued by production employees	3,484	3,284	3,535	3,542

## Clients and service

Two surveys of clients show a high rate of satisfaction with the service provided by the Passport Office.

The results of the first survey (June 1998, n = 1,015) show that 90 percent of the respondents said that they were satisfied (all types of service combined) while 55 percent said that they were very satisfied. The second survey (February 1999, n = 227, mail service only), shows that 95 percent of respondents were satisfied (**Chart 6**)

The challenge of maintaining these rates requires staunch persistence in providing quality service while eliminating sources of irritation. Further surveys will be conducted during the year to enable the Passport Office to determine trends in terms of satisfaction with the service and to inquire about client expectations.

## Telephone Call Centre

For 1998-1999, the Passport Office estimates that it will receive 1.3 million telephone calls from clients at our call centres (Toronto, Montreal, Surrey and Hull). The automated system (interactive voice reply) handles 50 percent of the calls and the remainder are handled directly by officials. Available around the clock and 7 days a week, the automated system is used primarily to provide basic information (addresses and office hours). The agents deal mainly with questions concerning the status of a passport application, the requirements for a passport application and the documents required, the cost of a passport, urgent applications for passports or to report a lost or stolen passport. The bilingual service is free of charge (1-800). It also offers a service for the hearing impaired.

An ongoing improvement should be noted in the accessibility rate, that is the percentage of clients who succeed in reaching either the voice mail system or agents. This rate has increased from 80 percent in 1996-1997 to 91.25 percent in 1997-1998 and 93.45 percent in 1998-1999. This rate exceeds the industry-recognized standard of 70 percent (**Chart 7**). The Passport Office expects to maintain or increase this rate and to pay particular attention to the quality of the service, especially to response time and to the relevance and the accuracy of the information provided.

# VIII. The near future

Through its Technology Enhancement Program (TEP), the Passport Office seeks to introduce technological innovations with a view to improving services at home and abroad, while rationalizing the production process, and guaranteeing the security of the passport delivery system.

In addition to IRIS, the passport card project is the focus of Passport Office research and development efforts. Electronic (optical) cards containing digitized information appear to be the solution for ensuring the efficient processing of travellers. The card will afford better protection to travel documents and improve security. In addition to

ensuring an even stronger and more secure link between the bearer of the card and his identity, this technology will speed up processing at Customs and Immigration ports. Whether Canada decides to introduce the card into general circulation will depend on several factors: the existence of a market, and successful interdepartmental cooperation on card-related issues, not to mention international acceptance of this technology and its technical characteristics.

Along with Technology Enhancement Program, the Passport Office is continuing its efforts in the area of Alternate Service Delivery (ASD) and the re-engineering of the Passport Application Process.

Within the framework of the ASD, nearly two years ago the Passport Office put in place a pilot project in which the Canada Post employees act as receiving agents at three post offices located in Cornwall and Sudbury. There are also four pilot projects in place with the Department of Citizenship and Immigration; these are the collocation project (London), use of a joint application form for passport and citizenship applications (Edmonton), a pilot project involving the sharing of call centres (Surrey) and a pilot project involving the introduction of a joint card. These projects and other ASD opportunities affording different types of partnerships and alliances with public and private agencies will be assessed in order to determine possible areas of cooperation. The Passport Office will then weigh the risks, the advantages, the savings and the costs involved. These assessments will enable the Passport Office to make well-informed decisions based on exhaustive and relevant analyses, and to meet the principal objectives that are the aim of the partnerships and the alliances: improving services, providing greater accessibility, eliminating duplication and reducing costs.

In addition to increasing the number of service delivery points, the Passport Office is also looking at other ways of increasing access to services. Increasing Internet use, for example, has prompted the Passport Office to explore and offer, in the very near future, services on the Internet.

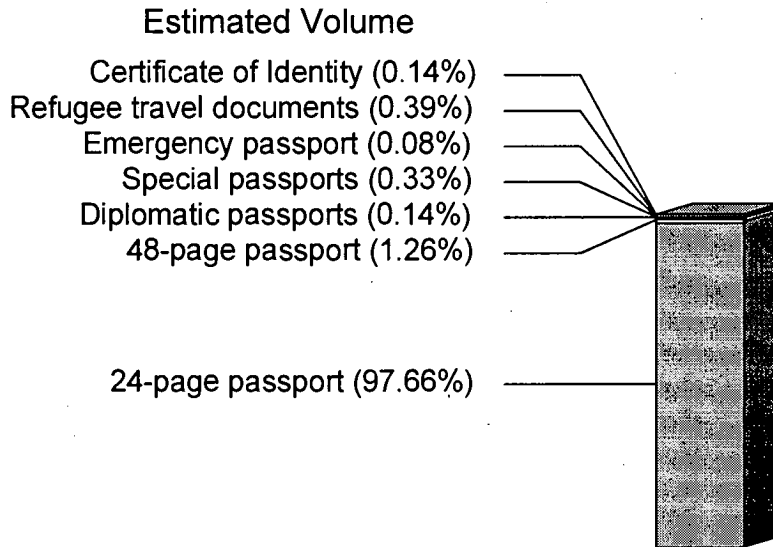
Since January 1999, the Passport Office has offered, as a pilot project in over nine of its offices, 24-hour (one working day) or 48-hour (two working days) passport service. This accelerated service appears to meet a need; in Montréal, it already constitutes five percent of the volume.



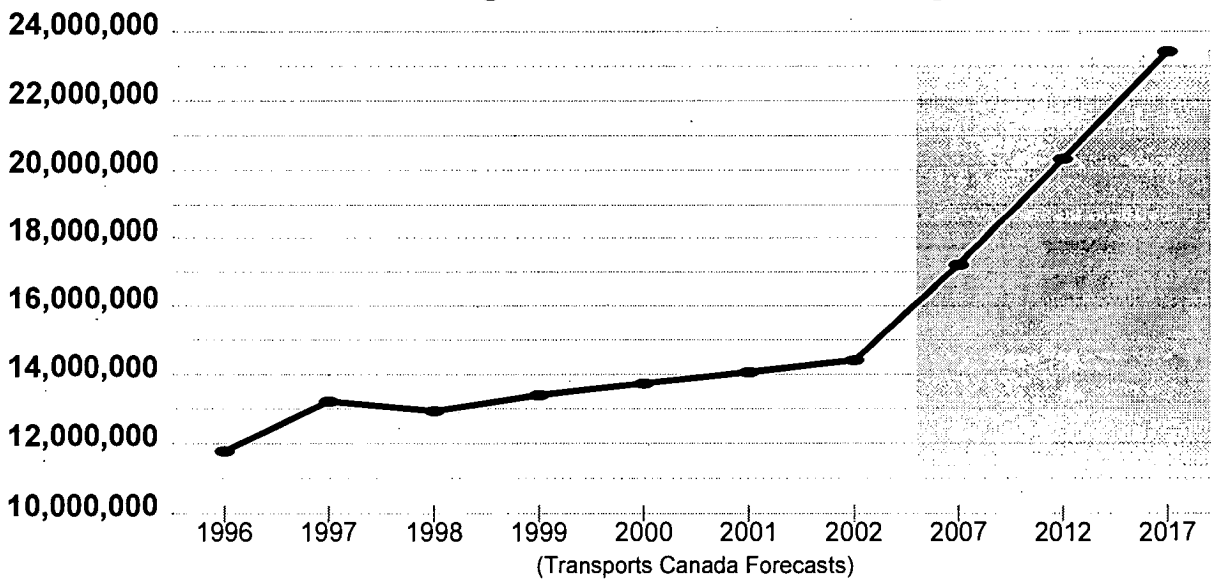
# Appendix «A»

## Charts

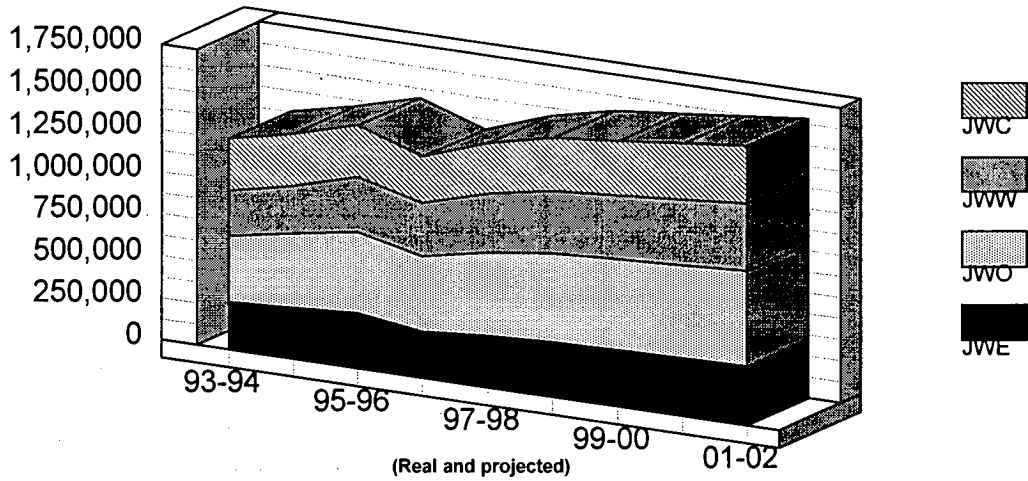
### Chart 1. Travel Documents by Type



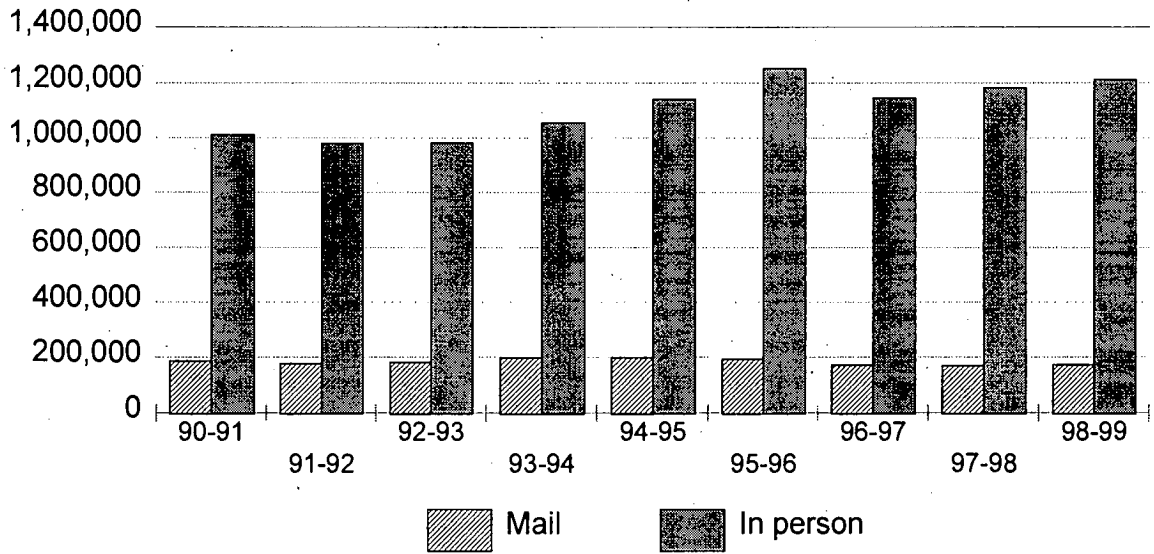
### Chart 2. Foreign Air Travel Passengers



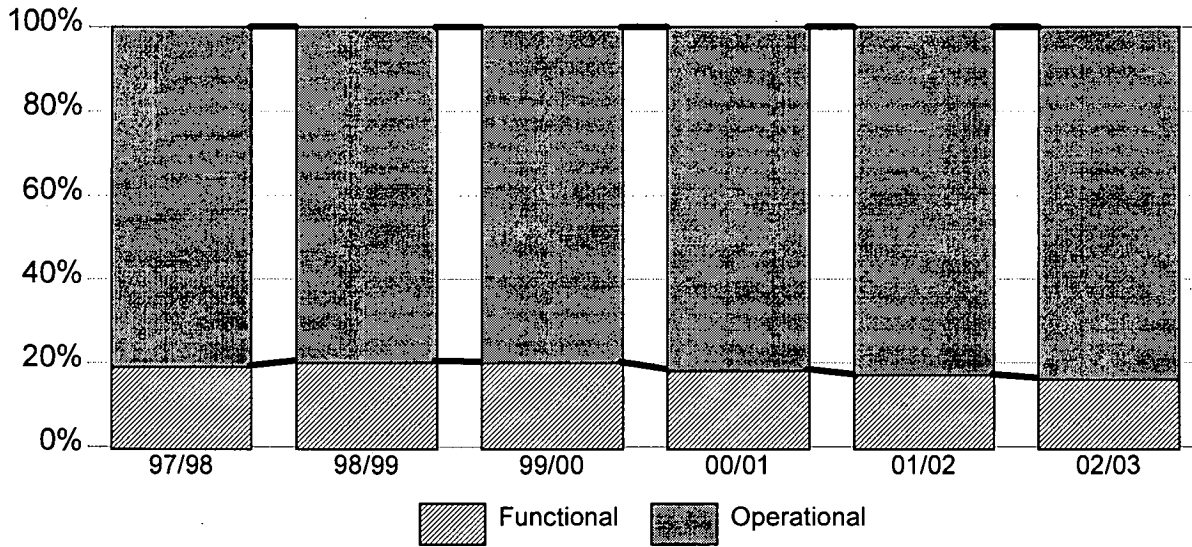
**Chart 3. Passports Delivrance**  
By Offices



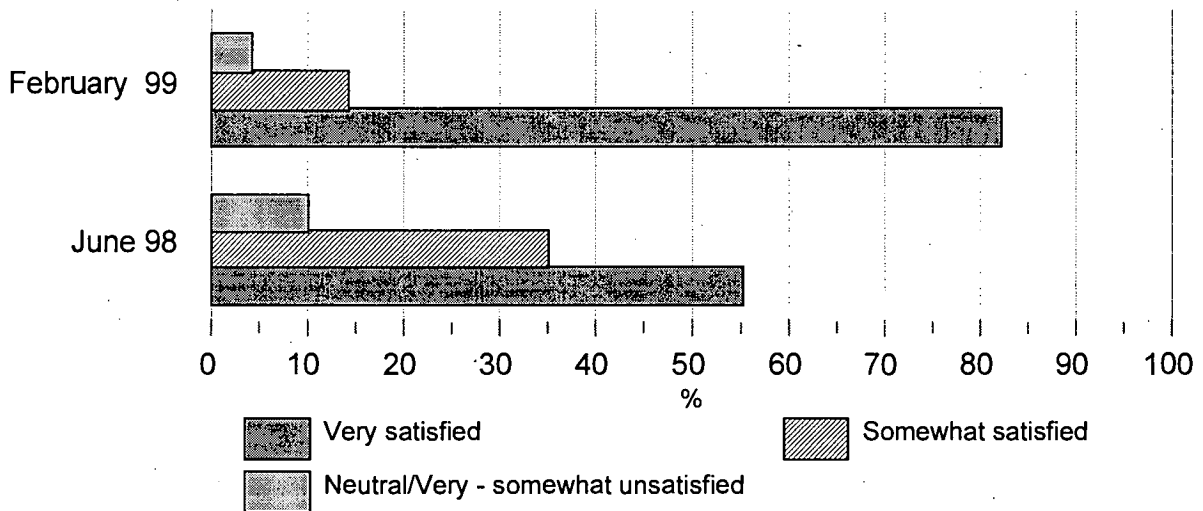
**Chart 4. Passports Delivrance**  
By type of service



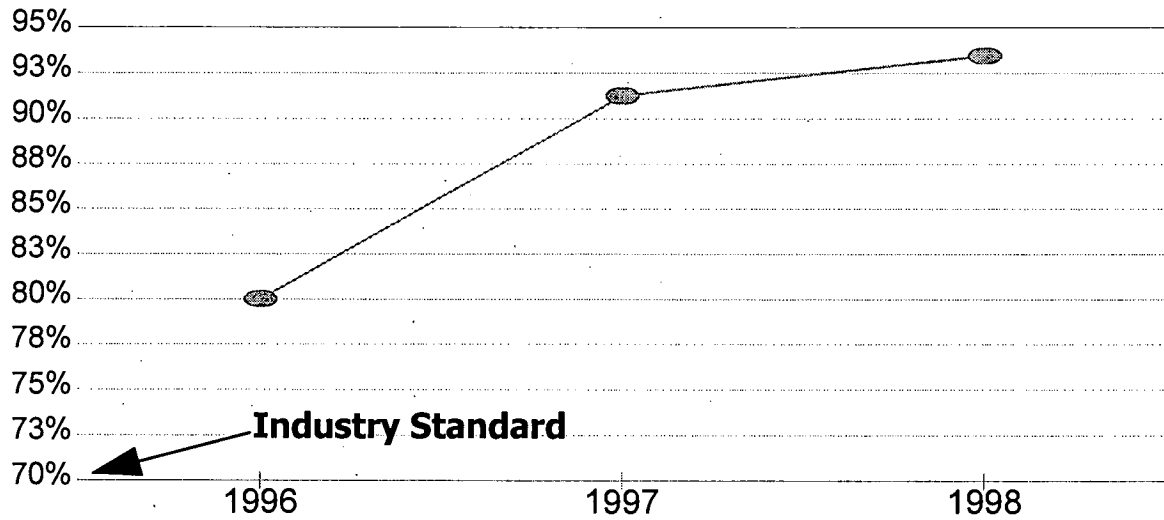
**Chart 5. Cost Comparison**  
Operational/Functional Expenditures



**Chart 6. Client Satisfaction**  
Surveys: June 1998 and February 1999



**Chart 7. Access Rate**  
Telephone Call Centres



## Appendix “B”

### Plan 1999-2000

The following pages describe the various key initiatives and activities planned for 1999-2000. The first table shows activities linked to specific critical challenges and new priorities. The other tables succinctly describe the activities according to their strategic imperatives.

## CRITICAL CHALLENGES AND NEW PRIORITIES

Abbreviations : EC = Executive Committee; HR = Human Resources Directorate; Mgt. Services = Management Services Directorate and TEP; Fin. & Adm. = Financial and Administrative Services Directorate; Security = Security, Policy and Eligibility Directorate; Operations = Directorate of Operations, including the regions: Central, East, Ontario and West; Secretariat = Passport Office Secretariat and relations with the agencies.

[Responsables (Resp.) : italicised directorates indicate a support function.]

PROJECTS	GOALS	EXPECTED RESULTS/BENEFITS	TARGET	RESP.
Universal Classification Standard	Strategic management of the effects of the full implementation of UCS.	<ul style="list-style-type: none"> <li>To ensure effective communication to promote understanding of the UCS</li> <li>To maintain good morale</li> </ul>	Date selected by TB	HR
Year 2000 compliance	Ensure full compliance and be prepared.	<ul style="list-style-type: none"> <li>Contingency and emergency plans</li> <li>Systems up-and-running on 1 January 2000</li> </ul>		Mgt. Services <i>Fin. &amp; Adm., Security, Operations</i>
Fee list	Revise regulations governing fees in the light of the long-term strategic plan.	<ul style="list-style-type: none"> <li>To reduce cross-subsidization between product lines</li> <li>To produce a new fee list</li> </ul>	1999-2000: July	Fin. & Adm.
Integrity of the clearance process	Improve and monitor the clearance process to ensure the integrity of passports and travel documents.	<ul style="list-style-type: none"> <li>To facilitate passage at international borders</li> <li>To reinforce passport integrity, with possible advantages to the applicant in the course of any transactions with Passport Office</li> <li>To increase basic skills at Passport Office, both internally and externally</li> <li>To safeguard Canada's reputation in the international community as the champion of safe travel</li> </ul>	1999-2000: December	Security, <i>Operations</i>
Evaluation of threats and risks	Update the TRA to guarantee the physical security of vital assets.	<ul style="list-style-type: none"> <li>To reflect the participation and the commitment of Passport Office management</li> <li>Comply with the evolution of Passport Office priorities and government realities</li> <li>Comply with Government Security Policy</li> </ul>	1999-2000: December	Security
Passport Office - public waiting room standards	establish standards and assess the facilities available to clients who are waiting to be served.	<ul style="list-style-type: none"> <li>To improve comfort and better meet client needs</li> <li>To improve facilities and traffic flow</li> <li>To increase clients' and operational managers' satisfaction.</li> </ul>		Fin. & Adm., <i>Operations</i>

## PROJECTS LINKED TO STRATEGIC IMPERATIVES

PROJECTS	GOALS	EXPECTED RESULTS/BENEFITS	TARGET	RESP.
<b>I. Alternate Service Delivery</b>				
Partnerships with the public and private sectors	Seek out partnerships with a view to expanding services to regions where there is no Passport Office at present, and where there is a significant demand.	<ul style="list-style-type: none"> <li>• To increase the number of service delivery points through collocation, joint applications, shared services, etc.</li> <li>• To improve service to the public at these locations</li> <li>• To reduce volume at the larger offices (eg: Montreal)</li> </ul>	Ongoing	Secretariat, Operations
Receiving agent: Canada Post Corporation	Afford greater access to passport services. Assess the pilot project (Cornwall and Sudbury) with the CPC	<ul style="list-style-type: none"> <li>• To improve and standardize access to Passport Office services</li> <li>• To reduce the number of incomplete and inaccurate applications</li> <li>• To improve service to the clientele</li> </ul>		Centre, Fin. & Adm. Sec.,
Joint application: Phase I: The form	Develop and implement a single form for passport and citizenship applications  Assess progress of project under way (Edmonton)	<ul style="list-style-type: none"> <li>• To have single-window service for passport and citizenship applications</li> <li>• To set up a seamless government organization</li> <li>• To reduce overlap between the various services and the applicants</li> </ul>		Centre, Fin. & Adm.
Phase 2: Harmonizing policies	Combine the information policies of the two organizations with a view to coming up with a joint application form	<ul style="list-style-type: none"> <li>• To come up with an application form that can be used by both organizations</li> <li>• To ensure compliance with the Act</li> </ul>	1999-2000: December	Security
Passport card project	Research and develop a passport card  (Linked to IT strategic imperatives)	<ul style="list-style-type: none"> <li>• To develop a card for automated border crossing that complies with ISO and ICAO standards</li> <li>• Format similar to current passport format</li> <li>• To become fully acquainted with the technologies that enable countries to improve border crossing standards and facilitate border crossing</li> <li>• The Passport Office could perhaps issue a CIC card</li> <li>• There is a possibility that the Passport Office could share production and fabrication services to make joint cards for other departments (eg: virgin stock)</li> </ul>	Ongoing	Mgmt. Services, Fin. & Adm.
Colocation : Alliances Search	Establish new service centres in regions where PPT is absent ( P.E.I., Nunavut, Northwest Territories and Yukon).	<ul style="list-style-type: none"> <li>• Synergies to gain efficiencies</li> <li>• Better served public by both organizations</li> <li>• Common directives for implementing similar projects</li> </ul>		East, Sec.

PROJECTS	GOALS	EXPECTED RESULTS/BENEFITS	TARGET	RESP.
Partnership with vital statistics offices	Expand the partnership with the Quebec Vital Statistics Agency and assess the pilot project. Seek partnerships with other provinces.	<ul style="list-style-type: none"> <li>Harmonize client services</li> <li>Improve service to the public</li> </ul>		East
Shared services: CIC-Passport Office	Expand the pilot project (Surrey) to all call centres and first level services by means of a single window with the CIC.	<ul style="list-style-type: none"> <li>Single window service to respective clients</li> <li>Improve service to the public</li> </ul>		West, Secretariat
<b>II. Reinforce decision-making ability</b>				
360° feedback system	Develop and implement a 360° feedback system	<ul style="list-style-type: none"> <li>Improve performance mechanisms in order to better recognize good and weak performance</li> <li>Improve empowerment mechanisms for more efficient manager training and development</li> </ul>	1999-2000: February	HR
PREA	Improve the performance assessment and the personnel evaluation process	<ul style="list-style-type: none"> <li>Implement a more relevant feedback process</li> <li>Improve the efficiency and the effectiveness of the feedback process</li> </ul>	Ongoing	HR
Overall training plan	Develop an overall training plan for Passport Office	<ul style="list-style-type: none"> <li>Ensure that training will take place just prior to when it will be used</li> <li>Improve the efficiency and the effectiveness of course development</li> <li>Increase control of training costs</li> <li>Tighten links between managers' needs and strategic imperatives</li> </ul>	1999-2000: March	HR
Competency profile	Match management skills with the needs of the organization. Develop and finish the profile.	<ul style="list-style-type: none"> <li>Managers' skills and match basic skills with future needs</li> <li>Increased support for accelerated and efficient succession planning</li> <li>Improve the development of training and the quality-cost ratio in a learning organization</li> </ul>	1999-2000: March	HR
Human resources information system	Provide faster and easier access in order to improve management of human resources issues.	<ul style="list-style-type: none"> <li>instantaneous access to HR issues</li> <li>More rapid and better reports on HR utilization</li> <li>enable managers to have relevant information for better HR management</li> </ul>	Ongoing	HR <i>Mgt. Services</i>
PASSAP	Finalize the stage-by-stage implementation of the integrated financial and materiel management system with the directors and the managers and build an interface with IRIS.	<ul style="list-style-type: none"> <li>Better access to relevant financial information</li> <li>Reduce data capture</li> <li>Rationalize financial and administrative processes</li> <li>Reduce the duration of certain processes</li> </ul>		Fin. & Adm. <i>Mgt. Services</i>



PROJECTS	GOALS	EXPECTED RESULTS/BENEFITS	TARGET	RESP.
Corporate Planning	Establish procedures and processes for comprehensive governance and strategic planning	<ul style="list-style-type: none"> <li>• Improve the role and responsibilities in the management of planning activities</li> <li>• Improve the accountability mechanism</li> <li>• Improve the planning process</li> <li>• Improve the factual decision-making process</li> <li>• Increase control over the management of change</li> </ul>	Continuation and End of the strategic cycle	CEO, EC Secretariat
A. Corporate governance	Study current mechanisms with a view to linking comprehensive systems, strategic planning and operational strategy to each other.	<ul style="list-style-type: none"> <li>• Provide a constant management for attaining both corporate and strategic priorities</li> <li>• Increase Passport Office capacity in terms of tools and empowering management methods</li> <li>• Revise the planning cycle</li> <li>• Implement strategic processes for managing projects</li> <li>• Revise the environmental analysis framework</li> </ul>	1999-2000 May  End of the cycle 1999-2000: June	CEO, EC Secretariat
B. Millennium objective: "To be the best."	Finalize the implementation processes and systems to attain the level of excellence defined in the model of the Canada Award for Excellence	<ul style="list-style-type: none"> <li>• Better empowerment processes and systems to support attaining organizational objectives and vision</li> <li>• Survey (clients and employees - key issues and satisfaction)</li> <li>• Evaluate performance (establish performance measurements)</li> <li>• Prioritize the strategic projects</li> <li>• Integrate employees' ideas regarding strategic values and projects</li> </ul>	End of cycle  Annual 1999-2000: June	Secretariat
<b>III. Acceleration of technology implementation</b>				
IRIS  A. New computer system	Installation of the computerized production system (database consisting of text and images) and employee training.	<ul style="list-style-type: none"> <li>• End the transition from a manual passport delivery system to an automated system</li> <li>• Enable the Passport Office to offer services via the Internet</li> <li>• Enable the Passport Office to offer new services such as the passport-card</li> <li>• Improve production capacity and the quality of service to clients</li> <li>• Provide efficient financial controls and procedures</li> <li>• Improve production capacity and the quality of service to clients</li> <li>• Provide efficient financial controls and procedures</li> </ul>	1999-2000: October	Mgmt. Services <i>Operations</i>

PROJECTS	GOALS	EXPECTED RESULTS/BENEFITS	TARGET	RESP.
B. System infrastructure	Implementation of a national network in support of the automated system in 28 Passport Office offices including enterprise management project which will also include study and implementation of new IT support processes	<ul style="list-style-type: none"> <li>• Provide connections that make it possible to implement a totally integrated automated system</li> <li>• Provide easy transition from the current system to the new system</li> <li>• Ensure total integration and interconnection of all 28 offices</li> </ul>	1999-2000: June	Mgmt. Services
Personalized service	Choice of new printers for system output in all offices.	<ul style="list-style-type: none"> <li>• Consolidate/integrate personal information in passports into one step</li> <li>• Support the next generation in the design of a secure passport</li> </ul>	1999-2000: Late spring	Security Mgmt. Services
Call centre management	National evaluation of the total results and the level of service at call centres and of the no-charge calling service (four-year plan).	<ul style="list-style-type: none"> <li>• Determine the best technology for call centres</li> <li>• Increase the quality of information provided to clients</li> <li>• Reduce waiting time for clients</li> <li>• Improve service efficiency</li> <li>• Reduce costs</li> <li>• Improve access to services</li> </ul>	End of the cycle	Mgmt. Services, Operations
COSMOS/ Passport Office Connectivity project	Improvement of the case management service at missions and the security of delivery programs through the total integration of connectivity to the DFAIT systems.	<ul style="list-style-type: none"> <li>• Improve workflow and communication between the Passport Office and the missions</li> <li>• Reinforce integrity of the empowerment process through connectivity</li> <li>• Improve access to communication with DFAIT/SIGNET systems</li> </ul>	1999-2000: July	Security, Mgmt. Central
Technology for joint cards	Initiatives for the development of card technology with other departments and with international organizations.	<ul style="list-style-type: none"> <li>• Implement the same technology and use stock with the same background, including the major security elements, as in passports</li> <li>• Ensure coordination with the Five Nations for the implementation of the technology and harmonization of delivering the cards to the market</li> <li>• Possibility of sharing production services and fabricating joint cards by the Passport Office for other departments (eg: virgin stock)</li> </ul>	End of the cycle	Mgmt. Services
<b>IV. New concepts for the passport application process</b>				

PROJECTS	GOALS	EXPECTED RESULTS/BENEFITS	TARGET	RESP.
Empower local offices and mission to handle certain security cases	Accelerate the delivery process in routine security cases.	<ul style="list-style-type: none"> <li>Accelerated processing for identified security alert categories.</li> <li>Reduce the administrative burden on Security</li> <li>Authorized interviewers</li> </ul>	1999-2000: April	Security
New application forms	Implementation and availability of new application forms	<ul style="list-style-type: none"> <li>Simplified forms for applicants</li> </ul>	1999-2000: May	Operations
Pilot project for passport mail-out	Provide a supplementary service to reduce one stage of the total process	<ul style="list-style-type: none"> <li>Reduce waiting time for travel documents</li> <li>Reduce client visits by one</li> <li>Improve client satisfaction</li> </ul>		Operations
Delivery of urgent passports at airports	Simplify the process for clients living far from passport offices	<ul style="list-style-type: none"> <li>Reduce client visits by one</li> <li>Meet client needs and demands</li> <li>Improve client satisfaction</li> </ul>		Operations
Decentralization of service points	Enable delivery of Refugee Travel Documents and Certificates of Identity to designated regional offices	<ul style="list-style-type: none"> <li>Increase client access to other Passport Office services</li> <li>Reduce client waiting time</li> <li>Improve client satisfaction</li> </ul>		Ontario
Rapid service	<p>Continuation of the pilot project for rapid services (started in January 1999).</p> <p>Offer a choice of services in order to respond to client needs.</p>	<ul style="list-style-type: none"> <li>Increase product and service attributes</li> <li>More flexible service</li> <li>Reduce client waiting time</li> <li>Improve client satisfaction</li> </ul>		Operations

**APPENDIX «C»**

## **Mandate and role**

Under the Canadian Passport Order, the Passport Office is charged with issuing, revoking, withholding, recovery and use of passports, as well as developing passport policy. The Passport Office is a Special Operating Agency (SOA) of the Department of Foreign Affairs and International Trade (DFAIT). It reports to the Deputy Minister. The Passport Office finances its operations entirely from the fees charged for passports and other travel documents, and must generate sufficient revenues to meet expenditures. The Passport Office has been granted a revolving fund under a permanent authority from Parliament. This authority allows the Passport Office to pay its operating expenses, acquire equipment and temporarily finance accumulated deficits up to and including four million dollars. The Passport Office may also carry forward any surpluses in order to offset future shortfalls.

## **Vision**

*To be a role model of successful and efficient service within Government.*

The Passport Office does its best to become an organization providing exemplary service by developing a client focus in all aspects of its operations. Innovative management and service delivery are mandatory. Focusing on client *needs* also enables the Passport Office to challenge standard government policy, procedures and activities in order to highlight areas for improvement, particularly where there is duplication. Integral to this challenge is the need to ensure that the concern for the security and integrity of the document and entitlement process is incorporated into all aspects of our service to the client.

## **Mission**

*Our fundamental purpose is to facilitate travel of Canadians throughout the world by providing internationally respected travel documents and services. We will also work in alliance with other government agencies to provide secure identification documents and services*

The intrinsic value of our mission can be found not only in the quality of our services and actions, but ultimately in the international recognition of Canadian travel documents. Over the years, the Passport Office has acquired a number of skills as well as specialized knowledge, skills and knowledge that must be put to use. In its primary role of providing travel documents, the Passport Office provides expertise in all aspects of secure identification documents and services. It advises and works with other government agencies, be they municipal, provincial or foreign governments. In addition, the Passport Office aligns itself with other agencies, including those in the private sector, to find alternate service solutions.

**APPENDIX «D»**

Factors	Description	Pressures	Opportunities
<b>I. FACTORS : The environment</b>			
The economy and globalization	Market globalization, and increasingly integrated economies engender pressures with effects that go from progressive reductions of trade barriers between states, to their elimination.	Freer movement across borders for capital, workers, goods and services.	Increasingly efficient and rapid procedures to facilitate border crossings. Cooperation with foreign authorities and companies (travel and transport) to facilitate border crossing.
Consumption and demographics	Positions of strength in the market and in the political arena as well as the life style of the baby-boomer one-third of the Canadian population generation. They have more money and time for leisure and travel. The generations that follow have other interests; nevertheless, they are used to new technologies and therefore demand quality service.	High quality products and services. More effective and efficient services.	Provide first class products and services that meet needs. Mechanisms for obtaining feedback from clients.
Culture and Society	Development of the culture of individualism. The average Canadian is bitter about the fragmentation of society and has developed a cynical attitude partly attributable to the unequal distribution of wealth (gradual erosion of the middle class).	Tax breaks and increasingly efficient public service. Zero tolerance of tax waste and, by extension, of service fees.	Ongoing improvement of products/services without creating a burden for clients (eg: re-engineering of services).
Public and government	State/citizen interactions are changing. Whether it is the voice of the vigorous baby-boomers, or that of a population that is more and more educated, Canadians demand that their reality be recognized. An EKOS survey (1995) shows that the citizens demand a higher level of accountability from the government, including efficiency measures and greater transparency in the decision process.	Managers should not live beyond their means and must be accountable for the money they spend. Profound changes in management and operating methods in the public sector.	Single window service delivery Greater permeability between different government services (decompartmentalization). Ensure fees are equitable and reasonable for services rendered.
Technology	As is well-known, the rapid evolution and diffusion of information and communications technologies, and related technologies that touch almost all products and their manufacture as well as the services (Internet transactions are estimated at \$6 billion for the year 2000, up from \$70 million in 1995).	Quick adoption of new technologies for production and service delivery.	Offer services and products integrating technology. Increase the effectiveness and speed of document delivery and transactions at the border. Exploit technology to improve the security and integrity of passports.

Factors	Description	Pressures	Opportunities
Security	The trade in humans, that is to say, illegal migration, offshore smuggling, including children, are transnational crimes that are on the increase. (Smuggled goods cost federal and provincial governments close to 400 million dollars each year).	Follow the evolution of the type of crime and the type of perpetrator.  Improve the security and integrity of official documents.	Continuously upgrade policy and procedures relating to the design and the delivery of documents, the supervision of passport delivery, and the protection against alteration and forgery.
<b>II. FACTORS: related to the mandate and basic activities</b>			
Clients	A 1998 client survey revealed that 90 percent of those surveyed indicated they were satisfied with our services. However, among the most important and frequently-mentioned aspects to monitor, we note: access to telephone information, location and access in person to offices, particularly in urban areas (time to find parking, travel distance to branches); waiting time to be served; business hours.	To pursue objectives for excellence in service delivery. To re-evaluate service standards and attributes on an ongoing basis. To improve access to offices, in particular for those who are far from urban areas.	To pursue activities that meet needs (call centres, receiver-agent and collocation projects (particularly in out-of-the-way areas), reinforcing use of the mail). Increasing use of electronic breakthroughs for transactions. Friendly, respectful service that is more rapid and more relevant; longer office hours.
The federal government	Itself under pressure, the government is seeking to improve the quality of the service to the public. To do this, the Clerk of the Privy Council established five points in her 1998 annual speech: establish partnerships and alliances, decompartmentalize departments and their components; exploit and learn the new technology; prepare public servants to better meet the challenges of the future; provide more integrated services and ensure better public participation in the decision-making process.	To take advantage of the strengths of each individual while recognizing each one's limitations  Better integration of services among the three levels of government; a greater integration between departments; better service to the public by offering easier access; establishment of virtual organizations, continued learning and effective leadership.	To pursue the implementation of the strategic imperatives and its programs, as well as of the excellence model adopted by the Passport Office.
Passport Office Employees	A 1998 employee survey indicated that employees were relatively satisfied with their work and that they understood the mission and vision of the Passport Office well. However, they believed that management at the Passport Office should make the work environment more pleasant by improving general communication, and	More frequent and transparent communication between management and employees. Efforts to promote empowerment.	Greater management efforts to establish transparent communication and consultation mechanisms.  To make manifest use of employee contributions.  To encourage empowerment and to find flexible delegation mechanisms.



Factors	Description	Pressures	Opportunities
	the spirit of cooperation at all levels among the directorates.		To make effective use of resources and equipment.
	Many changes will affect employees this year: IRIS, production methods, and resource reallocation.	Smooth and seamless transitions that are respectful of the employees.	To ensure a smooth implementation of changes by using clear and transparent communication and by providing adequate training.
International Partners	Canada takes part in different international forums (e.g.: the International Civil Aviation Organization subcommittee on new technologies). These partners as well as the national authorities responsible for official documents and immigration continue to discuss current issues that can represent a national and international security threat, as well as ways and means of facilitating cross-border activities.	Other than the trade involving persons (mentioned above), which is the subject of specific proposals, the partners seek increasingly effective means of facilitating border activities such as the introduction of passport cards.	To ensure the implementation of international resolutions and standards respecting travel documents, secure exchanges of information and the mechanisms needed for cross-border activities.  To ensure that Canada plays a leadership role in this regard.
Domestic Partners	The Passport Office has established several alliances with various departments and agencies like the Canada Post Corporation, National Defence, Citizenship and Immigration and Revenue Canada. It is also exploring other possible alliances.	To identify sectors where there may be a duplication of services. To increase Passport Office presence in areas where there is none.	To pursue alliances and pilot projects and seek new partners.

LIBRARY E A/BIBLIOTHEQUE A E



3 5036 20097147 4

DOCS  
CA1 EA620 99876 ENG  
Business plan update: 1999-2000  
62522339