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## A Progress Report on Year 2000 Readiness

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Speech by  
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Podium Version

Canada

Thank you and good afternoon.

Madame Chair, members of the head table and distinguished guests, I feel especially lucky to be asked by the Canadian Club to speak to Canadian business and industry leaders today — lucky for two reasons.

First, it allows us to show Canadians how collegially we have taken the Year 2000 challenge in this country.

Second...it gives me a chance to actually brag a little about the work the federal government has been doing to prepare for the turn of the millennium.

This morning my colleague John Manley and I heard good news from Chief Executive Officers and senior executives of three key associations that represent essential service providers to Canadians. It was a lively and informative morning. Both the content of the presentations and the spirit of collegiality prevailing here make me ever more confident that Canada will be as ready as it can be for the new millennium.

But audiences are not usually very interested in hearing detailed reviews of departmental spending and government-wide administrative initiatives. So I asked John Manley to join me, knowing that most of you are from the business community. Still, I'm particularly grateful to be heading up Treasury Board at a time in history when we are engaged in a project that is so integral to the everyday lives of Canadians that people can actually understand and appreciate what we're up to.

Today, I would like to bring you up-to-date.

First, let me briefly touch on power, communications and banking, all of which Canadians rely on for their daily activities.

This morning at the working session, in addition to John and myself, the Canadian Electricity Association, the Stentor Alliance of telecommunications companies and the

Canadian Bankers Association gave reports on the state of readiness of their respective sectors.

The Canadian Electricity Association reported that they, and I quote "...are confident Canadian electric utility companies will be ready for the Year 2000 transition. Canadian power companies are solving Y2K issues within a context that places the highest priority on public safety, environmental protection, and the interests of customers. The work to date, and indeed the work still to be completed, is being coordinated with other utilities, other infrastructure providers, and major customers, to ensure a smooth transition and normal operations during the millennium date change." End of quotation.

The Stentor Alliance reported that, and I quote "...services people depend upon everyday like local and long distance, toll free, and wireless calls have been tested and no problems have been encountered. The telecommunications industry in Canada is very confident that no Year 2000 failures should impact the ability to place a call across the street, across the city, across the province, or across the country before, during or after the Millennium rollover." End of quotation.

The Canadian Bankers Association also gave a report. Let me quote from it. "Canada's banks are world leaders in Y2K preparation. The industry began working in earnest in 1995 and the banks have done everything possible to make January 1<sup>st</sup> and the days thereafter business as usual. Canadians will continue to have access to their money and the variety of payment options that exist. In fact, we expect that the entire financial sector will operate in a reliable and normal fashion before, during and after January 1<sup>st</sup>." End of quotation.

Now, where does the government stand?

I'm proud to say that 95 percent of Year 2000 remediation work on the government's key support systems is complete. Let me remind you that a year ago we were at 43%

And it's been an intense year. The government made Year 2000 readiness a top priority and launched an aggressive work plan focused on the 43 federal services that were essential to the health, safety, security and economic well-being of Canadians. The objective was to minimize potential disruption of these essential services during the Year 2000 transition period.

Then, last summer, the Prime Minister charged four departments with special Year 2000 responsibilities — Industry Canada, Foreign Affairs and International Trade, National Defence and the Treasury Board Secretariat.

The Treasury Board Secretariat was made responsible for coordinating the federal government's Year 2000 efforts and for assessing the readiness of all government-wide mission-critical systems. Foreign Affairs was asked to lead efforts to make sure Canadian partners abroad were kept apprised of Canada's Year 2000 progress and to encourage our diplomatic and trading partners to follow suit. DND was charged with national contingency planning, with particular emphasis on critical infrastructure — utilities, transportation, emergency services and telecommunications. My colleague John Manley will tell you more about Industry Canada's mandate in a moment.

For the Treasury Board Secretariat, much of the work has been to provide information and expertise to key departments and key stakeholders, to work collaboratively with provinces and territories on Year 2000 readiness, and to monitor the progress of departments on the systems which are critical to government services.

In our philosophy as a management board we have done collegial work with all departments. For example, we worked in cooperation with Public Works and Government Services Canada and the Canadian Food Inspection Agency to establish resource centres of excellence for embedded systems found in government buildings and laboratories.

Throughout the year we worked cooperatively with the Canadian Electricity Association, the Canadian Bankers Association, the Telecom Industry Forum and the Canadian Federation of Municipalities. We keep each other informed on a regular basis.

I can't stress enough how important all this collaboration has been, both internally, among federal departments, and externally, with other levels of government, major stakeholders and key international partners such as the United States, Mexico, the G8 and the United Nations. Technology has made us all so interdependent and, ultimately, the chain is only as strong as its weakest link.

To me it's clear that our collaboration and our systematic approach have really paid off. As I said before, the systems supporting government-wide mission critical functions are 95 percent ready for the Year 2000. Some government services are even ahead of schedule. The Old Age Security and Canada Pension Plan support systems, for example, are 100 percent compliant. That means those of you who plan to retire this year can do so knowing that the cheque is in the mail!

The Employment Insurance systems are also 100 percent ready, as is Consular Services, and the Processing of Government Financial Transactions. In addition, the other Year 2000 compliant systems so far are those that support Geomagnetic and Seismic Monitoring, the Canadian Passport Office, and the Appeals Management System at the Tax Court.

This morning, I received confirmation that six more key federal services are now 100 percent ready – Social Income Distribution, Flood Control and Environmental Response Activities, Aeronautical and Technical Services, Custom Border Services and Trade Administration, and Income Tax Processing. No doubt you're all relieved to hear Income Tax Processing and the Tax Court are ready!

Canada has been recognized as a world leader in Year 2000 preparedness. The GartnerGroup reports that the US and Canadian governments are now 50% more prepared than all other governments in the world. On his part, Canadian expert Peter

de Jager gives us a B+. And, really, this should not come as a surprise since, as a country, we're spending up to \$60 billion getting ready. Revamping the federal government's critical systems alone is expected to cost some \$2.1 billion. We also have more than 11,000 people working on Year 2000 compliance at the federal level. And I suspect that number is small in comparison to the number of people working on Year 2000 preparedness in businesses across the country.

Let me stop here for a moment and ask my colleague John Manley to tell you his side of the story.

(Manley speaks)

### **Contingency Planning**

Thank you John.

Still, there's no time to relax. Much work still remains if we are to ensure that Canadians continue to enjoy the quality of services they have come to expect. No one can guarantee that there will be no glitches; in fact glitches happen as part of normal business operations. This is nothing new.

This is why contingency plans are being developed by departments as part of our calendar of work. It's simply prudent management. We care about people and these back up plans are our insurance policy.

Meanwhile, under the leadership of my colleague Art Eggleton, the Minister of Defence, the National Contingency Planning Group has been gathering information from other levels of government, critical service providers, and the private sector.

You've certainly heard about Operation ABACUS. They are now working to translate that information into scenarios that they'll be testing throughout the rest of the year, a kind of ongoing dress rehearsal.

Let me say a few words about our communications strategy. We are committed to keeping Canadians well-informed. We will continue to report to Canadians and share information regularly. We have published a lot of information. For instance, the Millennium Bug Home Check flyer was distributed to 11 million homes this past February. In the fall, there will be other communications initiatives on Canada's state of readiness including what measures if any, Canadians might take to prepare should the need arise. Our communications philosophy holds in one word... TRANSPARENCY.

Earlier this month, the federal government also expanded the 1 800 O-Canada information service where Canadians can call if they need information on the Year 2000.

So remember this. Three things served us well in the Canadian government:

- the collegial and cooperative approach with every stakeholder...
- the systematic work methodology with departments...
- and the transparency with the media and the public...

Before I hand the podium again to my colleague John Manley, who will talk briefly about the international scene, I'd like to extend a personal thanks to all the people who are working so hard getting Canada ready for the Year 2000.

My thanks also to the Canadian Club for giving me the opportunity to take the podium today.

Over to you John.