



NATIONAL ROUND TABLE ON THE ENVIRONMENT AND THE ECONOMY
TABLE RONDE NATIONALE SUR L'ENVIRONNEMENT ET L'ÉCONOMIE

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NATIONAL ROUND TABLE
ON THE ENVIRONMENT AND
THE ECONOMY

Annual Report
2000-2001



National Round Table
on the Environment
and the Economy



Table ronde nationale
sur l'environnement
et l'économie

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Letter from the Chair and Chief Executive Officer

July 2001

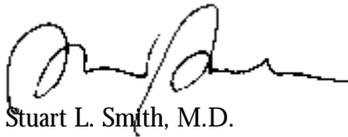
Dear Prime Minister:

We are pleased to submit to you the 2000-2001 Annual Report of the National Round Table on the Environment and the Economy (NRTEE).

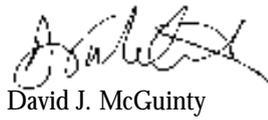
Our efforts over the last year have focused on facilitating discussion of the environmental and economic elements of a number of key issues of national and international interest. Stakeholders from a wide range of sectors have contributed to important debates on the development of environment and sustainable development indicators; ecological fiscal reform; Aboriginal communities and non-renewable resources development; health, environment and the economy; and recommendations on measures for inclusion in the federal budget.

Over the next year, the NRTEE will encourage similar discussion and debate in a number of program areas, with particular emphasis on the development of eco-efficiency indicators in business, ecological fiscal reform, environment and sustainable development indicators, and the conservation of nature. We look forward to continuing to provide your office with current information and advice throughout 2001-2002.

Yours sincerely,



Stuart L. Smith, M.D.
Chair



David J. McGuinty
President and Chief Executive Officer

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National Round Table
on the Environment
and the Economy



Table ronde nationale
sur l'environnement
et l'économie

The NRTEE: An Overview

Who We Are

The National Round Table on the Environment and the Economy (NRTEE) is an independent agency of the federal government committed to providing decision makers and opinion leaders with reliable information and objective views on the current state of the debate on the environment and the economy.

The NRTEE's members are distinguished Canadians appointed by Governor-in-Council. Members represent a broad range of sectors - including business, labour, academe, environmental organizations and First Nations.

What We Do

The NRTEE was legislated by an Act of Parliament in 1994 to serve as a catalyst in identifying, explaining and promoting the principles and practices of sustainable development. Working with stakeholders across Canada, the NRTEE carries out its mandate by identifying key issues with both environmental and economic implications, fully exploring these implications, and suggesting action designed to balance economic prosperity with environmental preservation.

Activities are organized into a series of programs, each of which is overseen by a task force or committee made up of one or more NRTEE members and selected representatives from business, government and non-profit organizations.

The responsible task force or committee commissions research, conducts national consultations, reports on areas of agreement and disagreement, and puts forward reasoned recommendations for change. The full NRTEE then reviews these reports and recommendations prior to approving and releasing them to the public. The NRTEE meets four times each year to review progress, establish priorities for the future and initiate new programs.

In addition to program responsibilities, the NRTEE administers (until December 2001) the

Canadian component of Leadership for Environment and Development (LEAD), an international training program for promising individuals from various countries designed to further their understanding of, and ability to manage, issues related to sustainable development.

How We Work

A multistakeholder approach is the hallmark of the NRTEE's activities. By creating an atmosphere of trust in which all points of view can be expressed freely and debated openly, the NRTEE has established a process whereby stakeholders themselves define the environment/economy interface within issues, determine areas of consensus and identify the reasons for disagreement in other areas.

Each year, the NRTEE undertakes a strategic planning process to identify key issues to be addressed over the short and medium term. Programs are selected which address pressing issues with both environmental and economic implications and which have potential for advancing sustainable development.

Making headway in sensitive areas while maintaining balance is a challenge for stakeholders. As a catalyst in the process, the NRTEE brings a "round table" format to each issue by:

- Analyzing the environmental and economic facts and trends;
- Actively seeking input from key stakeholders;
- Drawing together the results of research and consultation, clarifying the "state of the debate";
- Pinpointing the consequences of action and inaction and making recommendations.

The round table process is a unique form of stakeholder consultation, permitting progress on diverse issues with an environmental/economic interface. The process itself is of value in overcoming entrenched differences. At the same time, the products (reports) for each program emphasize broad policy development and provide specific recommendations for action.

The Year in Review: *Program Updates*

Economic Instruments and Green Budget Reform

The goal of this program has been to advance the use of market-based approaches for environmental improvement in Canada. It is focused on two key components:

1. *Greening the Budget*

The Economic Instruments and Greening the Budget Committee has continued its work on the use of economic instruments to improve the environment. Central to this program is the annual **Greening the Budget** process, held to develop recommendations for consideration by the Finance Minister in the ensuing year's budget. Due to the November federal election, the budget process was delayed.

The NRTEE's 2001 Budget Proposal, building on the 2000 proposal, is only the first step in the ongoing process of change needed to take full advantage of the economic, social and ecological synergies available to Canada. This year's draft recommendations were specifically selected as examples of how the federal government can directly improve the quality of life in Canada's communities, and in the process enhance the productivity, health and environment of all Canadians.

The recommendations were driven by the ongoing efforts of the Round Table, and in particular, the work of the Aboriginal Communities and Non-renewable Resource Development Task Force, the Task Force on Health, the Environment and the Economy, and the Millennium Project work. Stakeholder meetings were held to examine proposed measures and streamline the recommendations into five key measures that will ultimately be presented to the Minister of Finance and the House of Commons Standing Committee on Finance. For the 2002 Budget, the NRTEE is calling for federal action in several key areas among which include:

- Promoting a better understanding of the links between environmental regulation and human health;
- Encouraging sustainable opportunities for northern Aboriginal communities;
- Promoting more sustainable energy consumption; and
- Preserving and enhancing Canada's rich natural legacy.

Approximately half of the \$700 million in new environmental-related spending in the last federal budget released in February 2000 reflected the NRTEE's Greening the Budget 2000 proposal.

2. *Ecological Fiscal Reform*

The Economic Instruments Committee has launched a two- to three-year program that will develop a strategy for using **Ecological Fiscal Reform (EFR)** to address key sustainable development issues (for example, air or water issues) in Canada. Ecological fiscal reform may be defined as a strategy that redirects government taxation and expenditure programs to create an integrated set of incentives to support the shift to sustainable development.

A preliminary multistakeholder expert group meeting was held on June 26-27, 2000, to design the program. This meeting was followed by another in December at which the expert advisory group explored a variety of environmental issues that may benefit from an applied EFR approach. A third expert advisory meeting, held in February, selected three environmental issues to explore as case studies in order to illustrate how EFR might be successfully applied. The issues are: the ecological integrity of agricultural landscapes, specifically the development of a set of economic instruments to encourage conservation of wetlands and riparian areas on farm lands; how EFR instruments could encourage better life-cycle management of certain chemical substances designated as "Track II" substances under the *Canadian Environmental Protection Act* (including



voluntary initiatives, tradeable permits, and tax shifting that may speed the implementation of this management system); and the development of a set of economic instruments to complement forthcoming regulations associated with the Government of Canada's Clean Air Action Plan, announced in February 2001. This final issue will focus on how economic instruments designed to facilitate the adoption of cleaner fuels and improved engine design could promote the transition to cleaner diesel-based vehicles.

Ultimately, the program will provide decision makers with a critical examination of key issues concerning the implementation of ecological fiscal reform measures. Examples of such important issues are revenue neutrality, international competitiveness and jurisdictional competence in implementing an integrated, market-based approach to sustainable development in Canada.

Measuring Eco-efficiency

Eco-efficiency is a practical approach that businesses are adopting in setting and achieving their environmental performance objectives. Measuring these goals in a standardized manner will allow useful dialogue and permit easy comparison between divisions, companies and business sectors. Under its **Measuring Eco-efficiency** program, the NRTEE has proceeded with the testing of material and energy eco-efficiency indicators. A pilot project, *Measuring Eco-efficiency in Business: Developing a Core Set of Eco-efficiency Indicators*, was carried out during 1997 and 1998.

With support from Environment Canada, the program has expanded to involve the active participation of 12 companies* from the manufacturing sector in Canada. These companies tested the value of the energy and material intensity indicators to their businesses. They refined the definitions, decision rules and complementary indicators and developed a workbook that all companies can use to calculate indicators in a consistent, transparent, credible and standardized manner. The final report and workbook will be completed in the fall of 2001.

* The participating companies were: Tetra Pak Ltd., Husky Injection Molding Systems Ltd., General Motors of Canada, St. Lawrence Cement, Dupont Canada Inc., Alcan Aluminium Limited, BASF Canada Inc., Nexfor Inc. (a Nordbord subsidiary), Dofasco Inc., TransAlta Corporation, Atomic Energy of Canada Limited and Nestlé Canada Inc.

LEAD Canada

LEAD (Leadership for Environment and Development) Canada is a two-year training program that seeks to ensure that future decision makers understand the challenges of sustainable development and are equipped to meet them. Twelve LEAD programs around the world each choose up to 15 promising mid-career professionals to take part in the program each year. Participants (called Associates) are exposed to a number of substantive issues related to sustainable development, and gain skills in a variety of areas including conflict resolution, stakeholder dialogue processes, change management, cross-cultural communication and public presentation. At the same time, Associates undertake a self-directed course of study that is designed to complement their professional activities. In August, Cohort 7 attended its final international training session and graduation in Vancouver, BC. The session explored the theme *Globalization and Sustainability: Impact on Local Communities*. The session included three different case studies with site visits to Clayoquot Sound, BC, Whistler, BC, and Yellowknife, NT. This was the first time an international session was held in Canada. Cohort 8 Associates attended their second domestic training session in Ottawa. The session focused on skills building in presentation and facilitation, drawing on the Associates' self-directed studies.

Due to a significant decrease in funding,

budgetary constraints and a re-evaluation of opportunities and priorities for the future, the National Round Table will be ending its relationship with LEAD International as the host institute for the Canadian program after the completion of Cohort 8. In

September, the NRTEE was pleased to announce a



transition of the LEAD Canada program to a stand-alone non-governmental organization, LEAD Canada Inc. The new non-governmental organization is directed by a committed group of Canadian LEAD Associates and Fellows.

Health, the Environment and the Economy

The focus of the **Health, the Environment and the Economy** program has been on policy and decision-making processes. Using the four case studies on lindane, low-sulphur fuel regulations, MMT (methylcyclopentadienyl manganese tricarbonyl) - a fuel additive, and bovine hormone Revalor-H and the various workshop discussions as a basis, the NRTEE released a State of the Debate report entitled *Managing Potentially Toxic Substances in Canada - A State of the Debate Report* in March at the National Press Theatre in Ottawa. The report presents 11 recommendations aimed at improving the decision-making processes designed to protect Canadians from health impacts that could result from contact with dangerous chemicals in air, water, soil and food.

Sustainable Development Priorities for the New Millennium

In 1999, the National Round Table launched a year-long program to examine some of the emerging issues and challenges facing Canadians at the beginning of the new millennium. While recognizing that much work needs to be done on existing environmental issues in Canada, the goal of the program was to look beyond the current policy horizon to identify new issues requiring longer-term attention by individual Canadians, governments and industry.

In May 2000, the NRTEE held its fourth and final plenary in the Millennium series in Montreal, QC. The May plenary focused on urban liveability. The day-long conference was entitled *Liveable Cities for All - Toward Sustainable Communities Forum* and was co-hosted by Vivre en Ville (a Quebec non-governmental organization that promotes sustainable

urban, rural and communal development), the City of Montreal and the federal and provincial governments. It included a variety of international experts such as Maria Do Rocio Quandt, Director, Information Bureau, Curitiba Institute of Urban Planning and Research (Curitiba, Brazil), Mike Burton, Regional Executive Officer of the elected metropolitan government, Portland (Oregon, US), and Mike Harcourt, NRTEE member and Senior Associate, Sustainable Development, Sustainable Development Research Institute.

The previous three Millennium events focused on the following themes: Health, the Environment and the Economy; Jobs, the Environment and the Economy; and the Preservation of Nature.

The final statement, entitled *Achieving a Balance: Four Challenges for Canada in the Next Decade*, was released at *Canada in a Global Society*, a conference organized by the Policy Research Initiative in Ottawa in December and has been widely promoted. The statement highlights the emerging sustainable development issues of importance to Canada for the first decade of the new millennium.



Aboriginal Communities and Non-renewable Resource Development

In 1998, the NRTEE launched a program to explore the relationship between Aboriginal communities and non-renewable resource development from the perspective of sustainability. The NRTEE identified economic vitality, environmental integrity, social and cultural well-being, equity and control over natural resources as key indicators of sustainability for Aboriginal communities. The goal of the **Aboriginal**



Communities and Non-renewable Resource Development program has been to determine measures that must be taken to ensure that non-renewable resource development in Canada's North over the next 10-25 years supports economically viable, self-sufficient and socially healthy Aboriginal communities without compromising the ecological integrity of the environment.

The NRTEE continued community outreach as part of the program's extensive research and communications activities by attending the Assembly of First Nations Annual General Assembly and Tradeshow in June 2000, which was held in Ottawa, ON, and the Denendeh National Assembly in Fort Resolution, NT, in July. Task Force meetings were held in June to select the four or five key recommendations that will form the basis of the program's State of the Debate report for release in June 2001.

Environment and Sustainable Development Indicators (ESDI) Initiative

The goal of the NRTEE's three-year **Environment and Sustainable Development Indicators (ESDI) Initiative** is to generate a national set of sustainable development indicators that will integrate environmental considerations into economic decision making. It is intended that these will be used by governments, business, and civil society.

The initiative originates from the NRTEE's Greening the Budget 2000 recommendations, and came to fruition through funding in the 2000 federal budget.

The ESDI Steering Committee met in January to establish a detailed approach to the development of the indicators. The NRTEE hosted the *National Conference on Sustainable Development Indicators* in March. The conference showcased experience gained in indicator projects already under way or completed in Canada and throughout the world. Over 600 people attended the day-

long conference in Ottawa. The conference began with a Keynote Address by the Honourable David Anderson, Minister of Environment, which was followed by presentations by over 27 experts in the field speaking on a variety of topics including *Indicators at Work Around the World*, *Indicators at Work: the Canadian Scene* and *A Look to the Future*.

The conference was followed by a day-long workshop where participants commented on the approach proposed by the NRTEE's ESDI Initiative.

Conservation of Natural Heritage

The NRTEE's Millennium Program outlined several key challenges and opportunities for Canada with respect to nature conservation. The emerging field of conservation biology suggests that creating parks is not enough to maintain our natural legacy. Protected areas can become 'islands of extinction' if they are not integrated into larger complexes. As a result, we need to create more integrated systems of land management that include core-protected areas surrounded by buffers, or special management zones.

Following the completion of the Millennium Program, the NRTEE commissioned a paper on possible niches and roles for the National Round Table in exploring alternative methods to better conserve, restore and maintain the long-term health of Canada's ecosystems. A stakeholder meeting in January confirmed strong support for work by the NRTEE in this area. Subsequent stakeholder meetings in February and March produced five major elements for the new program. These elements are: scientific review; examination of existing models of conservation; best practices; identification of key barriers to progress; policy instruments; and a communications campaign. Preliminary goals and objectives were designed and agreed upon at these meetings, enabling the background research to begin.



Communications and Publications

In 2000-2001, the NRTEE continued to work to ensure that decision makers, the media and the public recognize it as a leader in providing objective views and analytical information on the state of the debate on the environment and the economy in Canada. The NRTEE was extremely active this year, releasing the Millennium Statement, a State of the Debate report, and other material. As well, the Round Table received extensive national media coverage throughout the year on a variety of issues including health and the environment, the Millennium Statement, and Aboriginal Communities and Non-renewable Resource Development.

The Web site has continued to disseminate key information to stakeholders and members of the public. Recognizing the importance of the NRTEE Web site, a Virtual Library feature was developed and added to the corporate site, allowing people to easily access over 150 NRTEE documents on sustainable development. The Web site continued to be the primary information source for the Greening the

Budget 2000 recommendations, proceedings and presentations from the ESDI Initiative's National Conference on Sustainable Development Indicators, and NRTEE Executive Briefs (a bi-monthly brief highlighting the work of a NRTEE program). The interactive Flash presentation of *Achieving a Balance: Four Challenges for Canada in the Next Decade*, the four Health, Environment and the Economy program case studies and the ESDI conference proceedings and presentations are all available free of charge on the NRTEE Web site.

The NRTEE released and widely promoted the following publications over the year:

- *Achieving a Balance: Four Challenges for Canada in the Next Decade*
- *Managing Potentially Toxic Substances in Canada - A State of the Debate Report*

NRTEE publications continued to be marketed and distributed on a partial cost-recovery basis through Renouf Publishing Co. Ltd.

Look Ahead

The coming year, 2001-2002, will be an active one for the NRTEE. The following are the key initiatives planned for next year:

- The NRTEE's program **Sustainable Development Priorities for the New Millennium** will continue to promote *Achieving a Balance: Four Challenges for Canada in the Next Decade* through presentations by the NRTEE members throughout the country. The year-long national communications campaign will target all levels of government, industry associations, citizens' groups and the media.
- The **Environment and Sustainable Development Indicators (ESDI) Initiative** will move into the second phase of the three-year program. Cluster groups of experts will suggest and test potential environment and sustainable development indicators. The three broad issues that will be addressed are human capital, natural capital and produced capital. The goal is to generate a national set of sustainable development indicators that will be practical, feasible, well accepted and used widely in Canada following the release of the final report (no later than early 2003).
- The **Economic Instruments** program will concentrate its efforts on stimulating discussion about and promoting **Ecological Fiscal Reform** over the next two to three years, while continuing to make annual pre-budget submissions to the Department of Finance.
- The **Measuring Eco-efficiency** program will release a final report and workbook in the fall.
- The **Aboriginal Communities and Non-renewable Resource Development** State of the Debate report will be released in June in Yellowknife, NT, and actively communicated throughout the following year.
- Cohort 8 of **LEAD Canada** will attend its second and final international training session in the Commonwealth of Independent States in August 2001. After Cohort 8's graduation at this international session, the NRTEE will cease to be the host institute for the LEAD program in Canada.
- The **Conservation of Natural Heritage** program will host a national conference in Winnipeg, MB, in November.

National Round Table on the Environment and the Economy

MANAGEMENT REPORT

for the year ended March 31, 2001

We have prepared the accompanying financial statement of the National Round Table on the Environment and the Economy in accordance with the reporting requirements and standards of the Receiver General for Canada. This financial statement was prepared in accordance with the significant accounting policies set out in Note 2 of the statement on a basis consistent with that of the preceding year. Some previous year figures have been reclassified to conform to the current year's presentation.

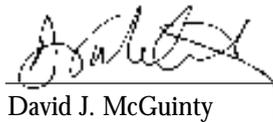
Responsibility for the integrity and objectivity of data in this financial statement rests with the management of the Round Table. To assure maximum objectivity and freedom from bias, the financial data contained in this financial statement have been examined by the Executive Committee of the Round Table.

The information included in the financial statement is based on management's best estimates and judgements with due consideration to materiality. To fulfil these accounting and reporting responsibilities, the Round Table maintains a set of accounts which provides a centralized record of the Round Table's financial transactions. Financial information contained in the ministerial statements and elsewhere in the *Public Accounts of Canada* is consistent with this financial statement, unless indicated otherwise.

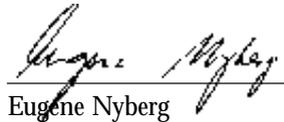
The Round Table's directorate of financial services develops and disseminates financial management and accounting policies, and issues specific directives which maintain standards of accounting and financial management. The Round Table maintains systems of financial management and internal control which give due consideration to costs, benefits and risks. They are designed to provide reasonable assurance that transactions are properly authorized by Parliament and are executed in accordance with prescribed regulations, and are properly recorded so as to maintain accountability of Government funds and safeguard the Round Table's assets. The Round Table also seeks to assure the objectivity and integrity of data in its financial statement by the careful selection, training and development of qualified staff, by organizational arrangements that provide appropriate divisions of responsibility, and by communication programs aimed at ensuring that its regulations, policies, standards and managerial authorities are understood throughout the organization.

Management presents this financial statement to the Auditor General of Canada, who audits and provides an independent opinion which has been appended to this financial statement.

Approved by:



David J. McGuinty
President and Chief Executive Officer



Eugene Nyberg
Corporate Secretary and
Director of Operations

Ottawa, Canada
July 6, 2001



AUDITOR GENERAL OF CANADA

VÉRIFICATEUR GÉNÉRAL DU CANADA

Auditor's Report

To the National Round Table on the Environment and the Economy
and the Prime Minister

I have audited the statement of operations of the National Round Table on the Environment and the Economy for the year ended March 31, 2001. This financial statement is the responsibility of the Round Table's management. My responsibility is to express an opinion on this financial statement based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, this financial statement presents fairly, in all material respects, the results of operations of the Round Table for the year ended March 31, 2001 in accordance with the accounting policies set out in Note 2 to the financial statement.

A handwritten signature in black ink, appearing to read 'R. Flageole'.

Richard Flageole, FCA
Assistant Auditor General
For the Auditor General of Canada

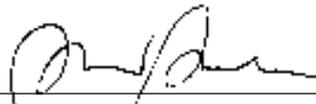
Ottawa, Canada
July 6, 2001

National Round Table on the Environment and the Economy
Statement of Operations for the Year Ended March 31, 2001

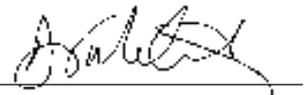
	2001	2000
	\$	\$
Expenditures		
Operating		
Salaries and employee benefits	1,516,265	1,487,063
Professional and special services	1,492,219	740,769
Publications	582,612	247,243
Transportation and communications	414,916	383,527
Rentals	254,241	215,268
Furniture and equipment	118,866	111,124
Utilities, materials and supplies	43,642	32,548
Repairs and maintenance	18,263	39,803
Other subsidies and payments	57	107
	4,441,081	3,257,452
Executive Committee		
Travel and living expenses	11,112	3,627
Honoraria	2,962	3,030
	14,074	6,657
Other Committees		
Travel and living expenses	187,459	176,005
Honoraria	133,504	128,920
	320,963	304,925
	4,776,118	3,569,034
Non-tax revenue		
Sale of publications	11,353	15,576
Adjustment to P.A.Y.E.	12,444	-
Refund of previous years' expenditures	2,044	-
Sale of surplus Crown assets	8	369
Sale of conference materials	-	3,380
	25,849	19,325
Net cost of operations (Note 3)	4,750,269	3,549,709

The accompanying notes are an integral part of this financial statement.

Approved by:



Stuart L. Smith
Chair



David J. McGuinty
President and Chief
Executive Officer

National Round Table on the Environment and the Economy

Notes to the Statement of Operations

March 31, 2001

1. Authority and Purpose

The National Round Table on the Environment and the Economy (Round Table) was established in 1994 under the *National Round Table on the Environment and the Economy Act* and is a departmental corporation named in Schedule II of the *Financial Administration Act*. The Round Table fulfils its objective of promoting sustainable development, and the integration of environment and economy in decision making in all sectors, by conducting studies, organizing multistakeholder “dialogues” on specific issues and economic sectors, providing advice, carrying out educational and communication activities, and acting as a catalyst for change. Its operating expenditures are funded mainly by a budgetary lapsing authority, and to a lesser extent from cost recovery and cost sharing for specific activities. Employee benefits are authorized by statutory authorities.

2. Significant Accounting Policies

The statement of operations has been prepared using the following accounting policies:

a) Expenditure recognition

All expenditures are recorded on the accrual basis with the exception of termination benefits, vacation pay and compensatory time off, which are recorded on a cash basis.

b) Revenue recognition

Revenues are recorded on an accrual basis.

c) Capital purchases

Acquisitions of capital assets are charged to operating expenditures in the year of purchase.

d) Services provided without charge by Government departments

Estimates of amounts for services provided without charge by Government departments are included in expenditures.

e) Refunds of previous years' expenditures

Refunds of previous years' expenditures are recorded as revenues when received, and are not deducted from expenditures.

f) Public Service Superannuation Plan

Employees participate in the Public Service Superannuation Plan administered by the Government of Canada. The employees and the Round Table contribute equally to the cost of the Plan. The Round Table's contributions are recorded as expenditure in the year they are made and they represent the total pension obligation of the Round Table under the Plan.

3. Parliamentary Appropriations

	2001	2000
	\$	\$
Privy Council – Vote 40	3,170,000	3,114,138
Governor General Special Warrants ¹	929,000	-
Supplementary – Vote 40a	152,850	98,600
	<u>4,251,850</u>	<u>3,212,738</u>
Lapsed	147,922	178,342
	<u>4,103,928</u>	<u>3,034,396</u>
Statutory contributions to employee benefit plans	264,000	266,000
Spending of revenues from the sale of publications and conference materials in accordance with section 29.1 (1) of the FAA	11,353	18,956
Spending of proceeds from the disposal of surplus Crown assets	8	369
Total use of appropriations	<u>4,379,289</u>	<u>3,319,721</u>
Add: accommodations and other services provided without charge by other Government departments	182,280	182,280
funds received from other Government departments	214,549	67,033
Less: non-tax revenue	25,849	19,325
Net cost of operations	<u><u>4,750,269</u></u>	<u><u>3,549,709</u></u>

¹ The established procedure for obtaining Supplementary Parliamentary Appropriations when Parliament is dissolved for a general election is through Governor General Special Warrants.

4. Specified Purpose Account

When the Round Table was created, a specified purpose account was established pursuant to section 21 of the *Financial Administration Act* to record grants and donations received from third parties, and expenses incurred to do various studies related to the principles of sustainable development in Canada and internationally. This account is also used to reflect financial transactions of the Canadian chapter of the LEAD (Leadership for Environment and Development) International training program, which will sunset in December 2001. These receipts and expenses are not included in the statement of operations of the Round Table. The unspent balance in this account is carried forward for future use.

	2001	2000
	\$	\$
Balance at beginning of year	197,852	21,065
Receipts	51,044	597,024
	248,896	618,089
Expenses	175,122	420,237
Balance at end of year	73,774	197,852

5. Accounts Receivable

As of March 31, amounts receivable are as follows:

	2001	2000
	\$	\$
Current:		
Government of Canada	30,000	-
	30,000	-

6. Capital Assets and Accumulated Amortization

Internal controls are maintained to safeguard capital assets costing over \$1,000. The following supplemental information reflects historical cost and amortization if the assets were amortized on a straight-line basis over their useful life of five years.

Capital assets at cost	March 31, 2000	Acquisitions	Disposal	March 31, 2001
	\$	\$	\$	\$
Informatics Equipment	306,353	72,601	176,334	202,620
Office Furniture and Equipment	141,019	3,696	7,224	137,491
	447,372	76,297	183,558	340,111
	447,372	76,297	183,558	340,111
Accumulated Amortization	March 31, 2000	Amortization	Disposal	March 31, 2001
	\$	\$	\$	\$
Informatics Equipment	209,891	33,745	159,578	84,058
Office Furniture and Equipment	73,374	25,445	7,151	91,668
	283,265	59,190	166,729	175,726
	283,265	59,190	166,729	175,726

7. Inventory of Publications Intended for Sale

Effective May 28, 1996, the Round Table began a cost-recovery program for its publications. Canadian distribution is done through a distributor who is entitled to a 50 per cent commission fee on the sale price of each publication sold. Inventory of publications intended for sale is valued at net realizable value.

	2001	2000
	\$	\$
Inventory at beginning of year	150,734	246,984
Add: new publications produced	42,118	38,488
Less: sales	11,043	15,576
written off	45,455	-
allowance for obsolescence	69,344	119,162
Inventory at end of year	67,010	150,734

8. Liabilities

As of March 31, liabilities are as follows:

	2001	2000
	\$	\$
a) Accounts payable and accrued charges		
Accounts payable	1,062,462	500,014
Accrued salaries	48,680	60,712
	1,111,142	560,726
b) Other liability		
Accrued vacation pay	55,294	58,646
Compensatory time off	2,605	2,968
	57,899	61,614

9. Comparative Figures

Certain of the 2000 comparatives figures have been reclassified to conform to the current year's presentation.