



# Canadian Air Transport Security Authority (CATSA)

Summary of the  
2022/23 to 2026/27 Corporate Plan  
2022/23 to 2026/27 Operating Budget  
2022/23 to 2026/27 Capital Budget



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## Executive Summary

As the federal authority responsible for screening at 89 designated airports across Canada, the Canadian Air Transport Security Authority (CATSA) remains focused on its mandate of civil aviation security screening.

Supported by a dedicated team of screening officers engaged through third-party arrangements, CATSA screened an estimated 30 million passengers in 2021/22, a significant increase from 2020/21 levels, as the civil aviation industry is beginning to experience a gradual recovery of passenger volumes following a dramatic decline as a result of the COVID-19 pandemic. CATSA expects to screen 59.6 million passengers in 2022/23, with passenger traffic reaching pre-pandemic levels by 2023/24.

CATSA continues to focus on key initiatives and innovations that will support and significantly advance achievement of strategic objectives in three principal areas:

- **SERVICE EXCELLENCE** – security effectiveness, operational efficiency, optimal passenger experience, and sound asset management.
- **A DIVERSE AND ENGAGED WORKFORCE** – an inclusive and diverse environment, employee engagement and support, and transformative leadership.
- **EFFECTIVE PARTNERSHIPS** – industry and government collaboration, and community relations.

CATSA will emphasize the following key initiatives over the planning period:

- Supporting the **recovery of the air transportation industry** during and after the pandemic;
- Achieving **wait time service levels** (WTSL) at or above the current target where, on average, 85% of passengers wait 15 minutes or less to be screened at Class 1 airports on an annual basis (WTSL of 85/15)<sup>1</sup>;
- The continued implementation of **full body scanners** as the primary passenger screening tool at pre-board screening checkpoints;
- Recapitalization and replacement of current X-ray technology with **computed tomography (CT) technology** at select PBS checkpoints across the country;
- The implementation of the **100% screening standard for non-passengers** entering restricted areas serving international air operations;
- The establishment of new **Airport Screening Services Agreements (ASSAs) and agreements with maintenance service providers**;

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<sup>1</sup> This wait time service level is based on a “normal” operating environment, in the absence of the pandemic and resulting circumstances. As the air transportation industry recovers from the pandemic, and certain practices are required to facilitate healthy and safe air travel (enhanced sanitization), there may be challenges in meeting this target. CATSA may need to adjust it accordingly.

- On-going ***lifecycle management*** of CATSA's capital assets, including screening technologies;
- The introduction of ***advanced analytics and artificial intelligence (AI)*** to optimize security effectiveness and bolster oversight at security screening checkpoints; and
- The implementation of the ***flexible workplace*** to meet the evolving needs of CATSA's workforce and the changing demands of the labour market.

Since 2015, CATSA's funding has been supplemented with consecutive one-year incremental funding in order to maintain its operations. CATSA has received adequate funding that will enable the organization to fulfill its mandate, execute strategic objectives, and support Government of Canada priorities for 2022/23, but will reach a shortfall in its funding level in 2023/24 and beyond.

This corporate plan includes operational and strategic objectives that are presented based on the assumption that the organization will receive sufficient funding for the entire planning period.

## Overview

### Mandate

CATSA is an agent Crown corporation, funded by parliamentary appropriations and accountable to Parliament through the Minister of Transport.

Under provisions of the *Canadian Air Transport Security Authority Act* (the *CATSA Act*), and within the framework of the *Aeronautics Act*, CATSA is responsible for providing effective, efficient and consistent screening of persons who access aircraft or restricted airport areas, the property in their possession or control, and the belongings or baggage that they give to an air carrier for transportation at designated airports across the country.

CATSA's legislative and regulatory framework is outlined in more detail in Appendix H: *Compliance with Legislative and Policy Requirements*.

CATSA's *Mandate* is to prevent prohibited items from entering the civil air transportation system through the systematic application of four complementary security services:

- **Pre-Board Screening (PBS):** The screening of all passengers and their carry-on baggage and belongings prior to their entry to the secure area of an air terminal building.
- **Hold Baggage Screening (HBS):** The screening of all passengers' checked ("hold") baggage for prohibited items such as explosives, prior to being loaded onto an aircraft.
- **Non-Passenger Screening (NPS):** The random screening of non-passengers such as flight personnel, ground crew and service providers, and their belongings (including vehicles and their contents) entering restricted areas at the highest-risk airports.
- **Restricted Area Identity Card (RAIC):** The management of the system that uses iris and fingerprint biometric identifiers to allow authorized non-passengers access to the restricted areas of airports. The final authority that determines access to the restricted areas of an airport is the airport authority.

CATSA also has an agreement with Transport Canada to conduct screening of cargo at smaller airports where screening capacity exists. This program was designed to screen limited amounts of cargo during off-peak periods and involves using existing resources, technology and procedures.

In 2018, the *Transportation Modernization Act* introduced authorities allowing CATSA to provide supplemental screening services, so long as the provision of these services remains cost neutral. CATSA may provide services on a cost-recovery basis to both designated and non-designated airports.

As a member of the broader federal government, CATSA is also committed to aligning its policies, programs and practices in ways that support the government's overall social,

economic, environmental and general governance agenda, objectives and priorities. This is undertaken wherever it can be achieved without undermining or compromising CATSA's core security mandate.

## Mission and Vision

CATSA's *Mission* is to protect the public by securing critical elements of the air transportation system.

CATSA's *Vision* is to be a recognized global leader in aviation security screening, achieved through:

**Our Service:** We use innovative technology and an agile approach to maintain the highest level of security and provide the best possible passenger experience. We deliver value to Canadians with an optimal use of our resources.

**Our People:** We cultivate and support a diverse and engaged workforce.

**Our Partnerships:** We work collaboratively with our partners toward common goals and interests.

## CATSA Annual Report

CATSA submitted the *Annual Report 2021* to the Minister of Transport on June 30, 2021. This report is available on CATSA's website.

## Operating Environment

### Introduction

CATSA relies on highly skilled personnel both at security screening checkpoints, and at its regional offices and headquarters to implement programs, processes, and procedures that help ensure the safety and security of passengers and non-passengers interacting with the Canadian civil aviation system.

### Human Resources Management

CATSA's non-unionized workforce for 2022/23 includes 448 full-time equivalent (FTE)<sup>2</sup> positions, consistent with 2021/22.

- **Executive Management**—5 FTEs
- **Headquarters**—290 FTEs
- **Regions**—153 FTEs

The organization's 153 members of regional service delivery teams are deployed at all Class 1 airports in each of CATSA's four administrative regions, where they are responsible for the overall planning, delivery and oversight of screening operations.

The regions are comprised of:

- **East** —Newfoundland and Labrador, Prince Edward Island, Nova Scotia, New Brunswick, Québec, Nunavut
- **Central** —Ontario
- **Prairies** —Manitoba, Saskatchewan, Alberta, Northwest Territories
- **Pacific** —British Columbia, Yukon

CATSA's service delivery model for screening services entails the contracted engagement of third-party screening contractors to provide certified and dedicated screening officers to carry out screening at the 89 designated airports across Canada. The screening companies currently engaged in CATSA's administrative regions are: East—*Securitas Transport Aviation Security Limited*; Central—*GardaWorld*; Prairies—*GardaWorld*; and Pacific—*Allied Universal Security Services of Canada*.

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<sup>2</sup> CATSA is currently reviewing its FTE complement in light of regulatory and other changes. CATSA seeks flexibility to increase the number of FTEs by up to 1% over the planning period, on the condition that the program support and corporate services budget in any year is not exceeded.

## Global COVID-19 Pandemic

COVID-19 has had tremendous impacts on sectors and industries in every corner of the world, with devastating health and economic consequences, and the aviation industry is no exception. In response to the pandemic, governments imposed a number of travel restrictions, resulting in a significant reduction in both domestic and international passenger traffic.

As a result of these circumstances, CATSA adjusted operations in airports and regional offices across Canada, as well as at headquarters and its test facility in Ottawa. The organization rose to the challenges posed by the pandemic, ensuring the health and safety of CATSA employees, screening officers, passengers and non-passengers, without compromising security effectiveness.

CATSA's primary focus is to deliver its mandate while supporting the recovery of the air travel industry with the implementation of innovative solutions in response to the evolving challenges of the civil aviation operating environment. These solutions include:

- enhanced checkpoint cleaning protocols and the use of personal protective equipment (PPE);
- new technology and procedures that encourage minimal close-proximity interaction between screening officers, passengers and non-passengers;
- mandatory vaccination of all CATSA employees; and
- random vaccination status verification of passengers and non-passengers at security screening checkpoints, as mandated by the Government of Canada.

CATSA will continue to explore the introduction of innovative solutions with the objective of enhancing the safety of the travelling public, screening officers, non-passengers and CATSA employees as passenger volumes increase. The organization will utilize passenger forecasts and projections to plan for and manage security screening operations as industry recovery progresses.

### **Mandatory Vaccination Requirements**

In August 2021, the Government of Canada announced COVID-19 vaccination requirements for the federal workforce and the federally regulated transportation sector.

CATSA enacted a mandatory vaccination policy for all employees, effective November 1, 2021.

In addition to the federal regulations on mandatory vaccination for the transportation sector which apply to screening officers, CATSA issued a mandatory vaccination directive for its contractors that access CATSA's workspaces. The organization has also confirmed that the President and Chief Executive Officer (CEO) and all members of the Board of Directors are compliant with vaccination requirements for Governor in Council appointments.



## Alignment with Government of Canada Directions and Priorities

As a purpose-driven agent Crown corporation, a member of the federal government, and a national and global partner in civil aviation security, CATSA also actively supports the Government of Canada's broader social, economic, environmental and general governance agenda wherever applicable.

The Minister of Transport's letter to the Chair of CATSA's Board of Directors (Appendix A) affirmed the expectation that CATSA will support the achievement of the Minister's vision for continued collaboration between CATSA and the broader Government of Canada. The mandate letter also states the importance of positioning CATSA to support the fight against climate change, strengthening the middle class, walking the road of reconciliation, improving accessibility, and standing-up for equality and inclusivity (Appendix I).

## Key Partners

While CATSA is Canada's designated national civil aviation security screening authority, aviation security is a shared responsibility. CATSA therefore works closely with air carriers, airport authorities, its third-party screening contractors, and local law enforcement agencies. It also collaborates with a number of other federal departments and agencies, most notably Transport Canada—which regulates civil aviation operations and related security requirements—as well as the Canada Border Services Agency, the Royal Canadian Mounted Police, and the Canadian Security Intelligence Service, who are key security partners. In addition, CATSA has worked in collaboration with Health Canada and the Public Health Agency of Canada to implement measures in response to the COVID-19 pandemic. The organization will continue to work with all relevant government departments and agencies as required.

CATSA also works closely with several international partners, including, but not limited to, the United States Transportation Security Administration (TSA) as well as other foreign airport screening agencies, the International Civil Aviation Organization (ICAO), the European Civil Aviation Conference (ECAC) and the International Air Transport Association (IATA).

# Environmental Scan

The Environmental Scan details key strengths, weaknesses, opportunities and challenges that CATSA is facing now and over the planning period. The environment remains highly fluid, due to the protracted recovery in the civil aviation industry. CATSA will monitor the rapidly changing aviation landscape, and adjust the Environmental Scan as required.

<b>Summary of Key Strengths, Weaknesses, Opportunities and Challenges</b>	
<p style="text-align: center;"><b><i>Strengths</i></b></p> <ul style="list-style-type: none"> <li>• Highly qualified and dedicated employees</li> <li>• Organizational and technological adaptability and resiliency</li> <li>• A culture of innovation</li> <li>• Proven leadership and expertise in security screening</li> <li>• An experienced Board of Directors</li> </ul>	<p style="text-align: center;"><b><i>Weaknesses</i></b></p> <ul style="list-style-type: none"> <li>• Absence of sustainable long-term funding for the entire planning period</li> </ul>
<p style="text-align: center;"><b><i>Opportunities</i></b></p> <ul style="list-style-type: none"> <li>• Accelerated adoption of new and advanced technology to enhance operations and encourage passenger confidence</li> <li>• Strengthen stakeholder collaboration in support of the Government of Canada’s objectives</li> </ul>	<p style="text-align: center;"><b><i>Challenges</i></b></p> <ul style="list-style-type: none"> <li>• Ability to meet passenger and industry wait time service level expectations</li> <li>• Seamless delivery of operations, while implementing initiatives to support recovery efforts in an evolving industry landscape</li> <li>• International influence over the domestic regulatory environment</li> <li>• Impact of evolving labour market conditions on maintaining a skilled workforce</li> </ul>

## Strategic Objectives, Activities, and Priority Initiatives

CATSA's strategic objectives cover three complementary themes:

- **SERVICE EXCELLENCE** – security effectiveness, operational efficiency, optimal passenger experience, and sound asset management.
- **A DIVERSE AND ENGAGED WORKFORCE** – an inclusive and diverse environment, employee engagement and support, and transformative leadership.
- **EFFECTIVE PARTNERSHIPS** – industry and government collaboration, and community relations.

### A. SERVICE EXCELLENCE

*Service Excellence* is at the very centre of CATSA's mandate. It encompasses the organization's commitment to security effectiveness, operational efficiency, a positive passenger experience, and sound asset management.

#### **Objective 1: Security Effectiveness**

*The prevention of prohibited items and non-permitted items from entering the air transportation system through the systematic application of CATSA's mandated screening services.*

Evolving threats and continuous regulatory change necessitate CATSA's investment in a number of priority areas, including:

- Implementation of 100% screening of non-passengers accessing secure areas servicing international air operations in response to the screening standard set by the ICAO.
- Recapitalization and replacement of current X-ray technology at PBS checkpoints across the country with computed tomography (CT) technology, and the introduction of new technologies and trials as part of lifecycle management plans;
- Continued introduction of full body scanners as the primary screening tool at PBS checkpoints;
- Ongoing upgrade of existing screening equipment with latest detection algorithms; and
- The application of advanced analytics techniques and AI to enhance oversight and training programs.

In addition to implementing new and updated programs, procedures, policies, and equipment, CATSA boasts a robust performance monitoring and oversight program, which includes:

- Testing and evaluation programs including operational oversight, covert verification testing and the Threat Image Projection System;

- Clear, consistent and well-communicated standard operating procedures and ongoing training for screening officers that reflects global best practices;
- Formal review and reporting of operational performance results on a continuous basis, and establishment of action plans for performance improvement;
- Ongoing testing, education and training, and on-the-job exercises to assess and improve front-line performance; and
- Working with partners to optimize the response to security incidents and improving screening effectiveness and service-related outcomes.

### ***Security Effectiveness Priority Initiatives***

#### *Non-Passenger Screening*

CATSA will continue to work closely with Transport Canada and other security partners to implement the 100% NPS standard introduced by the ICAO. In advance of full implementation planned for 2024/25, CATSA conducted trials of 100% NPS in 2021/22 to evaluate various concepts of operations, and to identify potential impacts to stakeholders. Additional trials are planned for 2022/23, which will help the organization evaluate screening models that can meet the ICAO requirements. Transport Canada is responsible for determining procedures for the final implementation of 100% NPS.

#### *Full Body Scanners as a Primary Screening Tool*

CATSA plans ongoing deployment of full body scanners as the primary passenger screening tool (“FBS Primary”). This project focuses on replacing current full body scanners with newer models that enhance detection capability and processing speed. As part of this project, CATSA will also deploy additional full body scanners at many security screening checkpoints at Canada’s designated airports. In addition, FBS Primary helps to limit close-proximity interactions between passengers and screening officers, providing another measure of health and safety within the screening environment.

This initiative also contributes to Canada’s goal of continued harmonization with international counterparts, including the TSA.

#### *Pre-Board Screening Enhancements*

As part of CATSA’s lifecycle management program, the organization is undergoing a large-scale replacement plan for a number of systems at PBS checkpoints. Most notably, CATSA will replace current X-ray technology with new X-rays at Class 1, Class 2 airports and upgrade the X-rays at Class 3 airports. This type of project ensures that CATSA is using the most effective technology at security screening checkpoints across the country.

The organization will also deploy new technologies and trials to address evolving threats. These enhancements, in conjunction with ongoing CATSA Plus deployments, will improve CATSA's detection capabilities. These initiatives will also ensure that the organization remains at the forefront of security screening on the global stage.

#### *Advanced Analytics and AI for Screening Oversight*

CATSA is collaborating with researchers from the University of Ottawa to determine if closed-circuit television (CCTV) and AI can be used to improve oversight capabilities at security checkpoints, with a particular focus on non-passenger vehicle screening. CATSA is focusing on NPS-V given the distance of those checkpoints from the main air terminal, as well as the additional safety requirements associated with that type of security screening. The objective is the development of a proof of concept that will analyze vehicle screening procedures through CCTV in order to verify that standard operating procedures are consistently followed by screening officers. The oversight system will employ comparative analysis between live CCTV footage and pre-recorded video segments that exemplifies the optimal use of security screening procedures.

#### **Objective 2: Operational Efficiency**

*The achievement of optimal screening efficiency, leveraging available resources, including personnel, systems, and equipment.*

CATSA strives for optimal results in efficiency without compromising security screening effectiveness. Increasing passenger traffic and emerging requirements place pressure on CATSA's resources. In addition, the implementation of new technologies can have a negative impact on passenger wait times and the optimal flow of passengers in the initial stages of deployment as a result of increased false alarm rates, for example. As such, resources must be allocated strategically; the organization is constantly exploring and implementing improved ways to plan, invest in and deploy human resources as well as equipment and systems in support of aviation security.

Notable examples of existing strategies include:

- Adaptation of modelling tools and operational data to support pandemic recovery efforts in order to address pressure points, and make best use of the screening officer workforce and screening equipment;
- Design, configuration and operation of screening lines to optimize passenger flow; and
- Implementing the next generation of technologies and procedures to optimize processing efficiency, including reducing false alarm rates through the use of AI and advanced analytics.

## ***Operational Efficiency Priority Initiatives***

### *Competing Service Agreements*

CATSA has a number of contracts for services, including agreements with maintenance service providers and ASSAs which expire in 2023 and 2024, respectively. These agreements will be competed during this planning period, and a smooth transition to the new contracts will be critical to seamless operations. Procurement planning began in 2021/22.

### *Continuous Learning and Process Improvement*

CATSA must ensure that the screening workforce is prepared to meet the requirements of a dynamic civil aviation threat environment, all while prioritizing security effectiveness and operational efficiency. The organization will continue to develop and improve its front-line training and education programs with a review of its training delivery model, followed by the introduction of remote learning and testing opportunities for screening officers. CATSA will also assess the feasibility of expanded remote screening for PBS checkpoints.

### **Objective 3: Optimal Passenger Experience**

*The achievement of high levels of passenger satisfaction with, and confidence in, their interactions with CATSA.*

The civil aviation environment is affected by many external factors that impact security screening and the experience of passengers. CATSA is committed to facilitating smooth and orderly passenger flow, and achieving high levels of customer satisfaction with, and confidence in, their interactions with CATSA as the organization works to support pandemic recovery efforts.

The professionalism of screening officers is an important factor in ensuring a positive passenger experience. CATSA continues to promote the *Customer Service Commitment to Passengers* framework to both screening officers and passengers, and focuses on improvements to the passenger experience through the prioritization of continuous learning. The organization's primary education vehicles for screening officers include the Screening Officer Foundations course (which includes the Service Commitment), and the Recurrent Learning Program, as well as regular updates to Standard Operating Procedures as required.

CATSA aims to further improve the security screening experience through a reduction of divesting requirements for passengers with the introduction of new X-ray technology at PBS checkpoints. This could include the ability to leave various items in carry-on baggage during the screening process, without compromising security effectiveness. The organization also continues to review the security screening process to maximize accessibility, and will implement changes to processes and procedures where needed.

## ***Optimal Passenger Experience Priority Initiatives***

### *Security Screening of Sacred and Spiritual Items*

CATSA has embarked on a multi-year engagement strategy informing changes to screening procedures for sacred items and the development of cultural awareness learning for screening contractor personnel and CATSA staff.

This learning endeavour responds to the Truth and Reconciliation Commission's Call to Action 57, which calls upon the Government of Canada to educate public servants on the history and experiences of Indigenous Peoples. Fostering an awareness of Indigenous culture will enable CATSA to provide a more inclusive and positive screening experience for Indigenous travelers, and increase in overall awareness of culturally sensitive items.

### *Biosecurity Measures at Security Screening Checkpoints*

In response to the pandemic, CATSA implemented a number of biosecurity measures at security screening checkpoints across the country. Several of these measures will remain in place as the civil aviation industry recovers from the pandemic, including increased sanitization at security screening checkpoints, and acrylic barriers at passenger divest stations. In Budget 2021, the organization was provided with \$6.7 million of funding to purchase and deploy ultraviolet-C sanitization technology at CATSA Plus checkpoints in Class 1 airports. These measures build passenger confidence and will improve the passenger experience in the post-pandemic environment, and CATSA will deploy this technology at all CATSA Plus screening lines, subject to Health Canada approval.

## **Objective 4: Sound Asset Management**

*The responsible acquisition, protection, maintenance, and recapitalization of screening equipment and related systems.*

In addition to the expertise of the screening workforce, CATSA relies on many technological elements as part of its screening operations. These critical technological components must be maintained and replaced in accordance with regulations and CATSA's lifecycle management practices.

CATSA continues to evaluate screening equipment against many criteria, including end of useful life, government mandated initiatives, major technological advancements, funding, and regulatory requirements. The organization maintains an active system of routine maintenance for its full inventory of equipment, in line with operational needs, equipment performance monitoring, and manufacturer's specifications. Technological advancements, including the deployment of CATSA Plus lines, upgrades to existing equipment such as full body scanners, and RAIC are closely monitored to identify opportunities to evaluate new screening equipment that may improve the security effectiveness, screening efficiency and/or passenger experience of the screening process, and to ensure continued alignment with security partners.

CATSA will replace the current PBS X-rays with new X-ray technology this planning period, which is expected to improve detection capabilities, decrease false alarm rates, and reduce divesting requirements over time. CATSA will also replace the existing full body scanners with newer models over the planning period, as well as replace some technology that has reached the end of its useful life.

### ***Sound Asset Management Priority Initiatives***

#### *Cybersecurity*

CATSA continues to keep abreast of emerging cyber trends and threats while protecting the organization's systems through the use of cybersecurity tools and programs. The organization is dedicated to securing its network, systems, and devices, and will do so through a combination of information technology (IT) solutions and information campaigns for CATSA's personnel.

CATSA is undertaking a broad review and modernization of its cybersecurity framework which is part of the organization's five-year IT strategy, including the modernization of CATSA's cybersecurity incident management system.

#### *B. A DIVERSE AND ENGAGED WORKFORCE*

The successful delivery of CATSA's mandated services is dependent on cultivating and sustaining a diverse, inclusive and engaged workforce, in a healthy, supportive work environment. The organization remains mindful of the conditions of the labour market, which is particularly dynamic as a result of the pandemic, and utilizes many different strategies and programs to retain a group of engaged, skilled and specialized employees.

CATSA works diligently to recruit and retain personnel as more employees become eligible for retirement, and to mitigate against the effects of an increasingly competitive labour market.

To support the achievement and maintenance of a healthy workplace, CATSA has conducted organization-wide culture surveys that provide valuable insights on the perspectives of employees with respect to CATSA's corporate culture and work environment. CATSA also uses touch point surveys of its workforce to gauge employee engagement and solicit input to shape decisions and inform future communications on initiatives such as CATSA's shift to a flexible workplace model.

#### **Objective 1: Inclusive and Diverse Environment**

*The achievement of a well-balanced workforce that strives to reflect the diversity of Canada, and the fostering of a positive and supportive working environment that respects and upholds diverse social and cultural values, and promotes the use of both official languages in the workplace.*



CATSA will continue to focus on:

- Promoting and supporting the use of both official languages in the workplace and at security screening checkpoints in airports designated bilingual;
- Implementing human resources practices that support diversity in hiring, compensation, and advancement including the development and execution of its Employment Equity Plan and Pay Equity Plan;
- Pursuing a Gender Based Analysis Plus (GBA Plus) Roadmap and advance GBA Plus integration in order to ensure that the organization considers and advances the needs of a diverse population through its services and decision-making; and
- Supporting workplace initiatives to understand and embrace diversity.

CATSA will also continue to promote and support its internal Diversity and Inclusion Network, a working group comprised of CATSA staff from across the organization that explores and promotes positive workplace practices and organizational priorities reflecting the principles of employment equity, diversity and inclusion.

### **Objective 2: Employee Engagement and Support**

*Attract and retain a productive and engaged workforce, through corporate support for learning and skills development, the health and well-being of employees, and the celebration of individual and collective achievements.*

CATSA's efforts will focus on responsible and sustainable approaches to workload management in an environment of ever-changing priorities. CATSA will continue to support the overall health and well-being of its workforce, which includes delivering mental health support for its employees at all levels, as well its commitment to Occupational Health and Safety.

CATSA relies on feedback from its employees in order to plan for the future. To that end, the organization will refresh the Employee Engagement Survey, and will also implement a five-year workforce plan centered on the talent of the workforce, learning, and performance initiatives. In planning and managing major new initiatives, CATSA utilizes strategies that maximize flexibility in how new workloads can be handled without undue strains on core personnel; this includes strategic use of fixed-term resources and engagement of professional services where needed.

All of CATSA's personnel benefit from the organization's approach to continuous learning, professional development, and rewarding performance initiatives, all of which will be advanced through the planning period.

### **Objective 3: Transformative Leadership**

*The demonstration by example and active support of creative approaches to continuous improvement, innovation and collaboration.*

CATSA's leaders are called to actively support creative approaches to continuous improvement, idea-generation, innovation, and collaboration.

This was highlighted through the Leadership Excellence Program, which was initially launched in 2019, with an update in 2021. CATSA will launch an updated version of the program during the planning period.

The dynamic nature of the civil aviation environment demands that CATSA remain flexible, agile, and lead through innovation. To that end, the organization has launched the Innovation Centre, which builds on the existing culture of innovation through story-telling. The creation of the Innovation Centre is an opportunity to increase employee awareness of organization-wide innovation and share in CATSA's success in developing solutions to new and emerging challenges.

### *C. EFFECTIVE PARTNERSHIPS*

CATSA operates in a highly integrated environment, with a diverse array of partners and a broad and complex set of activities.

*Partners* include other federal, provincial/territorial and local government agencies, airport authorities, air carriers and service providers as well as international partners and counterparts.

*Activities* include flight scheduling, passenger check-in, passenger and baggage screening, loading of checked baggage, boarding of aircraft, and response to known or perceived screening breaches, as well as adaptation to evolving threat environments, regulatory obligation, and technological innovations.

Recognizing that all must operate seamlessly to ensure optimal security and efficient movement of people and goods, CATSA is committed to continually building and strengthening collaborative relationships with industry partners, stakeholders and the broader community.

#### **Objective 1: Industry and Government Collaboration**

*The establishment and maintenance of strong and positive working relationships between CATSA, its security partners, other members of civil aviation, and the Government of Canada, to progress on common goals and interests*

CATSA will continue its commitment to communication and coordination with industry partners and stakeholders, as well as with the Government of Canada. The organization will focus on positive collaboration and a clear understanding of shared interests and common goals, ranging from daily working relationships with individual airport authorities to matters of strategic importance. CATSA will also leverage its relationships with its counterparts and partners in the

international community, proactively sharing information and plans for future innovations, and continuing to work closely with the ICAO, IATA and Airports Council International.

This cooperation will be vital in the recovery of the civil aviation industry. CATSA is eager to proactively engage and collaborate with its partners and stakeholders in the industry and in government to explore and implement innovative solutions to ensure the industry once again thrives.

CATSA's objective is to establish and maintain strong and positive working relationships with its security partners, members of the civil aviation industry, and the Government of Canada in order to advance common goals and interests. Examples of these goals and interests include:

- Short-term objectives such as securing funding for CATSA's operations and capital investments;
- Providing security screening on a cost recovery basis to designated and non-designated airports subject to the approval of the Minister of Transport. CATSA expects to resume screening services at Muskoka Airport on a cost recovery basis in spring/summer of 2022/23. The organization may also enter into additional agreements to perform screening services on a cost recovery basis at additional designated airports and/or non-designated airports during the planning period;
- Embracing opportunities to achieve efficiencies with CATSA's industry partners in support of streamlined practices and industry recovery; and
- Securing the Canadian civil aviation system for major events such as the 2026 FIFA World Cup.

## **Objective 2: Community Relations**

*The establishment and maintenance of close and favourable relations with key stakeholders in the broader community.*

CATSA is committed to ensuring the safety and well-being of the travelling public, which includes helping to protect the environment and encouraging a more sustainable future.

Budget 2021 announced that Crown corporations with less than \$1 billion in assets would demonstrate climate leadership by adopting the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, which includes the disclosure of climate-related risks and opportunities, by 2024/25. As CATSA works towards adoption, we will deepen our understanding of the impacts of climate change on our business and vice versa, and prepare to report on relevant climate metrics and targets.

CATSA will also continue to undertake initiatives with members of the broader community.

## Corporate Risk Environment

As part of CATSA's Enterprise Risk Management (ERM) program, risk management is embedded into strategic decision-making and resource allocation, thereby allowing the organization to make more informed decisions at the corporate and operational levels.

Corporate risks are detailed in CATSA's ERM Profile (ERM-P), which provides an overview of risk scenarios that may affect the organization's ability to achieve its mandated activities, strategic objectives or legislative requirements (Appendix G).

CATSA's ERM program allows the organization to identify key risks, such as:

- Mandated services risk;
- Human resources risk;
- Stakeholder relations risk;
- IT Risk; and
- Capacity risk.

### **Mandated Services Risk**

As a result of the evolving, unpredictable nature of the aviation security threat environment, there is a risk that CATSA may not have the technology, threat and risk information, processes or human factor capability to detect all high risk threat items, including emerging threat items. In addition, the ongoing impacts of the pandemic and ongoing pandemic recovery measures introduce new complexities to the civil aviation security screening environment, which may impact CATSA's ability to perform its mandated responsibilities to current established standards.

### **Human Resources Risk**

Labour market conditions have changed due to the effects of the pandemic. As a result of shifting labour market conditions, workforce needs, or due to CATSA's overall corporate human resources strategies, there is a risk that CATSA may experience challenges in recruiting and/or retaining key and/or specialized personnel resulting in a potential decline in corporate performance.

### **Stakeholder Relations Risk**

Certain airports are experiencing longer wait and processing times at security screening checkpoints. Screening contractors are facing labour challenges resulting from fewer screening officers than expected returning to work following pandemic layoffs, mandatory vaccination requirements for screening officers, and ongoing recruitment issues due to labour shortages. While CATSA is ensuring that the screening contractors are taking the necessary steps to address potential capacity challenges, CATSA may face wait-time service level issues as passenger volumes increase.

**IT Risk**

Due to the evolving nature of the cyber threat environment, there is a risk that cyber threats and/or attacks may negatively impact CATSA's IT infrastructure and/or compromise organizationally sensitive or secret information resulting in a loss of public confidence and potential damage to CATSA's reputation.

**Capacity Risk: Level of Government Funding**

Without a sustainable long-term funding strategy, there is a risk that CATSA may not receive adequate levels of government funding to maintain operations and to effectively support the recovery of the air transportation sector.

## Financial Overview

### Funding

CATSA is funded by parliamentary appropriations and is accountable to Parliament through the Minister of Transport. Consequently, CATSA delivers its civil aviation security screening mandate in accordance with the resources it is assigned by the Government of Canada.

Since 2015, CATSA's a-Base funding, has been supplemented with consecutive one-year incremental funding in order to maintain its operations. CATSA has received adequate funding for 2022/23. Additional funding will be necessary in 2023/24 in order for CATSA to continue to deliver its mandated activities.

### Financial Plan

The operating and capital budgets are presented on a cash basis and are aligned with the organization's approved funding from the Government of Canada for the planning period. The narrative that follows reflects the strategic view CATSA has developed, subject to available funding.

Key priorities having a significant financial impact include, but are not limited to, the following:

- Continue to deliver CATSA's mandated activities, which include targeting a wait time service level where, on average, 85% of all passengers are waiting 15 minutes or less to be screened at Class 1 airports on an annual basis (WTSL of 85/15);
- Implementation of 100% screening of non-passengers entering restricted areas serving international air operations in response to the screening standard set by the ICAO;
- Continued introduction of full body scanners as the primary screening tool at pre-board screening checkpoints;
- Recapitalization and replacement of current X-ray technology at PBS checkpoints across the country, and the introduction of new technologies and trials as part of CATSA's lifecycle management plan;
- Lifecycle management of other Explosives Detection System (EDS) and non-EDS capital assets based on their estimated useful lives; and
- Ongoing deployment of CATSA Plus lines.

The following summarizes the financial results for 2020/21, the financial results and budget for 2021/22, as well as the operating and capital budgets for 2022/23 to 2026/27 by program activity based on CATSA's approved funding.

Financial Plan by Program (in thousands of dollars)	Actual 2020/21	Forecast 2021/22	Budget 2021/22	Plan 2022/23	Plan 2023/24	Plan 2024/25	Plan 2025/26	Plan 2026/27
<b>Operating Expenditures</b>								
PBS	\$ 338,973	\$ 382,004	\$ 474,246	\$ 510,881	\$ 252,421	\$ 249,961	\$ 250,576	\$ 251,191
HBS	92,848	103,812	108,017	134,401	77,110	75,881	75,573	75,266
NPS	145,820	150,844	177,737	159,736	85,372	89,061	88,754	88,446
RAIC	2,560	2,230	3,758	3,564	3,652	3,652	3,652	3,652
Corporate Services	48,652	47,695	48,049	50,432	48,874	48,874	48,874	48,874
<b>Subtotal</b>	<b>\$ 628,853</b>	<b>\$ 686,585</b>	<b>\$ 811,807</b>	<b>\$ 859,014</b>	<b>\$ 467,429</b>	<b>\$ 467,429</b>	<b>\$ 467,429</b>	<b>\$ 467,429</b>
Revenue and Other Income	(784)	(116)	-	-	-	-	-	-
<b>Net Operating Expenditures funded by Parliamentary Appropriations</b>	<b>\$ 628,069</b>	<b>\$ 686,469</b>	<b>\$ 811,807</b>	<b>\$ 859,014</b>	<b>\$ 467,429</b>	<b>\$ 467,429</b>	<b>\$ 467,429</b>	<b>\$ 467,429</b>
<b>Capital Expenditures</b>								
PBS	\$ 15,815	\$ 5,233	\$ 23,110	\$ 26,518	\$ 62,377	\$ 64,485	\$ 67,000	\$ 71,135
HBS	31,960	3,460	17,693	27,173	24,898	22,578	17,171	19,301
NPS	990	102	700	4,486	297	130	216	140
RAIC	2,587	245	2,013	2,066	181	126	2,315	136
Corporate Services	6,440	2,938	4,217	3,432	6,247	6,681	7,298	3,288
<b>Subtotal</b>	<b>\$ 57,792</b>	<b>\$ 11,978</b>	<b>\$ 47,733</b>	<b>\$ 63,675</b>	<b>\$ 94,000</b>	<b>\$ 94,000</b>	<b>\$ 94,000</b>	<b>\$ 94,000</b>
Proceeds on disposal and Vendor Credit	(99)	-	-	-	-	-	-	-
<b>Net Capital Expenditures funded by Parliamentary Appropriations (Note)</b>	<b>\$ 57,693</b>	<b>\$ 11,978</b>	<b>\$ 47,733</b>	<b>\$ 63,675</b>	<b>\$ 94,000</b>	<b>\$ 94,000</b>	<b>\$ 94,000</b>	<b>\$ 94,000</b>
<b>Total Expenditures funded by Parliamentary Appropriations</b>	<b>\$ 685,762</b>	<b>\$ 698,447</b>	<b>\$ 859,540</b>	<b>\$ 922,689</b>	<b>\$ 561,429</b>	<b>\$ 561,429</b>	<b>\$ 561,429</b>	<b>\$ 561,429</b>

The following section provides key highlights of CATSA's financial plan. For the period 2023/24 to 2026/27, CATSA will require supplemental funding in order to continue to deliver its mandated activities for the full fiscal year.

## **2022/23 – 2026/27**

### Screening Operations

In response to the global pandemic, CATSA has experienced a dramatic decline in passenger traffic. While CATSA's passenger forecasts anticipate a return to pre-pandemic passenger traffic levels by 2023/24, considerable uncertainty remains. As the extent and duration of the pandemic remain uncertain, funds will be reallocated as required over the planning period in order to respond to changes in operational requirements as they arise. Any unused funds will be returned to the Consolidated Revenue Fund.

In addition, the return of pre-pandemic passenger levels and the introduction of the 100% screening standard for non-passengers will require significant screening officer staffing requirements, creating employment opportunities in communities across the country.

#### New/Ongoing Initiatives

In response to the pandemic, CATSA has implemented a number of biosecurity measures at security screening checkpoints. CATSA anticipates that many of these measures will remain in place for some portion of the planning period as the industry recovers, including increased sanitization requirements at security screening checkpoints and the use of UV-C sanitization technology in CATSA Plus lines. CATSA will continue to explore the introduction of additional safety measures and technological innovations over the planning period with the objective of enhancing health and safety, and passenger confidence in air travel.

In addition, ongoing deployments of CATSA Plus remain a focus of CATSA's planned capital investments. To date, the organization has deployed 83 CATSA Plus lines in select Class 1 airports, and remains in discussions with several Class 1 airports for additional lane deployments pending the respective airports' availability and passenger traffic.

Finally, CATSA will make investments in several corporate initiatives that will have a profound impact on CATSA's operations. These investments include the modernization of CATSA's IT service delivery model through strategic investments and partnerships in cybersecurity, AI and cloud computing, as well as Indigenous cultural awareness learning for screening personnel and CATSA staff to promote a positive, diverse and inclusive screening experience.

#### Capital Lifecycle Management/New Technology

In support of CATSA's lifecycle management program, capital funds will be invested over the planning period to begin replacing current X-ray technology with CT X-rays at Class 1 and select Class 2 airports. As part of this program, CATSA will also replace single-view X-ray machines with multi-view versions at NPS checkpoints as well as Class 3 airports. In addition, CATSA will replace current full body scanners with the latest technology featuring improved detection algorithms. CATSA's capital plan also provides for the replacement of non-EDS equipment and systems as the existing assets reach the end of their useful lives.

When making capital acquisitions of screening equipment, CATSA follows its procurement and contracting policy which ensures transparency and consistency in establishing operational requirements and procurement strategies for screening equipment. With respect to specific requirements for screening equipment, the equipment must meet Transport Canada detection performance standards which are typically aligned with the TSA and/or ECAC. Key factors considered as part of a capital acquisition include technical, company and financial evaluations which ensure the equipment meets CATSA's functional requirements and provides good value for money.



It is important to note that impacts of the pandemic, in addition to other unforeseen impacts, may result in various delays beyond CATSA's control. Consequently, the organization may require a re-profile of funds to account for any unexpected delays in capital projects.

## Key Assumptions and Financial Risks

**Passenger Traffic Projections** — in the first three quarters of 2021/22, 17 million passengers were screened nationally, representing a 67% decline from 2019/20 levels, but a 200% increase from 2020/21 levels. CATSA's current passenger volume projections are based on a range of passenger forecast scenarios procured from SNC Lavalin and Oxford Economics/IATA received in the summer of 2021, and reflect a return to pre-pandemic passenger traffic in 2023/24. These forecasts will continue to evolve as the pandemic and any associated responses develop. Any significant deviation from CATSA's passenger forecasts will have a material impact on the organization's financial requirements.

**Screening Officer Staffing** — as a direct result of the pandemic, approximately 2,000 screening officers were laid off or furloughed. With the return of passenger traffic and the introduction of the 100% screening standard for non-passengers, a significant increase in screening officer staffing will be required. The financial plan assumes Screening Contractors will be able to hire and retain the necessary number of screening officers to address the volumes of passengers and non-passengers over the planning horizon. If labour market challenges persist, and Screening Contractors cannot hire the necessary number of screening officers, the result could be longer wait times, which has an impact on the broader aviation industry.

**Billing Rates** — the rates required to fund CATSA's ongoing operations are based on the terms of CATSA's existing contracts. In March 2024, CATSA's existing ASSAs are set to expire, and the organization's contract with its maintenance service provider is set to expire in April 2023. No significant changes in current billing rates for these contract renewals have been considered in CATSA's financial plan, nor have any transition costs been included in the event new vendors are awarded these contracts. Significant changes in the billing rates for these services will have a material impact on CATSA's financial requirements going forward.

**Foreign Exchange Rates** — financial projections reflect a USD exchange rate of 1.30 for the planning period, except for maintenance and insurance costs in 2022/23 that have been hedged at 1.24. CATSA continues to monitor its future commitments and will enter into new hedging contracts as per its approved hedging strategy. Significant fluctuations in the exchange rate for any unhedged amounts will have a material impact on CATSA's financial requirements.

**Re-Profiles** — as the organization does not have carry forward authority, re-profile requests have become a necessary part of CATSA's annual financial management process. The financial plan assumes CATSA would be able to continue to receive approval of capital re-profiles.

**Internal transfer** — the financial plan is based on the assumption that CATSA will receive approval for internal budget transfers from capital to operating in order to align CATSA's

reference levels to its Budget. Approval of internal transfers in any given year are critical for CATSA to offset incremental operating requirements with available capital funding where CATSA's capital requirements are lower than the approved funding for that fiscal year.

## APPENDIX A: Ministerial Mandate Letter



Ms. Marguerite Nadeau  
Chairperson of the Board of Directors  
Canadian Air Transport Security Authority  
99 Bank Street  
Ottawa ON K1P 6B9

Dear Ms. Nadeau:

It is an honour to serve Canadians as the Minister of Transport and a privilege to be able to work with key partners such as the Canadian Air Transport Security Authority (CATSA) during this pivotal time for both the transportation sector and the country as a whole.

Given that the world has changed significantly because of the COVID-19 pandemic, I wish to communicate to you that, now more than ever, our collaboration remains essential to advance the **government's** priorities and policy objectives. I look forward to deepening a strong working relationship that fosters open communication and a shared commitment to advance the **government's** priorities and policy objectives, and ensuring that CATSA remains a key partner in **Canada's transportation system**.

In supporting my accountability to Parliament for your organization, I will work with you to ensure that **Canada's transportation system supports the government's** ambitious economic response and recovery effort in fighting the pandemic and building back a better Canada. Together, during these challenging times, we will position CATSA to fight climate change where it can, help strengthen the middle class, walk the road of reconciliation, improve accessibility, and stand up for fairness and equality.

The fight against climate change remains of paramount importance to this government, and I expect that CATSA will provide its support by ensuring that opportunities to advance this cause **are considered in your organization's priorities, plans, and operations**.

In Budget 2021, the government indicated its intention to finish the fight against COVID-19, to create jobs and growth, and to support a resilient and inclusive recovery. I expect that CATSA will do its part by providing safe, secure and efficient civil aviation security screening in support of economic recovery and growth for middle-class Canadians. I am pleased that in Budget 2021, CATSA was allocated \$271.1 million in 2021–22 to **support CATSA's operations and** temperature screening measures, and that Budget 2021 funding of \$6.7 million was also allocated for CATSA to acquire and operate sanitization equipment.

Canada

When Indigenous people experience better outcomes, all Canadians benefit. In this vein, I expect that CATSA will join us as we continue to walk the road to reconciliation together. This should include, but not be limited to, consulting Indigenous communities where appropriate and incorporating Indigenous perspectives into organizational operations and planning processes.

I also expect that, per the *Accessible Canada Act*, CATSA will ensure that it is doing its part to help make the transportation system more accessible for persons with disabilities.

Together, we must also continue delivering real results for Canadians. This includes tracking and publicly reporting on the progress of our work, assessing our work's effectiveness, aligning resources with priorities, and adapting to events as they unfold. In this vein, I would note that your corporation's corporate plan remains the most important vehicle by which my colleagues and I can assess what results Canadians can expect from CATSA, and the annual report the most important mechanism to assess CATSA's results.

We must also continue to work together to improve how we collectively approach Crown corporation corporate plan approvals. This need was underscored by the concerns raised in the Office of the Auditor General's spring 2018 Report, tabled in Parliament on May 29, 2018. Transport Canada, Transport portfolio Crown corporations and central agencies each have a role to play. In this vein, I would ask for your continued support in ensuring that, to the extent that circumstances are within CATSA's control, CATSA's next corporate plan is multi-year in focus and prepared sufficiently in advance with the information available at that time.

I also remain committed to open, transparent, and merit-based selection processes to attract qualified candidates for governance and leadership positions in the Transport portfolio. Candidates should also reflect Canada's diversity in terms of linguistic, regional and employment equity groups (women, Indigenous peoples, persons with disabilities and members of visible minorities), as well as members of ethnic and cultural groups. As Chairperson, you will be invited to participate in these processes for your organization, which will inform my ultimate appointment recommendations to the Governor in Council. By extension, I expect that CATSA incorporate a similar focus on the abovementioned populations in all its labour force practices.

Recognizing the value of incumbents to ensuring consistent good governance, for those individuals previously appointed through an open process, I will consider recommending reappointment based on past performance and the Board's current needs in terms of diversity and skills. Transport Canada officials will engage with you to assess the performance and contribution of any incumbent being considered for reappointment.

Furthermore, as always, the legal and ethical obligations of public office holders remain paramount. All appointees should abide by the principles found in **the Prime Minister's** recently updated statement on Open and Accountable Government, with particular attention paid to the Ethical Guidelines set out in Annex A. All boards should also ensure ongoing compliance, both for their organization and for themselves, with the relevant requirements of the Treasury Board Secretariat Directive on Travel, Hospitality, Conference and Event Expenditures, the *Lobbying Act* and the *Conflict of Interest Act*.

As this Government places a priority on inclusion, I would encourage CATSA to continue to uphold an inclusive ethos in its corporate culture and to **deliver CATSA's** services in a way that supports diversity.

I also hope to work with you on completing the transfer of CATSA to an independent not-for-profit entity with a view to improve the passenger experience while maintaining security effectiveness. However, recognizing that Canada is still in the midst of responding to the COVID-19 pandemic, it may not be possible to concretely discuss plans for commercialization until we are well into the pandemic recovery phase. It is my expectation that once the commercialization process regains momentum, you will continue to support any work that advances the **government's** effort to transfer CATSA to an independent not-for-profit entity. In the meantime, I would ask that you continue to work with the department in carrying out the core activities that CATSA was mandated for as a Crown corporation, and that these be reflected in the corporation's multi-year corporate plans.

I look forward to continuing to work with you in advancing your corporation's **plans, priorities** and challenges.

Sincerely,



The Honourable Omar Alhabra, P.C., M.P.  
Minister of Transport

## APPENDIX B: CATSA's Potential Transition to the Designated Screening Authority

In 2019, the Government of Canada enacted the *Security Screening Services Commercialization Act (SSSCA)*, which enables the commercialization of Canadian aviation security screening services. The SSSCA also provides for the Governor in Council designation of a corporate body under the *Canada Not-for-profit Corporations Act* as the designated screening authority to assume legislated responsibility for security screening services at Canada's designated airports.

Since spring 2019, Transport Canada had been engaging with industry stakeholders on the commercialization of CATSA, with an anticipated completion date of April 1, 2020. Formal negotiations with stakeholders related to the sale of CATSA's assets and liabilities were put on hold in March 2020 as the Government of Canada and the various private entities that comprise the designated screening authority (airport and airline representatives) responded to the pandemic.

While the timeline for the potential sale remains undetermined, CATSA will continue to carry out its mandate of providing aviation security screening services. As and when requested by Transport Canada, CATSA will support a potential transfer of responsibility, including the sale and disposition of assets and liabilities, to the designated screening authority. CATSA will also continue to engage with Transport Canada on relevant amendments to the regulatory framework and the development of applicable Orders in Council. If this initiative proceeds, CATSA may be required to place certain objectives on hold in order to accommodate transition-related activities while delivering seamless day-to-day operations.

In light of prolonged uncertainty resulting from the ongoing delay, CATSA's Board of Directors is closely monitoring the potential impacts on retention of its workforce and associated capacity risk, strategic planning, delivery of key priorities, Board member appointments and contractual commitments. The Board of Directors is hopeful for a timely decision on this matter while it continues to govern CATSA as a Crown corporation.

## APPENDIX C: Corporate Governance Structure

### Accountability Relationships

CATSA is an agent Crown corporation with a Board of Directors appointed by the Governor in Council on the recommendation of the Minister of Transport.

### Board of Directors

CATSA is governed by an 11-member Board of Directors. Two of the Directors are nominated by the airline industry and two represent airport authorities. All Directors are independent of CATSA management.

The Board of Directors has a number of ongoing responsibilities, including:

- Drafting, amending or repealing corporate by-laws;
- Approving CATSA's Corporate Plan for recommendation to the Minister;
- Monitoring corporate performance;
- Approving the President and CEO's objectives for the year and evaluating his/her performance;
- Ensuring the principal risks of CATSA's business are identified and that appropriate systems to manage these risks have been implemented;
- Reviewing and approving management's succession plan for senior management;
- Ensuring the fulfillment of the Corporation's mandate; and
- Establishing CATSA's strategic direction through its annual Corporate Plan and safeguarding the resources of the Corporation by approving Annual Reports, capital and operating budgets, and major new project proposals.

### Board Committees

The *Audit Committee* assists the Board in fulfilling its oversight responsibilities with respect to financial reporting, risk management, internal controls, internal and external audits and budgets.

The *Governance, Human Resources and Pension Committee* (GHRP) assists the Board in fulfilling its oversight responsibilities with respect to governance matters including areas such as human resources and compensation, management succession plans, policies and processes relating to employee business conduct and ethical behaviour, annual objectives for the President and CEO, management and administration of the employee pension plan(s) and any other matter assigned to it by the Board.

The *Transaction Committee* assists the Board with respect to the potential sale or disposition of CATSA's assets and liabilities to the designated screening authority (Appendix B). This Committee was constituted on September 10, 2019.

As of December 2021, CATSA's Board of Directors included:

<b>Current</b>	<b>Total Remuneration (FY 2020/21)</b>	<b>Appointment Date</b>	<b>Mandate Expiry Date</b>	<b>Board Committee Membership</b>
<b>Marguerite Nadeau, Chairperson</b>	\$22,350	2017/09/13	2022/09/13	<i>Ex officio</i> member of all Board committees
<b>Jean-Philippe Brunet</b>	\$13,980	2018/02/21	2022/02/21	Audit Committee GHRP Committee Transaction Committee
<b>Melissa Coulson</b>	\$14,760	<i>Original:</i> 2014/01/30 <i>Reappointment:</i> 2018/02/21	2020/02/21	Audit Committee GHRP Committee Transaction Committee
<b>Sharon Duggan</b>	\$15,735	2018/02/21	2022/02/21	Audit Committee GHRP Committee Transaction Committee
<b>Patricia Kennedy</b> Appointed as a nominee of the Air Transport Association of Canada	\$15,735	<i>Original:</i> 2015/03/26 <i>Reappointment:</i> 2018/06/25	2021/06/24	Audit Committee GHRP Committee
<b>Gilles Lalonde</b>	\$13,590	<i>Original:</i> 2018/02/21 <i>Reappointment:</i> 2021/05/21	2025/05/21	Audit Committee GHRP Committee
<b>William Restall</b> Appointed as a nominee of the Canadian Airports Council	\$14,175	<i>Original:</i> 2014/09/29 <i>Reappointment:</i> 2018/06/14	2021/06/14	Audit Committee GHRP Committee
<b>Allan Rowe</b> Appointed as a nominee of the National Airlines Council of Canada	\$13,395	<i>Original:</i> 2012/05/03 <i>Reappointment:</i> 2018/03/13	2021/03/12	Audit Committee GHRP Committee
<b>Diane Trenn</b> Appointed as a nominee of the Canadian Airports Council	\$14,175	2018/06/14	2021/06/14	Audit Committee GHRP Committee
<b>Penny Westman</b>	\$15,150	2019/03/22	2023/03/22	Audit Committee GHRP Committee Transaction Committee

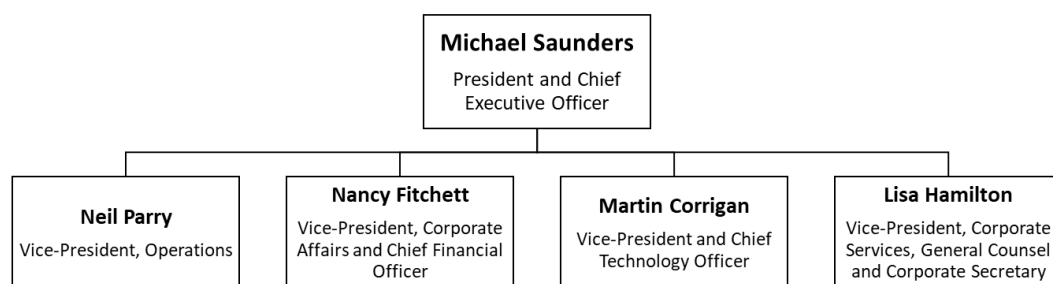
*Per the Financial Administration Act, any Director (other than the Chairperson) whose term has expired, may continue in office until a successor is appointed.*



## CATSA’s Senior Management Team

CATSA is led by the President and Chief Executive Officer (CEO), Michael Saunders. Michael Saunders was re-appointed CATSA’s CEO by Order in Council effective April 3, 2021, for a term of two years. As such, CATSA will undergo a leadership transition during the planning period, with the appointment of a new President and CEO.

The President and CEO is supported by a senior management team, as shown below:



## Executive Compensation

As at March 31, 2021, key management personnel of CATSA are composed of the Board members and the five members of the senior management team. The compensation of Board members and other members of key management is as follows for the years ended:

(in thousands of dollars)	March 31, 2021	March 31, 2020
Salaries, other short-term employee benefits and termination benefits	\$ 1,730	\$ 1,645
Post-employment benefits	\$ 282	\$ 343

## APPENDIX D: Planned Results

### Expected Results and Performance Indicators

CATSA has one Core Responsibility: to deliver effective, efficient and consistent security screening for civil aviation that is in the interest of the travelling public at designated airports, by way of PBS, HBS, NPS, and the RAIC program.

CATSA uses a number of key indicators to set operational performance targets and to monitor, assess and report on progress and achievements in areas of critical importance to the fulfillment of its mandate and mission, the support of government objectives and priorities, and the maintenance of favourable relations with the travelling public and civil aviation partners.

Set out over the following pages are CATSA's key measured targets and objectives, and the criteria and indicators used to measure progress in their achievement.

ACTIVITIES	INDICATORS	TARGETS	DATA
<b>A. SERVICE EXCELLENCE</b>			
<b>OBJECTIVE 1: Security Effectiveness</b> The prevention of prohibited items and non-permitted items from entering the air transportation system through the systematic application of CATSA’s mandated screening services.			
<b>Pre-Board Screening (PBS)</b>	Aggregate Security Effectiveness scores; calculated by combining performance results from the following sources:	Cannot be reflected in a public document due to security classification.	Screening officer performance results
<b>Hold Baggage Screening (HBS)</b>	PBS and NPS testing performance HBS testing performance Breach score		
<b>Non-Passenger Screening (NPS)</b>	PBS and NPS Threat Image Projection System (TIPS) performance HBS TIPS System performance		
<b>OBJECTIVE 2: Operational Efficiency</b> The achievement of optimal screening efficiency, leveraging available resources, including personnel, systems, and equipment.			
<b>Screening Efficiency</b>	Wait time service level (WTSL)	WTSL: 85/15 Measured improvement over time (inflation adjusted when analyzed)	Passenger wait times, averaged on an annual basis at Class 1 airports Quarterly reporting of BPSS passenger throughput results
<b>OBJECTIVE 3: Optimal Passenger Experience</b> The achievement of high levels of passenger satisfaction with, and confidence in, their interactions with CATSA.			
<b>Passenger Screening Experience</b>	Passenger feedback relating to: Their overall experience at PBS checkpoints	Satisfaction: 85%	Passenger intercept surveys at Class 1 airports

ACTIVITIES	INDICATORS	TARGETS	DATA
<b>OBJECTIVE 4: Sound Asset Management</b> The responsible acquisition, protection, maintenance, and recapitalization of screening equipment and related systems.			
<b>Screening Equipment Availability</b>	Availability of all major screening technology platforms at Class 1 airports	Availability of PBS, HBS and NPS equipment: 99.63%	The overall availability of all major screening technology platforms for screening operations
<b>B. A DIVERSE AND ENGAGED WORKFORCE</b>			
<b>OBJECTIVE 1: Inclusive and Diverse Environment</b> The achievement of a well-balanced workforce that strives to reflect the diversity of Canada, and the fostering of a positive and supportive working environment that respects and upholds diverse social and cultural values, and promotes the use of both official languages in the workplace.			
<b>Recruitment and Retention</b>	Workforce demographics, including women, aboriginal peoples, members of visible minorities and persons with disabilities  Effective use of both Official Languages in CATSA workplaces	Turnover rate by designated groups <sup>3</sup> <ul style="list-style-type: none"> <li>• Women: 44.2%</li> <li>• Aboriginal Peoples: 2.2%</li> <li>• Members of Visible Minorities: 20.9%</li> <li>• Persons with Disabilities: 1.8%</li> </ul> Workforce demographics targets: <ul style="list-style-type: none"> <li>• Women: 48.7%</li> <li>• Aboriginal Peoples: 2.5%</li> <li>• Members of Visible Minorities: 24.8%</li> <li>• Persons with Disabilities: 9.0%</li> </ul> Percentage of fixed term and indeterminate employees that meet the language requirements in positions designated as bilingual <ul style="list-style-type: none"> <li>• Short term target 75%</li> <li>• Long-term target: 85%</li> </ul>	Workforce demographics Annual Employment Equity Report Annual Official Languages Report

<sup>3</sup> Targets for turnover rates by designated group and workforce demographics are subject to change on an annual basis.

ACTIVITIES	INDICATORS	TARGETS	DATA
<b>OBJECTIVE 2: Employee Engagement and Support</b> Attract and retain a productive and engaged workforce, through corporate support for learning and skills development, the health and well-being of employees, and the celebration of individual and collective achievements.			
<b>Employee Health and Well-being</b>	Utilizing strategies that maximize flexibility in a dynamic operational environment, without undue strain on core personnel  Strategic use of fixed-term resources and professional services  Use of workplace support resources, and optimization of the flexible workplace model to accommodate employee needs, while upholding position requirements	Stability or improvement in employee satisfaction  Annual attrition rate: 8.0%  Absenteeism: 3 days per quarter per employee	Employee surveys  Attrition and absenteeism
<b>OBJECTIVE 3: Transformative Leadership</b> The demonstration by example and active support of creative approaches to continuous improvement, innovation and collaboration.			
<b>Setting the Tone from the Top</b>	Enhancement of existing vehicles to promote innovation (CATSA Leaders Forum, employee retreat and employee communication)	Completed enhancements aimed at fostering vision and behaviours that support a transformative culture	Employee surveys  Feedback from the Board  CATSA Innovation Centre

ACTIVITIES	INDICATORS	TARGETS	DATA
<b>C. EFFECTIVE PARTNERSHIPS</b>			
<b>OBJECTIVE 1: Industry and Government Collaboration</b>			
The establishment and maintenance of strong and positive working relationships between CATSA, its security partners, other members of civil aviation, and the Government of Canada, to progress on common goals and interests.			
<b>Liaison, Outreach and Joint Initiatives</b>	Well-established formal and informal processes for dialogue and collaboration with industry  Responsiveness to industry requests, including for screening on a cost-recovery basis	Close, respectful and productive relations  Timely and meaningful response to industry requests	Industry consultations and feedback  Negotiated agreements for cost recovery screening enhancements where applicable
<b>OBJECTIVE 2: Community Relations</b>			
The establishment and maintenance of close and favourable relations with key stakeholders in the broader community.			
<b>Information, Outreach, Collaboration and Cooperation</b>	Well-established formal and informal processes for communication and feedback with community stakeholders and the travelling public	Close, respectful and productive relations  Timely and meaningful response to public and community requests and complaints	Stakeholder consultations and communications  Public and passenger enquiries, suggestions and complaints

***President and Chief Executive Officer Commitment***

As President and Chief Executive Officer of the Canadian Air Transport Security Authority, I am accountable to the Board of Directors for the implementation of the objectives and initiatives described in this Corporate Plan and outlined in this Appendix. I confirm that this commitment is supported by the balanced use of all available and relevant performance measurement and evaluation information.

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Michael Saunders  
President and Chief Executive Officer  
Canadian Air Transport Security Authority

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Date

## APPENDIX E: Chief Financial Officer Attestation

In my capacity as Chief Financial Officer of the Canadian Air Transport Security Authority (CATSA), accountable to the Board of Directors of CATSA through the Chief Executive Officer, I have reviewed the 2022/23 – 2026/27 Corporate Plan and budgets, and the supporting information that I considered necessary, as of the date indicated below. Based on this due diligence review, I make the following conclusions:

1. The nature and extent of the financial and related information is reasonably described, and assumptions having a significant bearing on the associated financial requirements have been identified and are supported.
2. Significant risks having a bearing on the financial requirements, the sensitivity of the financial requirements to changes in key assumptions, and the related risk-mitigation strategies have been disclosed.
3. Financial resource requirements have been disclosed and are consistent with the stated assumptions, and options to contain costs have been considered.
4. Funding is not sufficient to address the financial requirements for the expected duration of the Corporate Plan, with the following observation: CATSA's Base funding for 2023/24 – 2026/27 will cover the costs to continue to deliver its mandated activities for a portion of these fiscal years only.
5. The Corporate Plan and budgets are compliant with relevant financial management legislation and policies, and the proper financial management authorities are in place.
6. Key financial controls are in place to support the implementation of proposed activities and ongoing operations of CATSA.

In my opinion, the Corporate Plan and budgets are sufficient to support decision-making, except for funding as noted in number 4 above.

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Nancy Fitchett, CPA, CA  
Vice-President, Corporate Affairs and Chief Financial Officer  
Canadian Air Transport Security Authority

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Date



## APPENDIX F: Financial Statements and Budgets

### Financial Statement Highlights

CATSA's financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and approved by the Accounting Standards Board of Canada (AcSB).

### Disposals

CATSA manages its assets, including asset disposal, as part of a lifecycle management regime or as part of new technology requirements. The disposal of assets is governed by corporate policy and procedures that ensure compliance with applicable legislation and regulations concerning the disposal of Crown assets. In its financial statements, CATSA discloses contingent liabilities associated with the removal of explosives detection system equipment from airports across Canada, some of which contains hazardous materials, as well as the restoration of facilities contractually required under lease agreements.

## Statement of Financial Position

Statement of Financial Position	Actual	Forecast	Plan	Plan	Plan	Plan	Plan
(Figures are in thousands)	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
<b>ASSETS</b>							
<b>Current assets</b>							
Cash	\$ 14,086	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Trade and other receivables	118,529	110,425	146,084	88,646	88,646	88,646	88,646
Inventories	14,067	11,156	10,953	10,815	9,936	8,967	7,702
Prepays	7,012	7,129	7,272	7,417	7,566	7,717	7,871
Derivative financial assets	-	263	-	-	-	-	-
	<b>\$ 153,694</b>	<b>\$ 138,973</b>	<b>\$ 174,309</b>	<b>\$ 116,878</b>	<b>\$ 116,148</b>	<b>\$ 115,330</b>	<b>\$ 114,219</b>
<b>Non-current assets</b>							
Property and equipment and intangible assets							
EDS	\$ 450,244	\$ 379,719	\$ 362,298	\$ 363,601	\$ 370,276	\$ 375,417	\$ 386,466
Non-EDS	30,159	23,190	23,488	35,891	35,106	36,115	30,670
	<b>\$ 480,403</b>	<b>\$ 402,909</b>	<b>\$ 385,786</b>	<b>\$ 399,492</b>	<b>\$ 405,382</b>	<b>\$ 411,532</b>	<b>\$ 417,136</b>
Right-of-use assets	\$ 9,937	\$ 15,410	\$ 12,701	\$ 12,772	\$ 10,671	\$ 7,460	\$ 5,540
Employee benefits asset	34,525	32,799	34,147	35,057	35,938	36,753	37,400
Derivative financial assets	-	87	-	-	-	-	-
	<b>\$ 678,559</b>	<b>\$ 590,178</b>	<b>\$ 606,943</b>	<b>\$ 564,199</b>	<b>\$ 568,139</b>	<b>\$ 571,075</b>	<b>\$ 574,295</b>
<b>LIABILITIES AND EQUITY</b>							
<b>Current liabilities</b>							
Trade and other payables	\$ 110,191	\$ 103,666	\$ 157,049	\$ 100,252	\$ 98,997	\$ 98,915	\$ 98,832
Holdbacks	22,352	17,333	-	-	-	-	-
Provision	200	-	-	-	-	-	-
Lease liabilities	3,667	4,445	2,878	2,209	3,522	3,683	2,907
Deferred government funding related to operating expenses	21,079	18,285	18,225	18,232	17,502	16,684	15,573
Derivative financial liabilities	1,127	264	-	-	-	-	-
	<b>\$ 158,616</b>	<b>\$ 143,993</b>	<b>\$ 178,152</b>	<b>\$ 120,693</b>	<b>\$ 120,021</b>	<b>\$ 119,282</b>	<b>\$ 117,312</b>
<b>Non-current liabilities</b>							
Lease liabilities	\$ 7,007	\$ 11,522	\$ 10,185	\$ 11,194	\$ 8,785	\$ 5,111	\$ 3,526
Deferred government funding related to capital expenditures	479,306	401,833	384,514	397,742	404,997	411,339	417,136
Derivative financial liabilities	70	-	-	-	-	-	-
Employee benefits liability	20,054	24,013	25,496	26,979	28,462	29,945	31,428
	<b>\$ 506,437</b>	<b>\$ 437,368</b>	<b>\$ 420,195</b>	<b>\$ 435,915</b>	<b>\$ 442,244</b>	<b>\$ 446,395</b>	<b>\$ 452,090</b>
<b>Equity</b>							
Accumulated surplus	\$ 13,506	\$ 8,817	\$ 8,596	\$ 7,591	\$ 5,874	\$ 5,398	\$ 4,893
	<b>\$ 678,559</b>	<b>\$ 590,178</b>	<b>\$ 606,943</b>	<b>\$ 564,199</b>	<b>\$ 568,139</b>	<b>\$ 571,075</b>	<b>\$ 574,295</b>

## Statement of Comprehensive Income (Loss) and Equity

Statement of Comprehensive Income (Loss) and Equity	Actual	Forecast	Plan	Plan	Plan	Plan	Plan
(Figures are in thousands)	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
<b>Expenses</b>							
Pre-Board Screening	\$ 351,143	\$ 394,632	\$ 524,085	\$ 266,373	\$ 271,030	\$ 277,847	\$ 284,858
Hold Baggage Screening	151,750	170,436	194,637	136,814	135,574	128,644	122,785
Non-Passenger Screening	148,688	153,934	161,969	88,107	91,649	91,212	90,265
Restricted Area Identity Card Program	2,957	3,824	4,546	4,679	4,690	4,563	4,911
Corporate services	50,441	51,867	54,763	53,037	53,511	53,985	54,331
<b>Total expenses</b>	<b>\$ 704,979</b>	<b>\$ 774,693</b>	<b>\$ 940,000</b>	<b>\$ 549,010</b>	<b>\$ 556,454</b>	<b>\$ 556,251</b>	<b>\$ 557,150</b>
<b>Other expenses (income)</b>							
Gain on disposal of property and equipment	\$ (70)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Write-off of property and equipment and intangible assets	840	40	-	-	-	-	-
Impairment of property and equipment	177	1,940	-	-	-	-	-
Finance costs	354	208	203	189	167	130	98
Foreign exchange (gain) loss	(173)	751	-	-	-	-	-
Net loss (gain) on fair value of derivative financial instruments	2,123	(1,283)	86	-	-	-	-
<b>Total other expenses (income)</b>	<b>\$ 3,251</b>	<b>\$ 1,656</b>	<b>\$ 289</b>	<b>\$ 189</b>	<b>\$ 167</b>	<b>\$ 130</b>	<b>\$ 98</b>
<b>Revenue</b>							
Other income	\$ 718	\$ 184	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total revenue</b>	<b>\$ 718</b>	<b>\$ 184</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Financial performance before government funding</b>	<b>\$ 707,512</b>	<b>\$ 776,165</b>	<b>\$ 940,289</b>	<b>\$ 549,199</b>	<b>\$ 556,621</b>	<b>\$ 556,381</b>	<b>\$ 557,248</b>
<b>Government funding</b>							
Parliamentary appropriations for operating expenses	\$ 626,410	\$ 689,263	\$ 859,074	\$ 467,422	\$ 468,159	\$ 468,247	\$ 468,540
Parliamentary appropriations for lease payments	3,973	4,004	3,804	3,069	2,378	3,654	3,783
Amortization of deferred government funding related to capital expenditures	73,208	85,447	77,190	77,703	84,367	84,004	84,420
<b>Total government funding</b>	<b>\$ 703,591</b>	<b>\$ 778,714</b>	<b>\$ 940,068</b>	<b>\$ 548,194</b>	<b>\$ 554,904</b>	<b>\$ 555,905</b>	<b>\$ 556,743</b>
<b>Financial performance</b>	<b>\$ (3,921)</b>	<b>\$ 2,549</b>	<b>\$ (221)</b>	<b>\$ (1,005)</b>	<b>\$ (1,717)</b>	<b>\$ (476)</b>	<b>\$ (505)</b>
<b>Other comprehensive income</b>							
Item that will not be reclassified to financial performance							
Remeasurement of defined benefit plans	\$ 41,329	\$ (7,238)	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total comprehensive income (loss)</b>	<b>\$ 37,408</b>	<b>\$ (4,689)</b>	<b>\$ (221)</b>	<b>\$ (1,005)</b>	<b>\$ (1,717)</b>	<b>\$ (476)</b>	<b>\$ (505)</b>
<b>Equity</b>							
<b>Accumulated (deficit) surplus, beginning of year</b>	<b>\$ (23,902)</b>	<b>\$ 13,506</b>	<b>\$ 8,817</b>	<b>\$ 8,596</b>	<b>\$ 7,591</b>	<b>\$ 5,874</b>	<b>\$ 5,398</b>
Total comprehensive income (loss)	37,408	(4,689)	(221)	(1,005)	(1,717)	(476)	(505)
<b>Accumulated surplus, end of year</b>	<b>\$ 13,506</b>	<b>\$ 8,817</b>	<b>\$ 8,596</b>	<b>\$ 7,591</b>	<b>\$ 5,874</b>	<b>\$ 5,398</b>	<b>\$ 4,893</b>

## Statement of Cash Flows

Statement of Cash Flows	Actual	Forecast	Plan	Plan	Plan	Plan	Plan
(Figures are in thousands)	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
<b>Cash flows provided by (used in)</b>							
<b>Operating activities</b>							
Financial performance	\$ (3,921)	\$ 2,549	\$ (221)	\$ (1,005)	\$ (1,717)	\$ (476)	\$ (505)
Items not involving cash							
Depreciation and amortization	76,126	87,287	80,791	81,015	87,693	87,336	87,774
Change in net employee benefits asset/liability	1,904	(1,553)	135	573	602	668	836
Write-off of property and equipment and intangible a	840	40	-	-	-	-	-
Gain on disposal of property and equipment	(70)	-	-	-	-	-	-
Other non-cash transactions	3,603	1,398	-	-	-	-	-
Impairment of property and equipment	177	1,940	-	-	-	-	-
Amortization of deferred government funding related to capital expenditures	(73,208)	(85,447)	(77,190)	(77,703)	(84,367)	(84,004)	(84,420)
Change in fair value of financial instruments at fair value through profit and loss	2,123	(1,283)	86	-	-	-	-
Net change in working capital balances	16,627	(194)	17,333	-	-	-	-
	\$ 24,201	\$ 4,737	\$ 20,934	\$ 2,880	\$ 2,211	\$ 3,524	\$ 3,685
<b>Investing activities</b>							
Parliamentary appropriations received for capital func	\$ 41,627	\$ 8,148	\$ 60,262	\$ 91,572	\$ 90,367	\$ 90,264	\$ 90,134
Purchase of property and equipment and intangible assets:							
EDS	(55,427)	(11,585)	(71,837)	(73,378)	(83,178)	(80,892)	(86,844)
Non-EDS	(11,182)	(1,582)	(5,758)	(18,194)	(7,189)	(9,372)	(3,290)
	\$ (24,982)	\$ (5,019)	\$ (17,333)	\$ -	\$ -	\$ -	\$ -
<b>Financing activities</b>							
Lease principal payments	\$ (3,625)	\$ (3,804)	\$ (3,601)	\$ (2,880)	\$ (2,211)	\$ (3,524)	\$ (3,685)
	\$ (3,625)	\$ (3,804)	\$ (3,601)	\$ (2,880)	\$ (2,211)	\$ (3,524)	\$ (3,685)
<b>Decrease in cash</b>	\$ (4,406)	\$ (4,086)	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Cash, beginning of year</b>	\$ 18,492	\$ 14,086	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
<b>Cash, end of year</b>	\$ 14,086	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000

## Reconciliation of Financial Performance (IFRS) to Operating Appropriations Used

Reconciliation of Financial Performance to Operating Appropriations Used	Actual	Forecast	Plan	Plan	Plan	Plan	Plan
(Figures are in thousands)	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
<b>Financial performance before government funding</b>	\$ 707,512	\$ 776,165	\$ 940,289	\$ 549,199	\$ 556,621	\$ 556,381	\$ 557,248
<b>Non-cash expenses</b>							
Depreciation and amortization	(76,126)	(87,287)	(80,791)	(81,015)	(87,693)	(87,336)	(87,774)
Employee benefits expense	(1,904)	1,553	(135)	(573)	(602)	(668)	(836)
Gain on disposal of property and equipment	70	-	-	-	-	-	-
Write-off of property and equipment and intangible assets	(840)	(40)	-	-	-	-	-
Non-cash finance costs related to leases	(348)	(200)	(203)	(189)	(167)	(130)	(98)
Spare parts expense funded from capital	(9)	-	-	-	-	-	-
Change in fair value of financial instruments at fair value through profit and loss	(2,123)	1,283	(86)	-	-	-	-
Non-cash gain (loss) on foreign exchange recognized in financial performance	355	(271)	-	-	-	-	-
Impairment of property and equipment	(177)	(1,940)	-	-	-	-	-
<b>Parliamentary appropriations for operating expenses</b>	\$ 626,410	\$ 689,263	\$ 859,074	\$ 467,422	\$ 468,159	\$ 468,247	\$ 468,540
<b>Other items affecting funding</b>							
Net change in prepaids and inventories	\$ 1,659	\$ (2,794)	\$ (60)	\$ 7	\$ (730)	\$ (818)	\$ (1,111)
<b>Total operating appropriations used</b>	\$ 628,069	\$ 686,469	\$ 859,014	\$ 467,429	\$ 467,429	\$ 467,429	\$ 467,429

## Operating and Capital Plans

The five-year operating and capital budgets reflect CATSA's approved funding levels with the budget for 2023/24 and beyond reverting to CATSA's a-base funding. While CATSA continues to support Transport Canada in the development of an operationally effective long-term funding strategy, incremental funding will be required in order to allow CATSA to maintain current operations. The narrative that follows reflects the strategic plans CATSA has developed, subject to available funding.

### Operating

Operating Plan by Major Expenditure Category	Actual	Forecast	Budget	Plan	Plan	Plan	Plan	Plan
(Figures are in thousands)	2020/21	2021/22	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
<b>OPERATING EXPENDITURES</b>								
Screening Services and Other Related Costs	501,092	555,594	674,853	720,054	328,429	328,429	328,429	328,429
Equipment Operating and Maintenance	37,608	39,739	44,493	43,015	44,000	44,000	44,000	44,000
Program Support and Corporate Services	90,153	91,252	92,461	95,945	95,000	95,000	95,000	95,000
<b>SUBTOTAL</b>	<b>\$ 628,853</b>	<b>\$ 686,585</b>	<b>\$ 811,807</b>	<b>\$ 859,014</b>	<b>\$ 467,429</b>	<b>\$ 467,429</b>	<b>\$ 467,429</b>	<b>\$ 467,429</b>
Revenue and Other Income	(784)	(116)	-	-	-	-	-	-
<b>TOTAL</b>	<b>\$ 628,069</b>	<b>\$ 686,469</b>	<b>\$ 811,807</b>	<b>\$ 859,014</b>	<b>\$ 467,429</b>	<b>\$ 467,429</b>	<b>\$ 467,429</b>	<b>\$ 467,429</b>

### 2021/22 Financial Results

Net operating expenditures totalled \$686.5 million, or \$125.3 million lower than the Corporate Plan budget of \$811.8 million. The major factors contributing to the variance were reduced passenger volumes combined with the cancellation of the Government of Canada's temperature screening mandate in August 2021. CATSA's approved 2021/22 - 2022/23 Corporate Plan included \$77.7 million in 2021/22 to perform Temperature Screening at PBS and NPS checkpoints, while the cancellation of the program only resulted in spending of \$17.5 million for the fiscal year.

Throughout 2021/22, CATSA continued to incur spending in response to the pandemic. This spending included the performance of temperature screening, as instructed by the Government of Canada, until August 2021, as well as purchasing additional personal protective equipment, supplemental checkpoint sanitization and the ongoing deployment of acrylic barriers. The cost of these additional investments in response to the pandemic was \$26.4 million in 2021/22.

### 2022/23 – 2026/27 Financial Plan Highlights

Funding requirements for Screening Services and Other Related Costs will increase over the planning period mainly to reflect additional screening hours to support the passenger recovery, and screening contractor billing rate increases. During the planning period, CATSA will target a wait time service level where, on average, 85% of all passengers are waiting 15 minutes or less to be screened at Class 1 airports on an annual basis (WTSL of 85/15).

Equipment Operating and Maintenance spending includes the costs to support CATSA's EDS and Non-EDS equipment. Funding requirements in this area increase over the planning period due to new deployments of more advanced technology as well as annual contractual increases. In addition, deployments of new and more advanced technology will require training for CATSA's maintenance service provider.

Program Support and Corporate Services includes salaries and benefits to support CATSA's workforce, including ongoing statutory pension plan solvency deficit payments for CATSA's Registered Pension Plan, which are based on actuarial estimates developed in August 2021. Over the five-year planning period funding requirements increase due to inflationary increases, as well as other support costs for various corporate initiatives including IT modernization. CATSA's indeterminate workforce remains consistent at 448 approved full-time equivalent positions over the planning horizon<sup>4</sup>.

## Capital

Capital Plan by Major Initiative	Actual	Forecast	Budget	Plan	Plan	Plan	Plan	Plan
(Figures are in thousands)	2020/21	2021/22	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
<b>CAPITAL EXPENDITURES</b>								
<b>Explosives Detection Systems (EDS)</b>								
PBS	10,498	3,193	19,905	23,415	48,472	60,673	63,720	67,626
HBS	31,874	3,370	17,603	27,083	24,760	22,480	17,066	19,191
NPS	265	3	277	4,006	146	25	106	27
<b>Total EDS</b>	<b>\$ 42,637</b>	<b>\$ 6,566</b>	<b>\$ 37,785</b>	<b>\$ 54,504</b>	<b>\$ 73,378</b>	<b>\$ 83,178</b>	<b>\$ 80,892</b>	<b>\$ 86,844</b>
<b>Non-EDS</b>								
PBS	\$ 5,317	\$ 2,040	\$ 3,205	\$ 3,103	\$ 13,905	\$ 3,812	\$ 3,280	\$ 3,509
HBS	86	90	90	90	138	98	105	110
NPS	725	99	423	480	151	105	110	113
RAIC	2,587	245	2,013	2,066	181	126	2,315	136
Corporate Services	6,440	2,938	4,217	3,432	6,247	6,681	7,298	3,288
<b>Total Non-EDS</b>	<b>\$ 15,155</b>	<b>\$ 5,412</b>	<b>\$ 9,948</b>	<b>\$ 9,171</b>	<b>\$ 20,622</b>	<b>\$ 10,822</b>	<b>\$ 13,108</b>	<b>\$ 7,156</b>
<b>Total Capital Expenditures</b>	<b>\$ 57,792</b>	<b>\$ 11,978</b>	<b>\$ 47,733</b>	<b>\$ 63,675</b>	<b>\$ 94,000</b>	<b>\$ 94,000</b>	<b>\$ 94,000</b>	<b>\$ 94,000</b>
Proceeds on disposal and vendor credit	(99)	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>\$ 57,693</b>	<b>\$ 11,978</b>	<b>\$ 47,733</b>	<b>\$ 63,675</b>	<b>\$ 94,000</b>	<b>\$ 94,000</b>	<b>\$ 94,000</b>	<b>\$ 94,000</b>

## 2021/22 Financial Results

Capital expenditures totalled \$12.0 million, or \$35.7 million lower than the Corporate Plan budget of \$47.7 million. The lower spending is primarily related to capital project delays due mainly to the COVID-19 pandemic. As a result, CATSA will seek Treasury Board approval for a capital re-profile of \$25.5 million from 2021/22 to 2022/23. These funds have been reflected in the capital budget for 2022/23.

<sup>4</sup> CATSA is currently reviewing its FTE complement in light of regulatory and other changes. CATSA seeks flexibility to increase the number of FTEs by up to 1% over the planning period, on the condition that the program support and corporate services budget in any year is not exceeded.

Key priorities in 2021/22 capital spending include an upgrade of CATSA's X-ray units to support new detection algorithms, and final project activities related to the upgrade of CATSA's HBS system with CT technology. In addition, CATSA completed its extensive work on the relocation of its data centre in response to the closure of Shared Services Canada's Macdonald Cartier Data Centre facility.

## 2022/23 – 2026/27 Financial Plan Highlights

The lifecycle management of CATSA's EDS equipment and systems is a key corporate priority and annually represents a significant portion of the capital spending. Over the 2022/23 - 2026/27 period, the Capital Plan for PBS includes the replacement of the existing full body scanners starting in 2022/23 as well as the replacement of existing PBS X-ray equipment with CT technology starting in 2023/24. In HBS, existing oversize X-Ray units will be replaced with CT starting in 2022/23, while the last two years of the plan reflect the beginning of the replacement of high-speed CT units.

As part of the lifecycle management plan, CATSA will explore options for new technologies with the aim of optimizing screening operations as well as ensuring alignment with its international partners, including ongoing deployments of the CATSA Plus screening concept. These deployments will be aligned with the deployment of CT technology at PBS checkpoints in order to minimize disruption to screening operations.

CATSA's capital plan also provides for the lifecycle management of non-EDS equipment and systems including IT network infrastructure, RAIC biometric readers and CCTV cameras, as well as the replacement of the Secure Identification and Time Tracking platform and the Learning Management System. The budget also consists of annual lease payments.

As capital project delays may arise, CATSA will work with airport authorities and vendors in an effort to accommodate revised project plans. As a result, CATSA may require a re-profile of funds to account for delays in capital projects.

## APPENDIX G: Risks and Risk Responses

Risk management is embedded into strategic decision-making and resource allocation within CATSA, thereby allowing the organization to make informed decisions at the corporate and operational levels.

### CATSA's Risk Profile (as at December 2021)

<b>Mandated Services Risk</b>	<p><u>Detection capabilities and maintaining care and control of screening checkpoints</u></p> <p>Due to the evolving, unpredictable nature of the aviation security threat environment, there is a risk that CATSA may not have the technology, threat and risk information, processes or human factor capability to detect all high risk threat items or new and emerging threats, and prevent screening circumventions at screening checkpoints. This may result in substantial consequences to the civil aviation system.</p> <p><u>Risk Mitigation and Controls:</u></p> <p>CATSA monitors the effectiveness of operational programs on a continuous basis through the use of testing, oversight programs and performance measurement. The organization also ensures that it remains apprised of Transport Canada regulations, and any aviation security equivalency requirements stemming from national and international counterparts.</p>
<b>Service Delivery Through Third Party Risk</b>	<p><u>Legal and Illegal labour disruption</u></p> <p>Given CATSA's third party service provider model, there is a risk that CATSA may have limited influence to prevent a legal labour disruption event, or to maintain service levels during an illegal labour disruption event initiated by the unionized screening officer workforce. Labour disruptions may result in longer wait times, increased passenger complaints and harm to CATSA's reputation.</p> <p><u>Dependence on outsourced screening services, equipment maintenance services or major suppliers</u></p> <p>Due to a contractor no longer being able or willing to provide the agreed upon contracted services or goods, there is a risk that CATSA's dependence on outsourced screening services, equipment maintenance services, or major suppliers may result in negative service delivery impacts.</p> <p><u>Risk Mitigation and Controls:</u></p> <p>CATSA conducts continuous monitoring of labour market conditions in all of its regions in order to identify potential labour disruption events. The organization also has existing procurement and contracting policies and procedures that provide it with recourse should a contractor or service provider become unable to provide the agreed-upon services. CATSA also continues to monitor and address any impacts to its supply chain.</p>



The organization also monitors trends and events having potential impacts to its operations in order to prevent potential reputational damage or loss of public confidence.

**Capacity  
Risk**

CATSA staff capacity

There is a risk that CATSA's current staff capacity, in certain areas, may be inadequate to sustain workloads and to support a healthy work environment resulting in employee dissatisfaction and a decrease in corporate performance over time.

Level of government funding

There is a risk that the organization may not receive adequate levels of government funding to maintain operations and to effectively support the recovery of the air transportation sector.

Risk Mitigation and Controls:

CATSA monitors employee satisfaction through regular touchpoint surveys and closely monitors vacancy levels, attrition, and turnover rates. CATSA works closely with the Government of Canada to ensure that it has the necessary resources to perform its mandated responsibilities.

**Compliance  
Risk**

Compliance with the *Financial Administration Act*

There is a risk that through the failure of internal controls, CATSA could inadvertently make inappropriate financial commitments for goods and services, resulting in non-compliance with the *Financial Administration Act*.

Risk Mitigation and Controls:

CATSA has a comprehensive framework in place to ensure that the organization remains compliant with all legislative requirements.

**Stakeholder  
Relations  
Risk**

Reputational risk

There is a risk that CATSA may encounter events that the organization is not able to effectively manage, which may cause damage to its reputation with its stakeholders, resulting in loss of public trust in CATSA and/or confidence in air transportation security.

Risk Mitigation and Controls:

CATSA maintains a website to provide the public with important information related to its performance, and conducts regular passenger surveys in order to respond to the needs of the travellers across the country. The organization has also developed external communications strategies to respond to various issues that may impact stakeholders. These mechanisms help the organization to ensure that it maintains public trust and confidence as it conducts its mandated activities.

**Human  
Resources  
Risk**

Employee Recruitment and Retention

Due to labour market conditions for talent or due to CATSA's overall corporate human resources strategies, there is a risk that CATSA may experience challenges in recruiting and/or retaining key and/or specialized talent resulting in a potential loss of corporate memory and/or decrease in overall corporate performance.

Risk Mitigation and Control:

CATSA monitors and reports on attrition rates on a quarterly basis. In addition, the organization is implementing a Flexible Workplace Model in order to meet the changing needs of the workforce as a result of the COVID-19 pandemic.

**IT Risk**

Cyber Attacks on IT Infrastructure

Due to the evolving nature of the cyber threat environment, there is a risk that cyber threats and/or attacks may negatively impact CATSA's IT infrastructure and/or compromise organizationally sensitive or secret information resulting in a loss of public confidence and potential damage to CATSA's reputation.

Risk Mitigation and Controls:

CATSA continues to strengthen its cyber security defences with the development of the Security Incident and Event Management (SIEM) program. The organization also holds a cyber insurance policy, which covers losses and expenses for cyber extortion as well as any costs associated with a cybersecurity incident.

## APPENDIX H: Compliance with Legislative and Policy Requirements

### Legislative and Regulatory Frameworks

A number of federal legislative, regulatory and policy frameworks establish the foundation that CATSA uses to develop its Standard Operating Procedures and related training programs to guide screening officers in the performance of their duties. Other legislation and Treasury Board of Canada directives of government-wide application address such issues as financial accountability, official languages, impact assessments, privacy, access to information, and multiculturalism.

Legislative and regulatory instruments directly applicable to CATSA's mandate include:

- *Aeronautics Act*
- *Canadian Air Transport Security Authority Act*
- *Security Screening Services Commercialization Act*
- *Canadian Aviation Security Regulations, 2012*
- *Screening Security Measures*

CATSA works closely with the Government of Canada to fulfil its mandate in compliance with all of the legislative and regulatory instruments above, through the application of a robust oversight and reporting program.

The organization is also subject to the requirements of a number of legislative and regulatory instruments that apply outside of the scope of its mandate. For example, CATSA adheres to, and is compliant with the requirements of:

- *The Financial Administration Act (FAA), Part X;*
- *The Crown Corporation General Regulations, 1995;*
- *The Crown Corporation Corporate Plan, Budget and Summaries Regulations;*
- *The Treasury Board of Canada Directives;*
- *The Canada Transportation Act;* and
- *The Transportation Information Regulations.*

CATSA is accountable to provide security screening services to a diverse population of passengers and non-passengers, and as such, the organization reports on its compliance with:

- *The Official Languages Act;*
- *The Access to Information Act;*
- *The Privacy Act;*
- *The Accessible Canada Act;* and
- *The Employment Equity Act and associated regulations.*

## *Financial Administration Act Directives*

### ***Public Sector Pension Reform***

In June 2019, CATSA was issued a directive (Order in Council P.C. 2019-783) pursuant to Section 89 of the FAA, which outlines certain principles with regards to CATSA's pension plans and replaces Order in Council P.C. 2014-1382 of December 2014. As at March 31, 2022, CATSA is compliant with the directive.

### ***Travel and Hospitality***

As part of CATSA's commitment to open and accountable governance, CATSA confirms that its Travel, Hospitality, Conferences and Event Expenditures Policy is in compliance with directive P.C. 2015-1114, pursuant to Section 89 of the FAA, which requires CATSA's policies, guidelines and practices to be aligned with Treasury Board policies, directives and related instruments on travel, hospitality, conference and event expenditures in a manner that is consistent with its legal obligations. This policy is available on CATSA's website.

CATSA reports travel and hospitality expenses through proactive disclosure. This disclosure is aligned with the Treasury Board standards for expenditures that are currently in effect.

## *Official Languages Act*

Under Part IV of the *Official Languages Act*, CATSA is required to provide screening services to the travelling public in both official languages at airports with one million or more passengers, and at airports where there is a significant demand for services in the minority language.

In an effort towards continuous improvement, CATSA surveys passengers across the country on a quarterly basis to verify if they were served in their preferred language. Survey results, along with compliance measurement reports and complaints, are analyzed and used to improve front-line performance.

CATSA remains committed to promoting a bilingual work environment. To that end, the organization continues to remind its employees nation-wide that promoting an inclusive, bilingual culture in the workplace is a team effort.

## *Access to Information Act and Privacy Act*

CATSA strives to incorporate the legislative obligations under the *Privacy Act* and the 10 principles of the Canadian Standards Association Model Code into every program and activity that it develops.

CATSA is subject to the *Access to Information Act* and the *Privacy Act* and strives to meet both the spirit and the legal requirements of these two Acts.

Between April 1, 2020 and March 31, 2021, ATIP-related training was delivered to 43 participants. Twelve received privacy training, one received ATIP training and 30 employees at headquarters and in the regions received orientation training on both ATIP and privacy.

Ad hoc training on a variety of subjects was also provided as needed to individuals throughout the organization.

### Protection of Federal Assets

As with all federal departments and agencies, CATSA is committed to ensuring the responsible acquisition, maintenance and ultimate replacement of its screening equipment and related technologies and systems. CATSA's lifecycle management plans ensure that a comprehensive approach is taken to the proper protection of federal assets, to ensure optimal value for money for the duration of the planned economic life of the equipment.

### Response to External Audits

Two significant audits have provided a focus for CATSA's efforts in continuous improvement:

- *The Office of the Auditor General (OAG) Special Examination report (2015/16)* concluded that CATSA's systems and practices provide reasonable assurance that assets are safeguarded and controlled, resources are managed economically and efficiently, and operations are carried out effectively. CATSA agreed with each of the OAG's seven recommendations and all recommendations have been addressed. The next Special Examination is expected to begin in 2023/24.
- Following the *Office of the Commissioner of Official Languages 2017* audit report on CATSA's provision of bilingual services to the travelling public, CATSA has continued to improve its approach to official languages, taking proactive steps to address the audit findings and continuing its existing official language activities. This report can be accessed publicly.

## APPENDIX I: Government of Canada Priorities and Directions

CATSA is committed to actively supporting Government of Canada priorities, as set out in the Speech from the Throne, the government's budget plans, and mandate letters from the Minister of Transport to the Chairperson of CATSA's Board of Directors. Following are key initiatives that will be actively pursued and supported throughout the planning period.

### Keeping Canadians Safe and Healthy

Consistent with the Government of Canada's commitment to keeping Canadians safe and healthy CATSA secures critical elements of the civil air transportation system, as assigned and directed by the government. CATSA takes its mandate very seriously, continuously striving to provide leadership in security screening while adapting to the evolving security landscape.

CATSA will follow through on relevant ideas and commitments that may result from Transport Canada's Aviation Security (AVSEC) Review, which focused on exploring ways to make Canada's civil aviation security system more relevant, effective and flexible, through:

- *Dynamic and adaptive security* that integrates risk management criteria into aviation security policy decisions;
- *Stronger partnerships across complex systems*, emphasizing interoperability and information sharing among aviation stakeholders;
- *Smarter technology and enhanced infrastructure* that leverages science and innovation while safeguarding the security of Canadians; and
- *Security beyond the Canadian border* aimed at enhancing and facilitating the secure and efficient movement of people and goods outside of Canada.

CATSA will focus on new opportunities to invest in smarter technologies, strategies and procedures such as continued CATSA Plus deployments, 100% NPS, full body scanner primary and PBS lifecycle management, to elevate security effectiveness while increasing the efficiency of passenger flow. CATSA's efforts will focus on establishing a screening technology plan for future innovations by CATSA, and charting a vision for screening spaces and their control at airports. While CATSA does not have an intelligence gathering mandate, it will also lend its screening expertise, experience and contacts to contribute to the work of the Integrated Terrorism Assessment Centre, the federal organization responsible for assessing terrorism threats to Canada and Canadian interests worldwide.

Recognizing the unique impact of the pandemic on the Canadian civil aviation industry, CATSA has implemented new procedures to protect the health of Canadians as instructed by the Government of Canada. These measures include the deployment of temperature screening at CATSA checkpoints<sup>5</sup>, as well as enhanced checkpoint sanitization protocols. CATSA will continue

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<sup>5</sup> Temperature screening at security screening checkpoints ended in August 2021.

to monitor its response to the pandemic, and adjust practices, procedures and initiatives as necessary to ensure the health and safety of passengers, non-passengers and screening officers while carrying out the organization's civil aviation security screening mandate.

## Openness, Effectiveness and Transparency in Government

The Government of Canada has committed to “set a higher bar for openness and transparency, with the goal of “shining more light on government to ensure it remains focused on the people it serves.” Emphasizing the importance of the government making its information “open by default,” the government has directed and encouraged all federal departments and agencies to adopt practices of openness and transparency. This begins, but does not end, with faithful and timely compliance with obligations under the *Access to Information Act* and the *Privacy Act*, and related *Treasury Board of Canada* directives.

CATSA proactively maintains a comprehensive public information and awareness program, including:

- Sharing of wait times and screened passenger volume data;
- Publication of critical bulletins, information materials and periodic reports on CATSA policies, procedures and evolving issues;
- An information website with mechanisms for public and stakeholder enquiries and feedback;
- Active consultations and engagement with industry, passengers and other stakeholders;
- Annual Public Meetings;
- Tabling of Annual Reports in Parliament; and
- Response to enquiries and requests for information from Parliamentary Committees, the Auditor General, and other Government and Parliamentary authorities.

## Open, Transparent and Merit-based Selection Processes Reflecting Diversity and Inclusivity

CATSA is deeply committed to supporting the Government of Canada's objective to build a workforce that reflects the diversity of Canada's population. To that end, CATSA's *Employment Equity Plan 2018–2021: Securing a Culture of Inclusion* sets out CATSA's employment equity numerical goals, commitments and performance measurements. The *Employment Equity Plan* emphasizes increasing internal representation of designated population groups through hiring, talent and career development, and promotion. These efforts, complemented by CATSA's *Code of Ethics, Conduct and Conflict of Interest*, are designed to foster and reinforce a safe, respectful and welcoming work environment for all.

CATSA continuously increases employee awareness by working with the Diversity and Inclusion Network (DIN) to identify potential barriers to employment equity, provide employees with

career management sessions and toolkits, and introduce a variety of Diversity and Inclusion initiatives and training sessions. CASTA's current *Employment Equity Plan* is being reviewed and consultations have taken place with the DIN. A new *Employment Equity Plan* for 2022-2024 is under development in the form of a logic model and will be presented for implementation in 2022/23.

CATSA's commitments to diversity, inclusion, and employment equity are also supported by the adoption of workplace policies and practices that ensure employees from diverse backgrounds have access to reasonable accommodation of their diverse values and traditions.

Progress towards meeting diversity and employment equity goals is actively measured, monitored and evaluated. CATSA produces and submits an annual report on its fulfillment of the *Employment Equity Act* and the *Canadian Multiculturalism Act*. The internal CATSA DIN provides support to employees, and generates feedback that allows the organization to continue to foster an inclusive and diverse culture.

### Gender-Based Analysis Plus

A GBA Plus assessment was completed to examine any differential impacts on men and women, as well as any potential opportunities to advance gender-based objectives in both the air traveller base, CATSA workforce and screening officers who are employed by CATSA's screening contractors. The assessment found that:

- The security screening procedures followed by CATSA have been designed to treat men and women travellers equally. At the same time, however, CATSA is sensitive to the different impacts that screening procedures can have on men, women and the transgender community, and it takes steps to ensure all travellers feel respected and safe throughout the screening process. This includes ensuring same-sex physical searches and providing accommodation when requested.
- As reported in CATSA's 2020 Employment Equity report, women represented 44.2% of CATSA's indeterminate workforce, down from 46.1% in 2019. However, this group had the highest rate of promotions within the four designated groups, representing 58.3%.
- CATSA screening contractors continue to maintain virtual gender parity in the workforce, with 51% of screening officers across Canada being female. As service levels evolve, CATSA will continue to work with its screening contractors to maintain equal opportunity and to build a diverse screening workforce that reflects the communities it serves.
- The GBA Plus process includes an examination of power, privilege, biases and social, cultural and historical norms. GBA Plus will help CATSA identify who may benefit or be excluded from public policies, processes and services. Ongoing educational program and policy development on GBA Plus helps to support informed decision-making at CATSA, with the goal of providing a supportive, equitable environment for CATSA employees and screening officers alike.



- CATSA will identify and create a centre of responsibility and sub-committee for GBA Plus, after which employees will be formally introduced to the initiative organization-wide.

## Ensuring Accessibility for all Canadians

The *Accessible Canada Act* came into force in 2019. CATSA has worked with the Canadian Transportation Agency (CTA) to ensure that the organization meets the requirements of regulations stemming from the *Accessible Canada Act*. During this process, it was clear that CATSA was, and continues to be, well positioned to meet regulatory requirements, and in fact has set a positive example for delivery of accessible service to the public.

CATSA is now following the regulatory process for reporting requirements and accessibility plans, which is coordinated between the CTA and Employment and Social Development Canada.

## Indigenous Relations and National Reconciliation

CATSA embarked on a multi-year engagement to learn more about how aviation security screening can affect sacred and spiritual items. This engagement will ultimately inform changes to CATSA's screening procedures for sacred items generally, and include training on Indigenous history for screening officers, supervisors and CATSA personnel. The focus of this review and training is to enhance the service offered to Indigenous travellers and to incorporate diverse Indigenous backgrounds, experiences, cultural values and traditions into CATSA's operations. CATSA is committed to walking the road to reconciliation together with Canada's Indigenous communities and the Government of Canada. See *Security Screening of Sacred and Spiritual Items* for more information on CATSA's strategy for the screening of sacred and spiritual items.

## Sustainable Development, Climate Change and Green Government

As a responsible agency of the Crown, CATSA maintains high standards for its own sustainable practices, including such measures as: safe and responsible disposal of equipment at the end of its useful life, minimization of paper generation through heavy reliance on electronic data systems, and continual innovation to support safe and efficient personal and business travel and the recreation and tourism sectors of the economy.

Additionally, in support of the Government of Canada's objectives outlined in Budget 2021, CATSA is preparing to adopt standards outlined in the Task Force on Climate-related Financial Disclosures, as an element of corporate reporting beginning in 2024 at the latest.

## GLOSSARY OF ACRONYMS AND TERMS

<b>Airport Authority</b>	An operator of an airport listed in the <i>Airport Transfer (Miscellaneous Matters) Act</i>
<b>ATSC</b>	Air Travellers Security Charge
<b>BPSS</b>	Boarding Pass Security System—a stand-alone technology that scans boarding passes to validate the information embedded in the bar code
<b>Class 1 Airports</b>	Refers to the airports listed under Schedule 1 of the Canadian Aviation Security Regulation, 2012. These airports have an annual passenger traffic in excess of 1 million people or have a high threat/risk potential.
<b>Class 2 Airports</b>	Airports listed under Schedule 2 of the Canadian Aviation Security Regulation, 2012. These airports have one or more of the following characteristics: annual passenger traffic in excess of 200,000 people; a medium threat/risk potential; is the primary airport of provincial/territorial capital; or is a transit stop for international flights bound for Class 1 or 2 airports.
<b>Class 3 Airports</b>	Airports listed under Schedule 3 of the Canadian Aviation Security Regulation, 2012. These airports have scheduled commercial operations, but with a lower traffic volume and lower level of risk than the other classes of airports.
<b>ECAC</b>	European Civil Aviation Conference
<b>EDS</b>	Explosives Detection System
<b>FBS</b>	Full Body Scanner
<b>FTE</b>	Full time equivalent
<b>IATA</b>	International Air Transport Association
<b>ICAO</b>	International Civil Aviation Organization
<b>Security Breach</b>	A known or suspected failure to detect prohibited items at, or bypassing, a screening checkpoint.
<b>WTSL</b>	Wait Time Service Level
<b>WTSL of 85/15</b>	A Wait Time Service Level target where, on average, 85% of all passengers wait 15 minutes or less to be screened at all Class 1 airports on an annual basis.