



National Defence

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Ottawa, Ontario  
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Défense nationale

Sous-ministre  
Quartier général de la Défense nationale  
Ottawa, (Ontario)  
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Parliamentary Budget Officer

DEC 21 2018

Directeur parlementaire  
du budget

Mr. Yves Giroux  
Parliamentary Budget Officer  
Office of the Parliamentary Officer  
50 O'Connor Street, 10th Floor  
Ottawa, ON K1A 0A9

Dear Mr. Giroux:

I am writing in response to your 31 October 2018 Request for Information IR0390, regarding the Department's administrative data relating to the civilian and military payroll systems.

Please find enclosed the requested information for fiscal years 2000/2001 through 2018/2019. Please note, information on the payroll systems dating back to 2000 was not available for each requested item.

- **Annex A:** Evolution of Civilian and Military Pay Services since 2000
- **Annex B:** IT Support for Civilian and Military Payroll Systems
- **Annex C:** Business Costs for the Civilian Payroll System
- **Annex D:** 2010 Business Case in support of Military Personnel Management Capability Transformation
- **Annex E:** 2014 Pricewaterhouse Coopers LLP Final Report on the Assessment of the Alignment of Military Pay Business Functions with Phoenix
- **Annex F:** 2015 Supplementary Business Case on the Military Personnel Management Capability Transformation
- **Annex G:** 2016 Military Personnel Management Capability Transformation Investment Plan Change Proposal
- **Annex H:** Military Personnel Management Capability Transformation Costs

Please also find enclosed for your reference the Signed Reply Form.

This package includes all of the information requested by your office. We are pleased to provide it in the interests of openness and transparency. Please be advised, however, that

the package includes elements that National Defence decided not to implement, as well as some that remain in their preliminary stages and may not proceed.

For example, in October 2011, National Defence announced a plan to upgrade the military pay platform with the Military Personnel Management Capability Transformation project. This initiative would have procured a single integrated human resource, pay and pension system for Regular and Reserve Forces.

After a full analysis of progress and limitations was completed, National Defence informed the Treasury Board Secretariat, in June 2017, that it would de-scope the Military Personnel Management Capability Transformation project, and defer upgrades to the military payroll system to a later date. Conversely, National Defence announced it would first focus efforts on modernizing the Human Resource Management System, known as Guardian.

The Guardian system was completed in June 2018. The system consists of a number of functional applications that manage general organization structure, and human resource and benefits data of Canadian Armed Forces members.

The Department of National Defence remains committed to providing you with access to the data requested to meet your duties to Parliament. At your convenience, departmental officials are available to brief you or your officials on the information provided, National Defence's history with regards to upgrading its military and civilian payroll systems, and the payroll platforms currently in place.

I look forward to our continued collaboration.

Sincerely,



Jody Thomas

Enclosures: 9