



Public Works and
Government Services
Canada

Travaux publics et
Services gouvernementaux
Canada

1998-99 Estimates

A Report on Plans and Priorities

Approved

Minister of Public Works and
Government Services Canada

Canada

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SECTION I: MESSAGES

A. Minister's Message

In the most recent Speech from the Throne, the Government set out its agenda to build a stronger Canada, a Canada prepared for the 21st century. It set out its commitments to create a healthy economy, strengthen and unite our country, lead in the development of the global information highway and knowledge-based economy, create opportunities for youth and aboriginal communities, and provide Canadians with efficient government. Public Works and Government Services Canada (PWGSC) plays an important role for government and for all Canadians in making these commitments a reality.

As the Government's common service agency, PWGSC has set out a number of significant initiatives in its *Report on Plans and Priorities* that will help government achieve its goal of a stronger Canada. These include: promoting improved access by businesses to government contract opportunities, particularly small and medium-sized businesses; contributing to more efficient government, government that Canadians can afford and that responds to their needs; providing leadership by Canada in the development of the information highway and knowledge-based economy; and improving service delivery for government and all Canadians.

PWGSC will spearhead implementation of a number of initiatives for the federal government, in partnership with provincial governments and the private sector, to provide a single point of access for information and registration for suppliers to billions of dollars in federal and provincial government contract opportunities. It will also work to enhance federal presence and visibility of federal offices and facilities in all parts of the country. In addition, the department is consolidating its enquiries, advertising, public-opinion research and related communications coordination services.

In support of more efficient government, the department has defined a number of strategies to streamline operations, reduce duplication and overlap, reduce costs and promote greater involvement by the private sector in the delivery of common services. It also will meet or exceed its Program Review cost-reduction and downsizing targets. It will continue to pursue alternative means of delivery for its services and partner with other governments and the private sector, wherever cost-effective and feasible to do so.

PWGSC promotes improved access by businesses to government contract opportunities, particularly small and medium-sized businesses; more efficient government, government that Canadians can afford and that responds to their needs; leadership in the development of the information highway and knowledge-based economy; and improved service delivery for government and all Canadians.

PWGSC will provide critical support to the Government's leadership agenda for the global information highway and knowledge-based society. It will continue its priority work to create the foundation of the Government's portion of the information highway, manage development of a single backbone network to support the Government's electronic information and service delivery initiatives, and develop and support secure electronic commerce applications for government.

To fulfill its commitment to deliver "best quality and best value" services for taxpayers, PWGSC will conduct ongoing reviews and emphasize its core roles in support of government priorities and public policy objectives, while protecting important public values like integrity, prudence, and fairness in all its operations.

This *Report on Plans and Priorities* sets out a substantial, concrete, forward-looking strategy for improved government service, infrastructure and access for Canadians, a strategy that will help build a stronger Canada as we move to the 21st century.

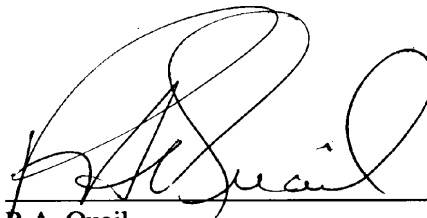
B. Management Representation Statement

I submit, for tabling in Parliament, the 1998-99 Report on Plans and Priorities (RPP) for Public Works and Government Services Canada.

To the best of my knowledge, the information:

- ◆ accurately portrays the department's mandate, plans, priorities, strategies and expected key results of the organization;
- ◆ is consistent with Treasury Board policy and instructions and the disclosure principles contained in the *Guidelines for Preparing a Report on Plans and Priorities*;
- ◆ is comprehensive and accurate;
- ◆ is based on sound underlying departmental information and management systems; and
- ◆ I am satisfied as to the quality assurance processes and procedures used for the RPP's production.

The Planning, Reporting and Accountability Structure (PRAS) on which this document is based has been approved by Treasury Board Ministers and is the basis for accountability for the results achieved with the resources and authorities provided.



R.A. Quail
Deputy Minister

February, 1998

SECTION II: DEPARTMENTAL OVERVIEW

A. Mandate

Public Works and Government Services Canada (PWGSC) was established in 1993 from the amalgamation of Public Works Canada, Supply and Services Canada, the Government Telecommunications Agency and the Translation Bureau. With the passage of the Department of Public Works and Government Services Canada Act in July 1996, the government reaffirmed the need to have a central department responsible for providing the necessary administrative and common services that support the daily operations of departments and agencies of the Government of Canada.

PWGSC acts as a common service agency for the Government of Canada with a mandate:

to provide the departments, boards and agencies of the federal government with services in support of their programs. The services provided by PWGSC are determined by a recognized common need across government or by the requirements of public policy. The Department has a responsibility to investigate and develop services which will increase the efficiency and economy of the public service and enhance integrity and efficiency in government contracting.

The Department of Public Works and Government Services Act sets out the legal authorities for PWGSC services, including: construction, maintenance and repair of public works and federal real property; provision of office accommodation and other facilities; provision of architectural and engineering advice and services; planning for and acquisition of supplies and services; planning and co-ordinating of telecommunications services; consulting and auditing services; and the provision of translation and related services. The Act makes clear the Department's authority to administer all federal real property not explicitly placed by legislation under the administration of another federal department, board, or agency. The Act also supports the Minister's responsibilities as Receiver General, and provides the authority for administrative and other services in relation to benefits, superannuation and pension plans and disbursement of pay to persons employed in the Public Service of Canada.

A listing of statutes and regulations administered by PWGSC is identified in Section IV-B, Supplementary Information.

With the passage of the Department of Public Works and Government Services Canada Act in July 1996, the government reaffirmed the need to have a central department responsible for providing the necessary administrative and common services that support the daily operations of departments and agencies of the Government of Canada.

B. Departmental Objective

Our aim is to provide the best value for taxpayers' dollars in common and central services for the Government of Canada.

Our aim is to provide the best value for taxpayers' dollars in common and central services for the Government of Canada, with due regard for the important values of prudence, probity and transparency. By focusing on what the department does best - providing cost-effective services to government - PWGSC helps departments focus on what they do best.

C. Program and Business Line Structure

PWGSC manages its activities within two programs. Its major activities are in the Government Services Program. The objective of the Government Services Program, as identified in Part II of these Estimates, is to provide the best value for taxpayers' dollars in common and central services delivered to departments, agencies and other clients with due regard for the important government values of prudence, probity and transparency.

The Government Services Program is organized into eight business lines as follows:

- ◆ Real Property Services
 - Federal Accommodation and Holdings
 - Services
- ◆ Supply Operations Service
- ◆ Receiver General
- ◆ Public Service Compensation
- ◆ Information Management/Information Technology (IM/IT)
 - Common Services
- ◆ Consulting and Audit Canada
- ◆ Translation Bureau
- ◆ Operational Support
 - IM/IT - Departmental Operations Services
 - Corporate Management Services

By focusing on what the department does best - providing cost-effective services to government - PWGSC helps departments focus on what they do best.

The Crown Corporations Program makes payments to the Old Port of Montreal Corporation Inc. and the Queens Quay West Land Corporation. The objective of the Crown Corporations Program, as identified in Part II of these Estimates, is to authorize and issue payments to certain Crown Corporations pursuant to agreements approved by the Governor in Council.

The Crown Corporations Program consists of two business lines as follows:

- ◆ Old Port of Montreal Corporation Inc.
- ◆ Queens Quay West Land Corporation.

The Department demonstrates flexibility in its organizational approaches. The Special Operating Agency delivery model has been used to provide the Consulting and Audit Canada and Translation Bureau business lines with increased operating freedom. This freedom is balanced by a departmental planning framework that emphasizes the establishment and approval of annual business plans.

PWGSC's Organization Chart is shown in Section IV: Supplementary Information, Table 2.

D. Financial Spending Plan

(millions of dollars)	Forecast Spending 1997-98 ¹	Planned Spending 1998-99	Planned Spending 1999-00	Planned Spending 2000-01
Gross Program Spending				
Government Services	5,361.7	5,112.0	4,868.5	4,811.3
Crown Corporations	13.1	21.7	6.7	3.3
	5,374.8	5,133.7	4,875.2	4,814.6
Less: Revenue Credited to the Votes/Revolving Funds	3,440.2	3,330.4	3,147.5	3,089.7
Net Program Spending	1,934.6	1,803.3	1,727.7	1,724.9
Less: Revenue Credited to the Consolidated Revenue Fund	33.6	38.6	30.8	30.8
Plus: Cost of Services Provided by other Departments	18.9	23.6	23.6	23.6
Net Cost of the Department	1,919.9	1,788.3	1,720.5	1,717.8

Totals may not add up due to rounding

1. Forecast spending for 1997-98 has been realigned to reflect the new Planning, Reporting and Accountability Structure, and includes \$8.6 million related to the Canada Communication Group Revolving Fund, which amount is not required starting in 1998-99.

SECTION III: PLANS, PRIORITIES AND STRATEGIES

A. Summary of Key Plans, Priorities and Strategies

PWGSC provides a wide range of common and central services to the government. These services are delivered in an environment characterized by a changing role for government, an ongoing emphasis on restraint, and new management structures and technologies offering greater choice and improved economy through standardized approaches.

PWGSC will continue to work with the Treasury Board Secretariat and departments to improve overall government administration, while respecting the principles of modern comptrollership.

In this context, the Department has chosen to re-emphasize the following key strategies:

- ◆ **The Department will enhance its contribution to government by:** emphasizing core roles and reviewing these roles continuously; working with the private sector, other departments and levels of government to maximize the potential contribution of each sector to the taxpayers interest; using our expertise in administrative services to support government policy initiatives; and promoting unifying national interests in the pursuit of our mandate.
- ◆ **The Department will improve its services by:** promoting and measuring quality in all services; using service standards so clients know what they can expect in the provision of services; packaging services to suit individual clients; using management and client advisory boards to optimize services and the balance between government and departmental interests; creating partnerships with the new Alternative Service Delivery agencies; and consulting clients regularly to measure their satisfaction with PWGSC services.
- ◆ **The Department will seek savings and pursue efficiency in all its operations by:** continually assessing services for opportunities to reduce costs through such means as contracting with the private sector or the application of improved technologies and management techniques; ensuring that Program Review commitments are met, including requirements for downsizing and

program changes; and establishing new commitments to adjust to overall downsizing and changes in government.

- ◆ **The Department will build a work force that is more flexible and responsive to the renewal needs of the Department by:** implementing an integrated human resources strategy that focuses on employment continuity, selective skills acquisition and development; streamlining organizational structures; and developing a more supportive management culture.

A summary of the key strategies that the Department expects to implement over the planning period follows:

(PLAN) to provide Canadians with:	(STRATEGIES) to be demonstrated by:
<p>The best value for taxpayers' dollars in common and central services for the government of Canada, with due regard for the important values of prudence, probity and transparency.</p>	<ul style="list-style-type: none"> ◆ Offering cost-effective service in eight business lines: Real Property Services, Supply Operations Service, Receiver General, Public Service Compensation, IM/IT-Common Services, Consulting and Audit Canada, Translation Bureau and Operational Support; ◆ Enhancing PWGSC's contribution to government; ◆ Improving PWGSC's services; ◆ Seeking savings and pursuing efficiency in all PWGSC operations; ◆ Building a work force that is more flexible and responsive to the renewal needs of the Department.
Real Property Services (RPS)	
<p>Support to government through the provision of expert advice, accommodation, infrastructure and real property services that meet client and government objectives in the most timely and affordable manner.</p>	<p><u>Client Satisfaction</u></p> <ul style="list-style-type: none"> ◆ Forming partnership relationships with clients by providing expert advice and a full range of services in an informed and responsive manner, including through dedicated client service units. <p><u>Financial Performance</u></p> <ul style="list-style-type: none"> ◆ Achieving \$160 million of annual cost savings for office accommodation by April 1999; ◆ Moving towards an annual break even position between revenues and costs in the delivery of services through the Real Property Services Revolving Fund. <p><u>Maintaining Asset Integrity</u></p> <ul style="list-style-type: none"> ◆ Managing a portfolio of real property assets to provide accommodation, infrastructure and related services to clients and to optimize the federal investment in assets; ◆ Ensuring the health, safety and security of employees in the workplace and making real property facilities, operations and services as environmentally sensitive as possible; and ◆ Preserving national heritage buildings on and in the vicinity of Parliament Hill. <p><u>Repositioning</u></p> <ul style="list-style-type: none"> ◆ Working with provinces and territories and the private sector to deliver certain non-core services more effectively and efficiently.
Supply Operations Service (SOS)	
<p>Support to government through specialist expertise in procurement services for goods and services of appropriate quality and price, and cultivating relationships with contractors based upon access, equity and transparency and assisting departments to collectively coordinate the delivery of government communications.</p>	<p><u>Supply</u></p> <ul style="list-style-type: none"> ◆ Assisting government departments to meet obligations under increased delegation (goods up to \$25,000); ◆ Assisting small and medium-sized enterprises; ◆ Supporting the procurement of "green" products and services in government. <p><u>Publishing</u></p> <ul style="list-style-type: none"> ◆ Reducing duplication and streamlining operations for the delivery of communications services to departments and agencies and facilitating public access to government information.

Section III: Plans, Priorities and Strategies

(PLAN) to provide Canadians with:	(STRATEGIES) to be demonstrated by:
	<p><u>Crown Assets Distribution</u></p> <ul style="list-style-type: none"> ◆ Providing alternative delivery options for the distribution of Crown Assets.
Receiver General	
<p>The effective operation of the federal treasury and the maintenance of the Accounts of Canada.</p>	<p><u>Treasury Operations</u></p> <ul style="list-style-type: none"> ◆ Providing cost-effective service to the public, federal government departments and provincial governments; ◆ Improving service to the public and reducing cost through increased enrollment for direct deposit of federal payments to recipients' bank accounts from 60 to 65% of total payments. <p><u>Accounting and Reporting</u></p> <ul style="list-style-type: none"> ◆ Maintaining the Accounts of Canada and producing the government's financial statements in a cost-effective manner; ◆ Ensuring the introduction of full accrual accounting and the capitalization of fixed assets.
Public Service Compensation	
<p>Cost-effective, accurate and timely common services to government in the areas of payroll operations and pension plan administration.</p>	<p><u>Payroll Operations</u></p> <ul style="list-style-type: none"> ◆ Contributing to cost-effective public service reform through the reduction of transition costs for Alternative Service Delivery initiatives; ◆ Contributing to cost efficiency by reducing unit operating costs. <p><u>Pension Administration</u></p> <ul style="list-style-type: none"> ◆ Ensuring accurate calculation of pension entitlements including pension transfer benefits.
IM/IT-Common Services	
<p>Access to information and the ability to do business electronically throughout the federal government and its client communities.</p>	<p><u>Management of IM/IT Services</u></p> <ul style="list-style-type: none"> ◆ Ensuring the cost-effective management of infrastructure and common services on behalf of the government in such areas as telecommunications and electronic message-handling services. <p><u>Rationalizing Services</u></p> <ul style="list-style-type: none"> ◆ Developing new ways of delivering services and introducing new technologies by working with the private sector to reduce costs. <p><u>Common Electronic Infrastructure</u></p> <ul style="list-style-type: none"> ◆ Developing and supporting electronic commerce applications; ◆ Establishing and managing a single backbone network for government and supporting government's single window delivery initiatives.
Consulting and Audit Canada (CAC)	
<p>Improved public sector operations and management.</p>	<ul style="list-style-type: none"> ◆ Providing leadership in the evolution of public sector management; ◆ Improving in all aspects of client services; ◆ Ensuring financial self-sufficiency for CAC.
Translation Bureau	
<p>Support to Parliament and the Government of Canada to function in both official, and other languages.</p>	<ul style="list-style-type: none"> ◆ Providing the best value in quality translation, interpretation and other linguistic services; ◆ Ensuring financial self-sufficiency for the Translation Bureau.

(PLAN) to provide Canadians with:	(STRATEGIES) to be demonstrated by:
<i>Operational Support</i>	
Departmental infrastructure necessary for the delivery of the Minister's and Deputy Minister's accountability and support to the PWGSC business lines.	<ul style="list-style-type: none"> ◆ Establishing a mechanism to manage the implementation of performance management in PWGSC; ◆ Integrating principles of modern comptrollership into PWGSC; ◆ Implementing the PWGSC human resource strategy.

B. Details by Program and Business Lines

Government Services Program

Real Property Services

Planned Spending

(millions of dollars)	Forecast Spending 1997-98	Planned Spending 1998-99	Planned Spending 1999-00	Planned Spending 2000-01
Service Line				
<i>Votes</i>				
Federal Accommodation and Holdings				
Gross Expenditures	2,030.5	1,925.2	1,906.4	1,909.4
Less: Revenue Credited to the Vote	706.5	667.3	664.1	664.1
Net Expenditures	1,324.0	1,257.9	1,242.4	1,245.3
<i>Revolving Funds</i>				
Services				
<i>- Real Property Services Revolving Fund</i>				
Gross Expenditures	2,160.0	2,063.2	1,909.1	1,863.5
Less: Revenue	2,153.7	2,061.1	1,907.1	1,861.5
Net Resources (Provided) Used	6.3	2.1	2.0	2.0
<i>- Real Property Disposition Revolving Fund</i>				
Gross Expenditures	8.1	6.8	6.7	6.7
Less: Revenue	27.7	27.7	24.5	24.5
Net Resources (Provided) Used	(19.6)	(20.9)	(17.8)	(17.8)
Total Services	(13.3)	(18.8)	(15.8)	(15.8)
Total Real Property Services	1,310.7	1,239.1	1,226.6	1,229.6

Totals may not add up due to rounding

Note: The figures for 1998-99 and future years have not been adjusted to reflect the financial implications from the Real Property Services (RPS) - Alternative Forms of Delivery (AFD) initiative. Under the AFD initiative, RPS will contract with the private sector and provinces for the provision of property management services for most of the facilities within the custody of the Department. It is expected that AFD will result in the transfer of approximately 600 Full Time Equivalents to the private sector/provinces and achieve significant savings in the operation of facilities. Financial implications of the transition to AFD will be determined over the course of the last quarter of fiscal year 1997-98 as negotiations are completed with the private sector contractor and affected provinces.

Objective

To manage a diverse portfolio of office and general purpose real property and other assets in the custody of the Minister in order to provide appropriate accommodation and related value-added services, including strategic advice, to federal tenants, client and other asset users and to optimize the federal investment in the assets; and to provide real property related common services to clients at market-based rates.

Description

Real Property Services (RPS) manages a diverse portfolio of federal office buildings and common-use facilities as well as special properties, northern housing, surplus properties and engineering assets (a highway, bridges, a lock, dams and dry docks). RPS provides a safe, productive and affordable working environment and maintains assets in a safe condition. It develops appropriate policies and plans to discharge the Minister's emergency preparedness responsibilities. It also provides a wide range of professional and technical services in the engineering, architectural and realty fields.

Clients include departments, boards and agencies, Crown corporations, and certain organizations outside the federal government.

The RPS business line has two service lines:

- ◆ **Federal Accommodation and Holdings** fulfils a custodial role and is responsible for providing accommodation and related services to federal tenant departments and agencies. Demand for accommodation is assessed against existing and projected inventories of space (owned, leased and lease-purchased) and the most effective approach to meet the demand is determined.

It focuses on the application of the policies and standards that govern the quality, quantity and location of tenant accommodation, related environmental issues and health and safety concerns, as well as the Department's commitment to provide a productive work environment, while ensuring that legislative, regulatory and policy authorities and affordability pertaining to accommodation are observed.

It also manages a portfolio of real property in PWGSC's custody consisting of special properties (such as the parliamentary precinct and conference and training

RPS provides a safe, productive and affordable working environment and maintains assets in a safe condition.

The focus is on sound investment, efficient, effective and safe operation and maintenance of the assets, and optimizing revenues from property disposals.

facilities, northern housing, surplus properties and engineering assets).

The focus is on sound investment, efficient, effective and safe operation and maintenance of the assets, and optimizing revenues from property disposals. Federal government expenditures are minimized through the negotiation of divestiture agreements transferring certain major assets along with the associated long-term expenditures and liabilities, to other levels of government or to third-party interests. Also provided are professional and administrative services to manage payments in lieu of taxes for the properties under the custody of PWGSC and other federal departments.

- ◆ **Services** encompasses a full range of professional and technical architectural, engineering, property and facilities management, environmental, appraisal and real estate services to meet the needs of clients for strategic planning, acquisition, management, operation, maintenance, construction, repair and disposal of real property. Dedicated client service units offer an integrated one-stop service to meet all the real property needs of clients.

The services provided are “optional” and on a fee for service basis. The services operate on a revolving fund with a maximum draw down of \$450 million. In 1998-99, the Services Revolving Fund expects to manage a business volume of \$2.1 billion.

The Business Line aims to become the real property expert and advisor to departments and agencies, and to provide a one-stop service to meet all the real property needs of clients.

External Factors Influencing the Business Line

The primary external factor influencing this business line is the demand from federal departments and agencies for RPS’s accommodation, infrastructure, and real property services. The extent of the demand over the coming years will directly depend on program changes and downsizing of federal departments and agencies. It will also depend on horizontal government initiatives such as alternative service delivery, the creation of separate agencies, and collaboration with, or devolution to, other levels of government. Another factor is the rapid change brought on by the introduction of new technologies and service delivery approaches in the real property field, including information management, contracting and financing arrangements.

The business line aims to become the real property expert and advisor to departments and agencies, and to provide a one-stop service to meet all the real property needs of clients. Its

success in this respect will depend on RPS' ability to adapt to change and to gain the acceptance of clients as the provider-of-choice for real property services and expertise. The following is a summary of the strategies seeking to address these challenges.

Key Plans and Strategies

A major initiative of RPS is to redefine its relationships with the private sector and with other levels of government.

A major initiative of RPS is to redefine its relationships with the private sector and with other levels of government in line with the government objectives of “getting government right”, reducing costs and stimulating growth in the private sector. To this end, the business line is moving in a dramatic way to Alternative Forms of Delivery (AFD) by increased contracting out to the private sector and by developing partnerships with other levels of government and with professional associations.

In order to achieve this repositioning, RPS has undertaken a comprehensive examination to determine those services that will continue to be managed or performed in-house, and those that may be delivered by others. RPS will, however, continue to offer a full range of real property services. More non-government personnel will provide services relating to building operations. With this repositioning, RPS is moving away from perceived competition with the private sector. A new and repositioned RPS will focus on identifying problems, defining client needs and strategic brokering of services with the private sector to meet client needs more effectively and efficiently. The objective is to reduce costs for both RPS and its clients while maintaining or enhancing service standards and to get the best possible return for the federal government's investment in government real property assets.

Other federal departments and agencies are also facing major challenges to change, reduce and refocus their core activities and services. To support them, RPS is offering to use its skills and knowledge as the government's real property expert and advisor so that departments can concentrate on their core program roles. It is offering clients an integrated “one-stop” real property service with dedicated client service units to meet all their real property needs, including their environmental management goals and the health and safety of their employees in the workplace. In the Regions, this service is expanding to provide a wider range of common services. The business line is also developing an in-depth knowledge of client programs and priorities so that it can tailor services to meet particular requirements. This new knowledge should lead to more effective use of real property activities and more

effective use of resources across the government. It should also make it easier to reduce under-used accommodation and to rationalize the federal real property inventory as the government downsizes.

As the future success of RPS depends on the knowledge and expertise of its employees, there will be an emphasis over the planning period on renewing and revitalizing its workforce and culture. The effort will include building on the required competencies, training and support, empowering, rewarding, motivating, and team building. This renewal exercise will involve fostering an environment that builds on employees' abilities and talents, respects employees' needs and concerns, and encourages energy, excellence and enthusiasm.

Expected Results

Over the planning period, RPS will pursue results in four areas:

Client Satisfaction:

Creating satisfied clients is key to maintaining and building the capacity to provide real property services on a fee-for-service basis while making the best use of the government's investment in real property assets.

1. Client Satisfaction:

Creating satisfied clients is key to maintaining and building the capacity to provide real property services on a fee-for-service basis while making the best use of the government's investment in real property assets.

To ensure client satisfaction, specifically, RPS will:

- establish partnership relationships with clients by providing expert advice and a full range of services in a responsive manner through mechanisms such as client service units, co-located with clients where appropriate, and supported by centres of expertise (e.g., support to Indian and Northern Affairs Canada by providing office space, housing and community infrastructure for the new government of Nunavut);
- support and enhance an ADM Management Advisory Board that functions both to provide senior level input on real property matters from departments and to make strategic decisions on the management of real property across the government;
- assist departments in preparing and implementing sustainable development strategies and environmental management systems to meet their "greening of government" goals; and

- provide clients with productive work environments tailored to meet the needs of the organization and those of the employees.

Success will be measured by:

- the degree of client satisfaction as indicated by qualitative measures such as client surveys and other feedback; and
- RPS's share of total real property business per client.

2. Financial Performance:

The key results for financial performance are the efficient and cost-effective management of real property; a reasonable return on investments in real property; and breaking even on the Services Revolving Fund.

Specifically, RPS will:

- achieve \$160 million in annual savings in office accommodation through reducing space and other efficiency measures;
- move towards an annual break-even position between revenue generated and operating costs for the Services Revolving Fund throughout the planning period;
- operate the Real Property Disposition Revolving Fund to achieve an operating surplus of \$20.9 million in 1998-99 and \$17.8 million for each of the subsequent planning years;
- manage efficiently and effectively the use of office accommodation in partnership with clients (using a framework, consisting of policies; generic accommodation standards; master occupancy agreements; client space envelopes; client accommodation demand strategies; and a program for reducing space);
- use new officing strategies to reduce space while improving productivity and employee morale;
- reduce operating expenses by reducing overhead expenses, optimizing billable time, reducing overtime, streamlining and re-engineering business processes;
- test with a major department the application of full reimbursement for accommodation at market-based rates;
- prepare a generic model for the broader introduction of full reimbursement for office accommodation and related services; and

Financial Performance:
The key results for financial performance are the efficient and cost-effective management of real property; a reasonable return on investments in real property; and breaking even on the Services Revolving Fund

- optimize revenues by restructuring fees and charging practices and by developing closer relationships with clients in order to retain business and expand more profitable business lines.

Success will be measured by:

- measuring variables such as return on investment in real property assets, cost per unit of space, cost and space per employee accommodated;
- tracking performance against specific targets such as space reduction, percentage of vacant marketable space;
- achieving of financial objectives in the provision of real property services; and
- breaking even annually in the Services Revolving Fund.

3. Maintaining Asset Integrity:

The key results of maintaining asset integrity are real property assets that retain their value; and healthy, safe, productive work environments that meet sustainable development principles and regulatory requirements.

Specifically, RPS will:

- provide advice and services related to real property matters that meet professional standards and regulatory requirements;
- ensure the health, safety and security of employees in the workplace;
- obtain Treasury Board Secretariat's concurrence for certain surplus properties to be transferred to PWGSC for management and disposal;
- integrate sustainable development principles into everything we do in delivering the Real Property Program and Services; and
- preserve national heritage buildings on and in the vicinity of Parliament Hill in accordance with Federal Heritage Building Review Office policy, and obtain approval and funding of a long-term, accommodation and investment strategy for the Parliamentary Precinct to the year 2012-13.

Success will be measured by:

- assessing the extent of compliance with regulatory and operational commitments and norms to determine whether the integrity of the assets is being maintained.

Maintaining Asset Integrity:

The key results of maintaining asset integrity are real property assets that retain their value; and healthy, safe, productive work environments that meet sustainable development principles and regulatory requirements.

4. Repositioning with the Private Sector and the Provinces and Territorial Governments

The key results are more effective and efficient real property services.

Specifically, RPS will:

- focus on the core federal roles required both to meet mandate and legislative requirements, and to carry out its real property advisor role for strategic planning, quality assurance, risk management and program management;
- redefine the relationships of RPS with provinces, territories and the private sector and, in effect, enter into partnerships with them for the delivery of non-core services through AFD.

Success will be measured by:

- the proportion of RPS's business carried out by the private sector and the provincial/territorial governments through AFD; and
- achieving the targets for cost savings for RPS's custodial inventory.

Repositioning with the Private Sector and the Provinces and Territorial Governments:

The key results are more effective and more efficient real property services.

Supply Operations Service

Planned Spending

(millions of dollars)	Forecast Spending 1997-98	Planned Spending 1998-99	Planned Spending 1999-00	Planned Spending 2000-01
<i>Vote</i>				
Gross Expenditures	163.2	165.8	129.0	128.7
Less: Revenue Credited to the Vote	18.1	16.3	15.6	15.6
Net Expenditures	145.0	149.5	113.5	113.2
<i>Optional Services Revolving Fund</i>				
Gross Expenditures	110.1	129.2	118.1	117.8
Less: Revenue	109.8	128.6	117.5	117.2
Net Resources (Provided) Used	0.3	0.6	0.6	0.6
Total Supply Operations Service	145.4	150.1	114.0	113.7

Totals may not add up due to rounding

Objective

To provide quality procurement and procurement-related common services to federal government departments; to provide quality common services in support of client-delivered publishing activities; and to provide quality disposal services for federal government departments.

Description

The Supply Operations Service (SOS) business line provides the following services:

- ◆ The Supply component provides common services for acquiring goods and services on behalf of the federal government. The Supply component manages the supply process by assisting client departments with requirements definition, undertaking bid solicitation, evaluation and selection, contract negotiation and administration, as well as auxiliary services such as market research to identify what products are available from suppliers, product planning, method-of-supply studies, maintenance of statistical data base and reporting capability, policy framework, review and promulgation and technological infrastructure to support the electronic capability to conduct the acquisitions function. In addition, Supply encompasses responsibility for all procurement-related aspects of Major Crown Projects.

Supply also includes certain specialized activities: marine inspection and technical services; cost analysis support;

The Supply component provides common services for acquiring goods and services on behalf of the federal government.

management of Crown-owned production assets; industrial security and personal security screening services for PWGSC and industry; development and maintenance of consensus standards and conformity assessment services; management of seized property (assets seized as a result of crime); central freight, travel management, and household goods removal services; and, transportation advisory services.

- ◆ The Publishing component offers a range of value-added publications management services, including publications advice and development and the provision of marketing and sales assistance to clients. Publishing administers Crown copyright on behalf of government and negotiates licensing and co-publishing agreements between clients and the private sector. It is also responsible for producing and publishing Parts I, II and III of the Canada Gazette and the Government Business Opportunities publication. This component also manages the Depository Services Program (DSP) on behalf of Treasury Board. The DSP distributes federal government publications free-of-charge to a network of depository libraries in Canada and elsewhere in the world.
- ◆ The Crown Assets Distribution (CAD) component provides disposal services for all federal government departments and agencies. Disposal methods include sale, transfer, trade-in, donation, lease, loan and destruction. Client departments receive 100% of the net proceeds from the sale of surplus assets (gross proceeds less direct selling expenses and commissions), with the exception of seized assets.

The Crown Assets Distribution (CAD) component provides disposal services for all federal government departments and agencies.

External Factors Influencing the Business Line

Several significant external factors are expected to affect the SOS business line in the upcoming fiscal year. The significant downsizing that has taken place has meant that clients have fewer resources available for front-end activities – i.e., requirements definition – relating to the procurement process. In turn, the lack of resources at the client level has placed more demands on SOS's procurement staff. Therefore, SOS will have to examine how best to meet this increased demand.

The SOS business line has been experiencing a decline in the number of contracts managed. However, the value of contracts has remained constant. This trend indicates that the contracts which are managed are more complex. Therefore they require more oversight on the part of SOS staff, and the need to

ensure that staff skills are in line with the increasing complexity of the work.

Increasingly, the business line is being asked to share its procurement expertise with, and provide assistance to, other departments that carry out their own procurement. These activities include providing procurement training and policy and procedural advice; sharing manuals and procurement terms, conditions and clauses; and supporting Canada's trade negotiators. A focus on renewing and re-skilling the work force and redirecting effort will be required to ensure that SOS is able to continue providing high quality services to clients.

Regarding the structure of the business line, several decisions are pending. A Communications Coordination Service Branch is in the process of being formed from an amalgamation of various departmental activities. Alternative delivery options will be examined in Crown Assets Distribution.

Key Plans and Strategies

Integrity and transparency will continue to be the governing principles in SOS contracting activities.

Integrity and transparency will continue to be the governing principles in SOS contracting activities. It is the intention of the SOS business line to continue supporting the department's directions and priorities of enhancing PWGSC's contribution to government, improving service, seeking savings and efficiency in its operations, and managing its human resources effectively. The following strategies and goals established by the SOS business line form the foundation for the business line's initiatives, and contribute to the department's priorities:

- ◆ to provide expert and knowledgeable procurement services that meet clients' needs;
- ◆ to cultivate relationships with contractors based upon professionalism, fairness and openness;
- ◆ to develop effective policies and programs that reflect broad government objectives;
- ◆ to be a leader in informatics procurement and in using information technology as a key part of the procurement process; and
- ◆ to improve and streamline the process for meeting procurement requirements of National Defence and other clients.

Expected Results

Over the planning period, SOS will pursue results in the following three areas:

1. Supply

SOS will assist clients in meeting their program objectives by providing the goods and services they need.

SOS will assist clients in meeting their program objectives by providing the goods and services they need, while ensuring prudence, probity and transparency in the procurement process; contributing to national objectives; and providing procurement management services for Major Crown Projects.

SOS will continue to provide fair access to procurement opportunities for small and medium-size businesses. SOS will deliver effective service related to seized property, traffic management and standards.

Specifically, SOS will:

- position PWGSC and other government departments to meet their obligations under increased delegation (beginning in 1998-99, departments can purchase goods up to \$25,000 on their own) by:
 - providing necessary support and guidelines (i.e., training and policy framework) for clients assuming increased delegation; and
 - improving contracting processes throughout the government.
- assist small and medium-size enterprises by:
 - providing information on government-wide contracting;
 - being the focus for the delivery of the Contracts Canada service, an information network related to contracting (i.e., explaining how to do business, registering suppliers and providing historical information) for all government departments and agencies;
 - developing a streamlined registration process and pursuing a one-stop registration process for all suppliers, and a “one-stop shopping” for departments and agencies looking for suppliers;
 - supporting the government’s Procurement Strategy for Aboriginal Business (PSAB) by delivering over 50 supplier awareness seminars aimed at Aboriginal businesses across Canada; and
 - developing and initiating meetings with key industry associations to let industry know what clients are likely to be buying and to discuss new government initiatives and policies.

SOS will continue to provide fair access to procurement opportunities for small and medium-size businesses.

SOS will deliver effective service related to seized property, traffic management and standards.

- support the government's effort to resolve the Year 2000 problem by:
 - establishing a dedicated Year 2000 Procurement Office to ensure the ready availability of expertise and resources in this area.
- improve methods for acquiring information technology goods and services, ensure greater accountability and discipline in project management, and improve the management of risk in support of the Treasury Board Secretariat's Enhanced Framework for the Management of Information Technology Projects by:
 - undertaking Benefits-Driven Procurement (BDP) projects both to gain experience in applying the approach, and to incorporate experience and lessons learned in the process;
 - sharing the methodology with other government departments, provinces and the information technology industry in Canada; and
 - identifying the potential and opportunities for applying BDP to other commodities by communicating the benefits of the approach to client departments and improving staff training and risk management.
- support and stimulate the procurement of "green" products and services across the government by:
 - overseeing the development and installation of the Environmental Information System (EIS);
 - assisting clients to buy "green" by providing information on the availability of environmentally friendly products and services; and
 - improving the capability of government to move towards more environmentally sensitive procurement.
- continue to renew and improve SOS business processes by:
 - working closely with the Department of National Defence to streamline its procurement processes and approaches in areas such as Alternative Service Delivery and innovative contracting procedures;
 - establishing new methods for managing complex requirements, including integrated procurement teams with clients;
 - implementing new methods of improving and developing the procurement skills required to manage these more complex requirements; and

- applying the knowledge gained to meet the needs of other client departments.

Success will be measured by:

indicators established against operational activities including:

- ratio of cost per \$100 business;
- ratio of contracts with small versus large business;
- ratio of competitive versus sole-source procurement; and
- results of Client Satisfaction Statistical Surveys.

Other initiatives will be measured against implementation timetables.

SOS will contribute to the timely and economical production and publication of the Canada Gazette and the Government Business Opportunities publication and to the effective management of the Depository Services Program.

2. Publishing

SOS will contribute to the timely and economical production and publication of the Canada Gazette and to the effective management of the Depository Services Program.

Specifically, SOS will:

- provide corporate leadership in improving the delivery of government messages and in providing effective procurement and professional services in the areas of public relations, advertising, printing, public opinion research and communications services;
- establish a Communications Coordination Services Branch (CCSB) to consolidate communications activities associated with the provision of communications services to departments and agencies; and
- proceed with an examination of financing alternatives for the new CCSB.

Success will be measured by:

- Success indicators developed for the new CCSB by PWGSC.

Crown Assets Distribution will contribute to the efficient and effective disposal of federal government surplus material thereby increasing value for the Crown and improving client satisfaction.

3. Crown Assets Distribution

Crown Assets Distribution will contribute to the efficient and effective disposal of federal government surplus material thereby increasing value for the Crown and improving client satisfaction.

Specifically SOS will:

- provide alternative delivery options for the Crown Assets Distribution service line; and
- determine the viability and business case of continuing to provide disposal services at various locations for clients.

Success will be measured by:

- length of time assets are removed from client's site after receiving request;
- length of time for providing strategy for unique disposal requirements after receiving request; and
- length of time putting assets up for sale.

Receiver General

Planned Spending

(millions of dollars)	Forecast Spending 1997-98	Planned Spending 1998-99	Planned Spending 1999-00	Planned Spending 2000-01
<i>Vote</i>				
Gross Expenditures	136.5	124.4	120.9	119.9
Less: Revenue Credited to the Vote	17.1	23.3	23.3	23.0
Total Receiver General	119.4	101.1	97.6	96.9

Totals may not add up due to rounding

Objective

To manage the operations of the federal treasury, including issuing Receiver General payments for major government programs, and to maintain the Accounts of Canada and produce the Government's financial statements.

Description

The Receiver General business line is responsible for the receipt, transfer, holding, disbursement, reconciliation and monitoring of public money on behalf of the Government of Canada. The business line issues Receiver General payments, redeems and validates these instruments and Employment Insurance Warrants. It maintains the Accounts of Canada and provides interim reports, produces the Public Accounts of Canada and maintains the Central Accounting System. As a result of the above activity, the Receiver General provides related financial services to departments and agencies.

External Factors Influencing the Business Line

Several factors will exert pressure for change on Receiver General services. These factors include: public sector reform, technological evolution, the increasing need to meet client expectations and the need to ensure transparency and integrity in carrying out its responsibilities. More specifically, Receiver General services are being affected by changing client requirements to deliver more cost-effective services and to take advantage of emerging technologies, including electronic commerce. Because these changes are occurring so rapidly, they demand that the business line collaborate more closely with client departments and central agencies. These changes also require the business line to work closely with suppliers to assess how their expertise and services could improve the delivery of Receiver General services.

The Receiver General business line is responsible for the receipt, transfer, holding, disbursement, reconciliation and monitoring of public money on behalf of the Government of Canada.

Key Plans and Strategies

The Receiver General business line has developed the following strategic responses.

1. Support for public sector reform

The business line will support the government-wide initiative to improve financial management by implementing the Financial Information Strategy (FIS). FIS will provide more meaningful and timely financial information to central agencies and Parliament. The recommendations of the Independent Panel on Modernizing Comptrollership in the Government of Canada will also affect the business line. The Receiver General will develop a plan in collaboration with the Treasury Board Secretariat to implement the relevant recommendations.

The business line will also support program departments in delivering joint federal/provincial initiatives.

2. Technological innovation

The Receiver General business line strategy is focused on moving towards a paperless environment by upgrading its delivery systems and processes. The Receiver General is playing a major role in the federal government's electronic commerce thrust by creating a more effective infrastructure for receiving and handling revenue and disbursements of funds. This infrastructure will support program departments in their initiatives to decrease administrative costs while improving service to the public.

3. Operate with integrity, openness and responsiveness

The business line will continue to encourage dialogue with its clients and partners. For example, the business line will actively participate in various fora such as the Canadian Payments Association Stakeholders Advisory Council and the Treasury Board Electronic Commerce Committee. In addition, the Receiver General will ensure that dealings with business partners are fair, open and transparent.

4. Renewal of the workforce

The success in renewing the workforce will require a concentrated effort. To this end the Receiver General will ensure that employees have the tools, skills, competencies, values, and experience they need to carry out their duties and responsibilities with a high degree of professionalism.

The Receiver General business line has developed the following strategic responses: support for public sector reform; technology innovation; operate with integrity, openness and responsiveness; renewal of the workforce.

Expected Results

Over the planning period, the Receiver General will pursue results in the following areas:

1. Treasury Operations

Results in this area include the cost-effective management of the operations of the federal treasury and issuance of Receiver General payments for government programs.

Specifically, the Receiver General will:

- contribute to the overall efficiency of government, improvement of service to the public, federal government departments and provincial governments by issuing payments and providing related services in support of joint federal-provincial initiatives;
- provide more cost-effective and complete services to program departments by expanding the Receiver General payment system to provide more integrated, flexible, and efficient services;
- improve service to the public and the cost effectiveness of treasury operations by expanding the use of electronic commerce in collecting revenue and issuing payments;
- improve service to the public and reduce costs by increasing enrollment for direct deposit of federal government payments to recipients' bank accounts from 60% to 65% of total Receiver General payments; and
- redesign the Receiver General cheque to improve its security and ensure its ongoing integrity and acceptability as a payment instrument. The introduction of the redesigned cheque will be timed to support millennium initiatives.

Success will be measured by:

- the degree to which payments and other services adhere to established norms for timeliness, accuracy, completeness, security and efficiency;
- the extent to which clients, including Central Agencies are satisfied with the quality of services, as measured by client feedback, independently conducted surveys or management audits; and
- achievement of major milestones.

Treasury operations results include the cost-effective management of the operations of the federal treasury and issuance of Receiver General payments for government programs.

2. Accounting and Reporting

Accounting and reporting results involve maintaining the Accounts of Canada and producing the Government's financial statements in a cost-effective manner.

Accounting and reporting results involve maintaining the Accounts of Canada and producing the government's financial statements in a cost-effective manner.

Specifically, the Receiver General will:

- cost effectively maintain the Accounts of Canada and produce the government's financial statements;
- improve the accuracy and completeness of government accounting by introducing a private sector model of accounting with full accrual accounting, and the capitalization of fixed assets (this initiative will mean significant re-engineering of the central accounting function);
- provide more meaningful and timely financial information to central agencies and Parliament; and
- develop and/or modify all Receiver General and Compensation Systems to enable implementation of the Financial Information Strategy.

Success will be measured by:

- the extent to which clients, including Central Agencies, are satisfied with the quality of services, as measured by client feedback, independently conducted surveys or management audits and, in the case of Public Accounts, the Auditor General's annual opinion and management letters;
- the degree to which accounts are maintained and reports are produced in a timely, accurate and complete manner on a consistent and comparable basis from year to year; and
- achievement of major milestones.

Public Service Compensation

Planned Spending

(millions of dollars)	Forecast Spending 1997-98	Planned Spending 1998-99	Planned Spending 1999-00	Planned Spending 2000-01
<i>Vote</i>				
Gross Expenditures	44.3	45.6	40.8	40.8
Less: Revenue Credited to the Vote	9.1	3.5	3.5	3.5
Total Public Service Compensation	35.2	42.1	37.3	37.3

Totals may not add up due to rounding

Objective

To provide cost-effective, accurate, and timely common services, including payments and account processing, in the areas of payroll, benefits and pension plan administration.

Description

Public Service Compensation administers government payroll and pension processes, including the development and maintenance of computer systems and a national service office infrastructure, in order to allow departments to administer pay and benefits in accordance with the collective agreements and compensation policies established by Treasury Board and for the purpose of the administration of the Public Service Superannuation Act. It also provides specialized pension services to National Defence and the Royal Canadian Mounted Police (RCMP) for the administration of their plans.

External Factors Influencing the Business Line

Several factors will exert pressure on compensation services to change. These include public sector reform, technological evolution, increased public scrutiny and service expectations, and the need for a renewed workforce. Increased departmental autonomy, federal/provincial cooperation, alternative service delivery, the Financial Information Strategy, collective bargaining, employment equity and job classification represent some of the specific challenges. Given the sensitivity, importance and precise nature of compensation services, compensation will remain effective only if it maintains open and responsive relations with clients and stakeholders.

Key Plans and Strategies

Compensation has developed four strategic responses to these challenges.

Public Service Compensation administers government payroll and pension processes.

Key results for payroll operations are the cost-effective and accurate implementation of the collective agreements and compensation policies of the employer; the development and retention of trained and knowledgeable departmental compensation specialists; and the cost-effective and accurate management of pay processing, accounting and benefits and tax remittance services.

1. Supporting Public Service reform objectives to increase departmental autonomy and form partnerships with the provinces and the private sector

This includes support for the development of Alternative Service Delivery agencies across government (the Canadian Parks Agency and Canada Customs and Revenue Agency); implementation of pay equity, collective bargaining, Universal Classification System with a focus on reducing implementation costs across government; and implementation of the Financial Information Strategy (FIS) and Federal and Provincial Budget Measures including Canada and Quebec Pension Plans and Tax Reform.

2. Improving service and reducing costs through investment in technology

This includes: quality service and service standard improvements, conversion to a modernized payment infrastructure and ensuring that computer systems are ready for the Year 2000.

3. Operating with integrity, openness and responsiveness

Over the planning horizon, the business line will use several approaches to encourage dialogue with the community. These include consulting with the community on the results of the past year as published in the Annual Report for the business line; participating, along with departments, in the Association of Compensation Managers; and participating with Treasury Board staff and departments on projects to implement public service reform.

4. Renewing the workforce

The Compensation Sector will ensure that specialists in the areas of systems development, compensation and benefits, training and documentation have the tools, skills, competencies, values and experience they need to operate with a high degree of professionalism.

Expected Results

Over the planning period, Public Service Compensation will pursue results in two areas:

1. Payroll operations

Key results are the cost-effective and accurate implementation of the collective agreements and

compensation policies of the employer; the development and retention of trained and knowledgeable departmental compensation specialists; and the cost-effective and accurate management of pay processing, accounting and benefits and tax remittance services.

Specifically, Public Service Compensation will:

- contribute to cost-effectiveness by reducing the implementation costs of government departments for pay equity and collective bargaining;
- contribute to cost-effectiveness of public service reform by reducing the transition costs for departmental alternative service delivery initiatives;
- ensure the accurate implementation of federal and provincial tax measures including Canada and Quebec Pension Plans reform;
- contribute to cost-effectiveness by reducing unit operating costs; and
- improve service by communicating and adhering to the recent service standards established in response to the Canadian government quality service initiative.

Success will be measured by:

Quantitative measures, such as:

- the implementation costs that government departments avoid through the automation and systems support offered for pay equity, collective bargaining, and the transition to alternative service delivery;
- the number of collective agreements implemented;
- a trend towards lower unit operating costs or throughput times for certain key transactions;
- the number of compensation specialists across government who successfully complete training in new compensation policies; and
- the volume of remittances made within established norms.

Qualitative indicators, such as:

- the extent to which clients, including Central Agencies, are satisfied with the quality of services, as measured by client feedback, independently conducted surveys or management audits.

2. Pension administration

Key results for pension administration are the accurate and cost-effective collection of employer and employee contributions; accurate calculation of pension entitlements or other benefits based on salary and service records; and cost-effective management of annuitant pay services.

Specifically, Public Service Compensation will:

- ensure that entitlements for Early Retirement Incentive recipients are accurately calculated;
- ensure that entitlements to pension transfer benefits are accurately calculated;
- ensure that benefits associated with pay equity and collective bargaining retro-activity are accurately calculated; and
- improve service to annuitants through effective management of call centre operations.

Success will be measured by:

Quantitative indicators, such as:

- the dollar value of remittances collected;
- the accuracy with which pension entitlements are calculated;
- the dollar value or numbers of transfers out of the Public Service Superannuation Account as a result of Alternative Service Delivery including privatization initiatives and transfers to the provinces;
- the number of pension recalculations associated with pay equity, and collective bargaining retro-activity; and
- the extent to which unit costs of annuitant services are reduced.

Qualitative indicators, such as:

- the extent to which clients, including Central Agencies, are satisfied with the quality of services, as measured by client feedback, independently conducted surveys or management audits.

Key results for pension administration are the accurate and cost-effective collection of employer and employee contributions; accurate calculation of pension entitlements or other benefits based on salary and service records; and cost-effective management of annuitant pay services.

Information Management/Information Technology (IM/IT) - Common Services

Planned Spending

(millions of dollars)	Forecast Spending 1997-98	Planned Spending 1998-99	Planned Spending 1999-00	Planned Spending 2000-01
<i>Government Telecommunications and Informatics</i>				
<i>Services Revolving Fund</i>				
Gross Expenditures	176.7	170.4	161.8	151.2
Less: Revenue	176.7	170.0	161.4	150.8
Net Resources (Provided) Used	--	0.4	0.4	0.4

Totals may not add up due to rounding

Objective

To facilitate universal access to information and the ability to do business electronically throughout the federal government and its client community, through the planning and co-ordination of telecommunications and the provision of common IM/IT infrastructure and services.

Description

IM/IT-Common Services provides “access” services necessary for interconnecting other government departments to PWGSC's common and central applications, and places special emphasis on the IM/IT infrastructure and services necessary to implement electronic commerce as the preferred means of doing business.

IM/IT-Common Services provides “access” services necessary for interconnecting other government departments to PWGSC's common and central applications.

IM/IT-Common Services provides “derivative” services spun off from PWGSC's IM/IT “core” services when they can meet other departments' needs. In addition, it provides a centre of expertise to assess current and emerging IM/IT needs, to identify products and services available in the marketplace that can meet those needs, to act as the government's broker to match client demand with available solutions, and to manage certain common IM/IT services. IM/IT-Common Services seeks to accomplish this objective by partnering with federal departments, other levels of government and the private sector.

The IM/IT services offered include information and applications management, telecommunications and computing services.

External Factors Influencing the Business Line

The IM/IT Common Services business line is provided by the Government Telecommunications and Informatics Services (GTIS) Branch.

Originally, GTIS was expected to evolve to a Special Operating Agency. Since then, however, several external factors have prompted the department to reconsider this direction. Deregulation of the telecommunications industry – the first factor – changed the traditional role played by GTIS in “bulk” purchasing and resale of services. The increased private sector competition in informatics generally for limited government business required that GTIS position itself in a complementary, rather than competitive, relationship. Second, Program Review meant that the department had to focus its limited specialized resources on its critical “core” common services programs. The successful application of common infrastructure and services may be affected by government policies on alternative service delivery and increased optionality in sourcing.

IM/IT-Common Services has repositioned itself as an agent or “broker” for common IM/IT services.

As a result of these conditions, IM/IT-Common Services has repositioned itself as an agent or “broker” for common IM/IT services. Our role is to work with client departments and agencies to establish common demand and to find the appropriate goods and services in the competitive marketplace.

Key Plans and Strategies

As the IM/IT authority for PWGSC, GTIS is committed to making the department a “model user” of information technology. To that end, GTIS will supply IM/IT services that meet the demands of both the common service business lines, and of internal administration. Where funding is available and sufficient client demand exists, GTIS will take advantage of the benefits of proven departmental IM/IT products and services in providing government-wide common infrastructure and services.

GTIS will offer the following types of services:

- ◆ “access” services for connecting government departments to common and core central applications, with special emphasis on implementing electronic commerce;
- ◆ derivative” IM/IT services, which are spin-offs from IM/IT services that support PWGSC core functions, but which can also meet other departments' needs; and

- ◆ “brokerage and management” services, where client needs are aggregated to create demand leverage and sourced competitively to the commercial marketplace.

Expected Results

Over the planning period, IM/IT - Common Services will pursue results in three areas:

1. Effective and efficient management of common IM/IT services

Specifically, GTIS will manage the provision of common IM/IT services such as telecommunications and electronic message-handling service by:

- transforming its role from direct service delivery to value-added brokering and managing of infrastructure and common services on behalf of government;
- relying more on the private sector to deliver services, when appropriate and cost effective; and
- enabling universal access to government services.

Success will be measured by:

- the extent to which the unit cost of infrastructure services decreases through competitive procurement and consolidation of demand.

2. Rationalized services and resources

Specifically, the IM/IT - Common Services will focus on those areas in which GTIS can clearly add value, and withdraw from those areas better served by the private sector by:

- managing the development and delivery of common service solutions where clear sponsorship, funding arrangements and a proven business case exist;
- developing new ways of delivering services and introducing new technologies within the context of the Service Management Model by working with the private sector to reduce costs; and
- benchmarking current service delivery to determine benefits/options of Alternative Service Delivery.

Success will be measured by:

- improved response times through new service supply arrangements and alliances;
- the extent to which commercial customized products and services are used; and

GTIS will manage the provision of common IM/IT services such as telecommunications and electronic message-handling service

IM/IT - Common Services will focus GTIS services on those areas in which GTIS can clearly add value, and withdraw from those areas better served by the private sector.

- the development of new infrastructure services to meet emerging departmental needs.

3. Common electronic infrastructure implementation for access to information and electronic commerce

Specifically, the IM/IT - Common Services will establish common electronic infrastructure and related services for government. These will meet emerging government requirements and exploit new technologies, focusing on initiatives sponsored by clients and with clear sources of funding by:

IM/IT - Common Services will establish common electronic infrastructure and related services for government.

- developing and supporting common electronic commerce applications and initiatives;
- establishing and managing a single backbone network for government;
- supporting government's single-window services delivery initiatives, including PWGSC programs; and
- continuing to manage the Canada Internet site (<http://canada.gc>).

Success will be measured by:

- the provision of a comprehensive portfolio of infrastructure products and services, for example, government-wide directory services interconnected with departments and external organizations;
- expanded Internet services and electronic publishing;
- better, easier access to government services and information for the general public; and
- new products and services to support business transactions.

Consulting and Audit Canada

Planned Spending

(millions of dollars)	Forecast Spending 1997-98	Planned Spending 1998-99	Planned Spending 1999-00	Planned Spending 2000-01
<i>Consulting and Audit Canada Revolving Fund</i>				
Gross Expenditures	45.8	59.7	59.7	59.7
Less: Revenue	46.7	60.8	60.8	60.8
Net Resources (Provided) Used	(0.9)	(1.1)	(1.1)	(1.1)

Totals may not add up due to rounding

Objective

To make a leading contribution, through our staff and the services they provide, to the improvement of public sector management and operations in Canada and abroad; and

To balance the costs of operating Consulting and Audit Canada with the revenues received from charging clients for services.

Description

Consulting and Audit Canada (CAC) is a Special Operating Agency that provides, on an optional fee-for-service basis, consulting and audit services to federal departments and agencies. Services may also be made available to foreign governments and international organizations. Clients are assisted to better serve their publics through improvements to public sector management, operations and administration, while meeting the priorities and needs of government. Excellence is stressed in client service and the sharing of public sector expertise. Audit Services are provided on demand and include internal audit review and management services; cost audit; regulatory audit; and contribution audit. Consulting services, also available on demand, include review and assessment; organization and program management; project management; information management; shared systems support centre; economic and regulatory; environmental management; conflict management and organizational development services; financial and innovative services delivery; knowledge management consulting; and international services.

External Factors Influencing the Business Line

The demand for CAC's services will be affected as government departments reduce their staff, look for ways to

CAC is a Special Operating Agency that provides, on an optional fee-for-service basis, consulting and audit services to federal departments and agencies.

CAC will strive to be the preferred provider of consulting and audit services to the federal government.

reduce operating costs, search for alternative mechanisms for delivering services and eliminate unnecessary administration. CAC will continue to refine its capabilities and the services it provides in response to changes in federal government and public service requirements.

During this planning period, CAC will see a significant growth in its environmental consulting services as departments develop and implement their Sustainable Development Strategies. Currently, CAC supports more than one-half of all departmental activities in this area.

CAC is also witnessing a similar growth for its information management services, as departments plan and implement the necessary adjustments to deal with the Y2000 programming changes that will be required.

Treasury Board's focus on risk management, accountability and comptrollership will also create a demand for the development of appropriate policies, processes and training for government departments.

Lastly, our international consulting capability, which enjoys a strong reputation with the governments of developing countries, could see a significant rise in requests for its services if the federal government decides to actively market federal government expertise abroad.

Key Plans and Strategies

CAC will strive to be the preferred provider of consulting and audit services to the federal government. Its services and public-sector expertise will continue to be relevant and in demand in the near future, given the ongoing public-sector streamlining.

Maintaining financial stability is a continuing challenge for the business line. CAC will balance expenditures from the revolving fund with revenues from its consulting and audit assignments by continuously improving performance in all areas of client service.

CAC will build a more responsive and flexible organization through investing strategically in training and development and information technologies. CAC will continue to provide services to government that respect client security requirements and the sensitivities of the public service. CAC will continue to provide confidential advice to senior management and to support the government's small business strategy.

Expected Results

Over the planning period, CAC will pursue results in three areas:

1. More effective public sector management

CAC contributes to more effective public service management, particularly by offering clients affordable, client-oriented and innovative services. CAC also conducts research and development in public sector management and administration, creates tools and approaches to develop new products and services that help to transfer knowledge and expertise to clients and to the private sector through partnerships or contracts with small businesses.

CAC contributes to more effective public service management, particularly by offering clients affordable, client-oriented and innovative services.

Specifically, CAC will:

- be a leader in the evolution of public-sector management and operations, both through its client services, and as a centre of expertise;
- ensure the continued relevance of CAC services to federal government departments, agencies and corporations; and
- develop, transfer and share knowledge through CAC's consulting and audit assignments, publications and conferences.

Success will be measured by:

- a cost-effective evaluation system and relevant indicators for measuring performance for each key result.

2. Improved client service

CAC intends to continually improve all aspects of client service.

Specifically, CAC will:

- improve the process for gathering, assessing and reporting of client feedback on CAC's performance;
- reflect comptrollership as an important aspect in the delivery of services covering strategic areas of government;
- follow-up with clients on performance issues; and
- revise delivery and services, when necessary.

Success will be measured by:

- a cost-effective system and relevant indicators for measuring performance for each key indicator.

3. Financial self-sufficiency

CAC intends to become a model for other public-sector agencies in financial management.

Specifically, CAC will:

- build on the financial gains that CAC has made over the past two years, and to maintain a net operational surplus in future years, while ensuring its rates recover all costs;
- minimize overhead costs;
- optimize the use of technology; and
- establish a cost-recovery program for Optimum: the Journal of Public Sector Management.

Success will be measured by:

- a cost-effective evaluation system and relevant indicators for measuring performance for each key result.

Translation Bureau

Planned Spending

(millions of dollars)	Forecast Spending 1997-98	Planned Spending 1998-99	Planned Spending 1999-00	Planned Spending 2000-01
<i>Vote</i>				
Gross Expenditures	39.1	36.8	36.9	36.9
Less: Revenue Credited to the Vote	--	--	--	--
Net Expenditures	39.1	36.8	36.9	36.9
<i>Translation Bureau Revolving Fund</i>				
Gross Expenditures	107.5	109.0	104.2	100.3
Less: Revenue	91.1	99.8	97.9	96.9
Net Resources (Provided) Used	16.4	9.2	6.4	3.4
Total Translation Bureau	55.5	46.0	43.2	40.3

Totals may not add up due to rounding

Objective

To provide quality and cost-effective translation, interpretation and terminology products and services to Parliament, the judiciary, and federal departments and agencies; upon request, provide those products and services to other governments in Canada and to international organizations; and to balance the costs of operating the Bureau with income from appropriation and revenues received for products and services.

Description

The Translation Bureau was established as a Special Operating Agency in 1995. While the Bureau's translation services (official languages and over 100 other languages) to other federal government departments and agencies are optional and are provided on a cost-recovery basis, it continues to be appropriated as sole provider of translation and interpretation services to Parliament. The Bureau maintains the mandate to standardize the use of terminology in the federal public service.

External Factors Influencing the Business Line

The following factors affect the Bureau. The drive to find ways of delivering services more efficiently will pose challenges for the organization. Specifically, initiatives such as alternative service delivery, along with the practice of optionality, pose a challenge as departments test and use outside sources to meet their needs.

The Bureau's translation services (official languages and over 100 other languages) to other federal government departments and agencies are optional and are provided on a cost-recovery basis.

Another factor is the international translation market, which is growing rapidly. Foreign translation businesses are consolidating operations to become more competitive. Some have started penetrating the Canadian market. The Canadian translation industry will need to strengthen and to position itself with regard to the Canadian market while gaining its fair share of the international market. As a leader in the Canadian translation industry, the Translation Bureau will need to play a pivotal role in helping the industry meet these challenges.

Key Plans and Strategies

The Bureau is preparing to meet new challenges by adjusting its positioning, expanding its markets, and preparing to do business in a more flexible, service-oriented manner.

Of particular interest to the Bureau during the planning period are the following.

- ◆ **A national presence** – The Bureau has played a valuable role in the past in support of the promotion of Canadian linguistic duality and of official languages minorities through the provision of terminology and standardization services; it will continue to do so. It will also continue its cooperation with the *Office de la langue française du Québec* in the fields of terminology and standardization.

The pool of expertise in the Translation Bureau remains an important key for the federal government in upholding its commitments under the Official Languages Policy. Cooperation with the Commissioner of Official Languages and Treasury Board on standardization issues helps to affirm the Bureau's leadership in the field.

- ◆ **An international presence** – Active participation in international fora relating to *La Francophonie* has brought recognition to the Bureau. It plans to build on its international image and strengthen its relationship with the international community and with the international organizations to which it also provides translation services.
- ◆ **La Relève** – The Bureau developed and has started implementing an action plan for its employees at all levels. Progress will continue during 1998-99, with special emphasis on partnerships with the private sector.
- ◆ **Information technology** – The Bureau will continue to investigate the impact of new technology trends with a

Over the planning period, the Translation Bureau will pursue results in two areas: quality services and financial self-sufficiency.

view to improving its administrative and operational performance.

Expected Results

Over the planning period, the Translation Bureau will pursue results in two areas:

1. Quality services

Results will continue to be quality and cost-effective translation, interpretation, terminology and other linguistic products and services.

Specifically, the Bureau will:

- maintain services that meet the expanding and evolving needs of clients;
- focus on negotiating personalized service agreements, with particular emphasis on the needs and obligations of larger clients;
- continue to use communications technology to increase the Bureau's ability to respond to clients needs;
- continue to distribute TERMIUM, an on-line data base of English and French terminology, free of charge within the public service; and
- continue to explore and implement ways to increase efficiency through linking of terminology with translation operations.

Success will be measured by:

- revenue to expenditure ratio;
- attainment of financial objective;
- the level of client satisfaction; and
- the quality levels of services and products.

2. Financial self-sufficiency

Since becoming a Special Operating Agency in 1995, the Bureau has exceeded its financial objectives every year. It plans to maintain this momentum by focusing on increasing efficiency, streamlining the translation process and delivering quality translation services focused on client needs at least cost.

Specifically, the Bureau will:

- continue work on designing and implementing a more effective work-flow model for production and for service points;

- pursue negotiations with the translators' union to propose a pay-incentives system as a means of improving productivity;
- explore potential opportunities and export strategies for the Canadian translation industry;
- introduce effective management systems and tools for translators and interpreters to deliver services as efficiently as possible;
- build or search for systems to better manage work flow;
- upgrade technology and build replacements for systems such as the conference interpretation system; and
- expand electronic interconnectivity for client-located translation units.

Success will be measured by:

- the extent to which the gap between revenue and expenditures narrows;
- the attainment of financial objectives;
- client satisfaction; and
- quality of service and product.

Operational Support

Planned Spending

(millions of dollars)	Forecast Spending 1997-98	Planned Spending 1998-99	Planned Spending 1999-00	Planned Spending 2000-01
Service Line				
<i>Vote</i>				
Information Management / Information Technology - Departmental Operations				
Gross Expenditures	167.6	141.6	140.2	140.2
Less: Revenue Credited to the Vote	25.9	23.0	23.0	23.0
Net Expenditures	141.7	118.6	117.1	117.1
Corporate Management				
Gross Expenditures	163.3	134.2	134.8	136.3
Less: Revenue Credited to the Vote	57.3	48.9	48.8	48.8
Net Expenditures	106.0	85.3	85.9	87.5
Total Operational Support	247.7	203.9	203.1	204.6
Totals may not add up due to rounding				

Objective

To provide the departmental infrastructure necessary for the delivery of the Minister's and Deputy Minister's accountabilities and to PWGSC business lines, the information management, technology management, financial, administration, human resources and other services needed to support the achievement of their strategies and program objectives, in an effective and cost-efficient manner.

Description

Operational Support consists of two service lines: Information Management/Information Technology (IM/IT) - Departmental Operations and Corporate Management.

The IM/IT - Departmental Operations service line includes the provision of information management and information technology support to PWGSC operations and its business lines.

The Corporate Management service line includes support to the offices of the Minister and the Deputy Minister, the delivery of corporate services on a national basis related to finance, communications, audit and review, human resources, materiel management, security, contracts claims resolution, corporate policy and planning, corporate secretary function and legal services.

Key Plans and Strategies

The information management/information technology strategy consists of several interrelated components, tied together under the Department's Information Management Plan (IMP). PWGSC has established an Architecture Framework, which defines how the Department will shift to a common IM/IT architecture from its current architectural base.

Corporate Management works to provide effective and cost-efficient common administrative services to the Department.

Corporate Management works to provide effective and cost-effective common administrative services to the Department

Expected Results

Over the planning period, Operational Support will pursue results in two areas:

1. Information Management/Information Technology - Departmental Operations

IM/IT - Departmental Operations will position PWGSC as a "model user" of information technology in government. The service line will provide the information management/information technology support services to permit PWGSC to perform, on behalf of the federal government, essential administrative functions, such as those of the Receiver General for Canada, compensation services, real property services and procurement of goods and services. Of particular note is the operation of the Departmental Year 2000 Project Office, with responsibility for managing the conversion activities associated with departmental programs.

Specifically, Information Management/Information Technology Departmental Operations will:

- rationalize the PWGSC information management/information technology infrastructure in response to, and in support of, departmental business line requirements;
- support PWGSC business lines by facilitating business improvements through major IM/IT systems under development; and
- support and maintain departmental legacy and internal administrative systems, including Year 2000 compliance.

Success will be measured by:

- the extent to which costs per service and per user decline;
- client satisfaction with the quality of service, as measured by client surveys and specialized audits; and
- the extent to which Departmental Operations provides support in meeting business line objectives.

2. Corporate Management

Results in this area involve the quality and timeliness of the advice and support to the Minister and Deputy Minister on portfolio and departmental issues.

Specifically, the service line will:

- establish mechanisms to manage the implementation of performance management in PWGSC business lines;
- integrate principles of modern comptrollership into the management and culture of PWGSC;
- develop service standards and performance indicators for each human resource function;
- implement management and monitoring systems to measure the performance of the delivery of human resources services to clients; and
- monitor the implementation of the Department's La Relève initiative.

Success will be measured by:

- service quality through the assessment of client satisfaction and through specialized audits and reviews; and
- direct operational support for the achievement of business line objectives.

Crown Corporations Program

Planned Spending

(millions of dollars)	Forecast Spending 1997-98	Planned Spending 1998-99	Planned Spending 1999-00	Planned Spending 2000-01
Business Line				
<i>Notes</i>				
Old Port of Montreal Corporation Inc.	9.0	17.2	3.7	0.3
Queens Quay West Land Corporation	4.1	4.5	3.0	3.0
Total Crown Corporations	13.1	21.7	6.7	3.3

Totals may not add up due to rounding

Old Port of Montreal Corporation Inc.

Objective

To develop and maintain the development of the Old Port of Montreal lands by putting into place infrastructure, equipment and services.

Description

The payments issued provide funding to the Old Port of Montreal Corporation Inc. for developing and maintaining the Old Port of Montreal site.

Queens Quay West Land Corporation

Objective

To function as a realty management and disposal company for the Harbourfront precinct in Toronto.

Description

The payments issued provide funding to honour commitments made in transfer agreements with the City of Toronto, certain developers and other interested parties, and to provide an operating subsidy to Harbourfront Centre.

A source offering more information on PWGSC's Crown Corporations activity is the President of the Treasury Board's Annual Report for 1997 on Crown Corporations and Other Corporate Interests.

SECTION IV: SUPPLEMENTARY INFORMATION

A. Financial Summary Tables

TABLE 1: SPENDING AUTHORITIES - MINISTRY SUMMARY PART II OF THE ESTIMATES

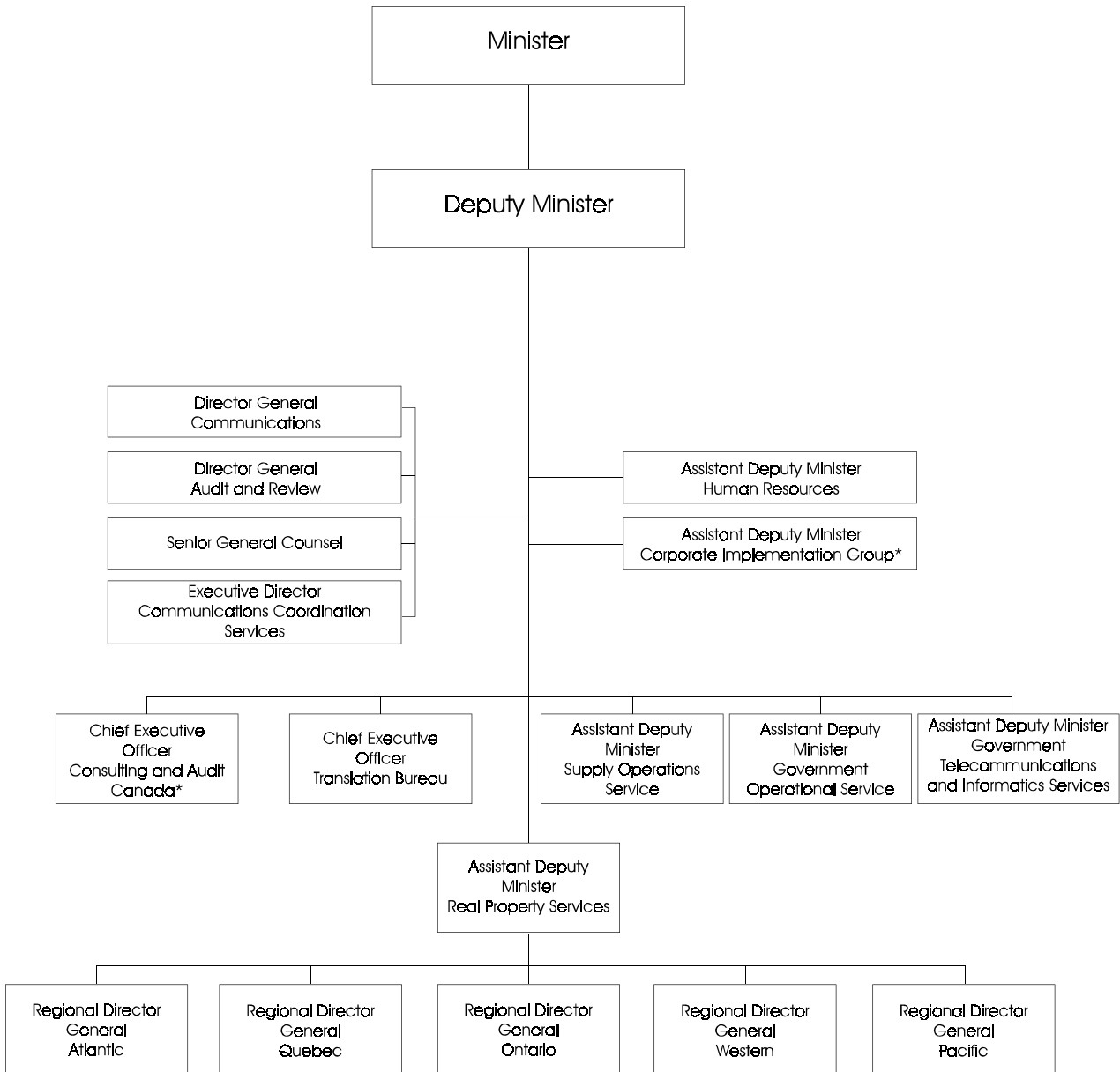
Vote (thousands of dollars)	1998-99 Main Estimates	1997-98 Main Estimates*
Department of Public Works and Government Services		
Government Services Program		
1 Operating expenditures	1,415,798	1,373,624
5 Capital expenditures	269,432	271,793
(S) Minister of Public Works and Government Services - Salary and motor car allowance	49	49
(S) Contributions to employee benefit plans	56,213	34,287
(S) Real Property Services Revolving Fund	2,061	(2,589)
(S) Real Property Disposition Revolving Fund	(20,873)	(19,599)
(S) Optional Services Revolving Fund	569	335
(S) Government Telecommunications and Informatics Services Revolving Fund	388	--
(S) Consulting and Audit Canada Revolving Fund	(1,100)	(900)
(S) Translation Bureau Revolving Fund	9,188	21,012
(S) Northumberland Strait Crossing Subsidy Payment	45,900	--
Appropriation not required		
-- Real Property Services Revolving Fund - Activities in support of Broader Government Objectives	--	2,589
Item not required		
-- Canada Communication Group Revolving Fund	--	20,933
<i>Total Program</i>	1,777,625	1,701,534
Crown Corporations Program		
10 Payments to Old Port of Montreal Corporation Inc.	13,600	3,000
15 Payments to Queens Quay West Land Corporation	4,500	4,100
<i>Total Program</i>	18,100	7,100
TOTAL DEPARTMENT	1,795,725	1,708,634

* Main Estimates for 1997-98 have been realigned to reflect the new Planning, Reporting and Accountability Structure.

Reconciliation of Main Estimates to Planned/Forecast Spending

(thousands of dollars)	1998-99	1997-98
Main Estimates	1,795,725	1,708,634
Government Services Program		
Acquisition of building	--	71,771
Subsidy (Statutory Payment)	--	37,803
Divestiture of assets	--	32,000
Carry forwards	--	31,970
Employee Departure Programs	--	21,200
Other approved items	3,980	25,225
<i>Total Program</i>	3,980	219,969
Crown Corporations Program		
Old Port of Montreal Inc.	3,600	6,000
TOTAL PLANNED/FORECAST SPENDING	1,803,305	1,934,603

TABLE 2: DEPARTMENTAL ORGANIZATION



* Positions occupied by the same incumbent

TABLE 3: RESPONSIBILITY FOR PLANNED SPENDING BY PROGRAM AND BUSINESS LINE FOR 1998-99

(millions of dollars)													
PROGRAM	BRANCH												Total
	Offices of the Minister and Deputy Minister	Real Property Services	Supply Operations Service	Government Operational Service	Government Telecom & Informatics Services	Consulting and Audit Canada	Translation Bureau	Human Resources	Audit and Review	Communications	Communications Coordination Services	Legal Services	
Business Line													
GOVERNMENT SERVICES													
Real Property Services	--	1,239.1	--	--	--	--	--	--	--	--	--	--	1,239.1
Supply Operations Service	--	--	98.7	--	--	--	--	--	--	--	51.4	--	150.1
Receiver General	--	--	--	101.1	--	--	--	--	--	--	--	--	101.1
Public Service Compensation	--	--	--	42.1	--	--	--	--	--	--	--	--	42.1
IM/IT - Common Services	--	--	--	--	0.4	--	--	--	--	--	--	--	0.4
Consulting and Audit Canada	--	--	--	--	--	(1.1)	--	--	--	--	--	--	(1.1)
Translation Bureau	--	--	--	--	--	--	46.0	--	--	--	--	--	46.0
Operational Support	5.5	22.8	0.2	28.6	114.7	2.1	--	12.5	7.0	5.4	3.9	1.2	203.9
Sub-total Government Services	5.5	1,261.9	98.9	171.8	115.1	1.0	46.0	12.5	7.0	5.4	55.3	1.2	1,781.6
CROWN CORPORATIONS													
Old Port of Montreal Corporation Inc.	--	--	--	--	--	17.2	--	--	--	--	--	--	17.2
Queens Quay West Land Corporation	--	--	--	--	--	4.5	--	--	--	--	--	--	4.5
Sub-total Crown Corporations	--	--	--	--	--	21.7	--	--	--	--	--	--	21.7
TOTAL DEPARTMENT	5.5	1,261.9	98.9	171.8	115.1	22.7	46.0	12.5	7.0	5.4	55.3	1.2	1,803.3

Section IV: Supplementary Information

TABLE 4: PLANNED FULL TIME EQUIVALENTS (FTEs) BY PROGRAM AND BUSINESS LINE

(FTEs)	Forecast	Planned	Planned	Planned
PROGRAM	1997-98	1998-99	1999-00	2000-01
Business Line				
GOVERNMENT SERVICES				
Real Property Services	3,915	3,497	3,497	3,497
Supply Operations Service	2,001	1,868	1,861	1,861
Receiver General	862	703	680	680
Public Service Compensation	801	765	763	763
IM/IT - Common Services	259	293	289	289
Consulting and Audit Canada	315	330	330	330
Translation Bureau	1,088	1,154	1,155	1,155
Operational Support	3,337	2,947	2,833	2,833
<i>Item not required:</i>				
Canada Communication Group	129	--	--	--
Total Program	12,707	11,557	11,408	11,408
CROWN CORPORATIONS				
Old Port of Montreal Corporation Inc.	--	--	--	--
Queens Quay West Land Corporation	--	--	--	--
Total Program	--	--	--	--
TOTAL DEPARTMENT	12,707	11,557	11,408	11,408

TABLE 5: DETAILS OF FTE REQUIREMENTS

(FTEs)	Forecast	Planned	Planned	Planned
	1997-98	1998-99	1999-00	2000-01
Salary Ranges (\$)				
< 30,000	2,983	2,658	2,638	2,638
30,000 - 40,000	3,216	2,952	2,928	2,928
40,000 - 50,000	2,838	2,528	2,519	2,519
50,000 - 60,000	1,998	1,940	1,871	1,871
60,000 - 70,000	1,048	933	921	921
70,000 - 80,000	500	445	434	434
> 80,000	124	101	97	97
Total	12,707	11,557	11,408	11,408

TABLE 6: CAPITAL SPENDING BY PROGRAM AND BUSINESS LINE

(millions of dollars)	Forecast	Planned	Planned	Planned
PROGRAM	Spending	Spending	Spending	Spending
Business Line	1997-98	1998-99	1999-00	2000-01
GOVERNMENT SERVICES				
Real Property Services	348.0	273.0	325.9	332.8
Total Program/Business Line	348.0	273.0	325.9	332.8

TABLE 7: MAJOR CAPITAL PROJECT EXPENDITURES BY PROGRAM AND BUSINESS LINE

Table 7 presents the planned spending of major capital projects with estimated total project costs in excess of \$1 million. These projects are displayed with information on the class of cost estimate - Substantive (S) or Indicative (I); stage of approval - Preliminary Project Approval (PPA) or Effective Project Approval (EPA); and the approval authority - Treasury Board (TB) or Delegated to the Department (DA).

(millions of dollars)						
PROGRAM Business Line	Current	Forecast	Planned Spending 1998-99	Planned Spending 1999-00	Planned Spending 2000-01	Future Year Spending Requirements
	Estimated Total Cost	Spending to March 31, 1998				
GOVERNMENT SERVICES						
Real Property Services						
NEW BRUNSWICK						
St. George - Government of Canada Building (GOCB) (I - PPA, DA)	2.2	0.2	1.9	--	--	--
Saint John - Customs Building - Renovation (S-EPA, DA)	6.3	4.6	1.8	--	--	--
Fredericton - 633 Queen Street - Renovation (S-EPA, DA)	6.9	4.1	2.7	--	--	--
NEWFOUNDLAND						
Saint John's - Customs Building - Renovation (S-EPA, DA)	17.1	16.8	0.3	--	--	--
QUEBEC						
St. Laurent - 3155 Côte de Liesse - Renovation (I-PPA, DA)	11.2	1.3	4.5	5.4	--	--
Montreal - 105 McGill / 400 Place d'Youville - Renovation (S-EPA, DA)	3.9	1.6	1.2	1.0	--	--
NATIONAL CAPITAL REGION (QUEBEC)						
Aylmer - Macoun Centre - Electrical & HVAC upgrade (I-PPA, DA)	2.0	0.4	1.6	--	--	--
Hull - Place du Portage Complex - Security system (I-PPA, DA)	3.5	0.1	0.5	0.9	2.0	--
Hull - Central Heating Plant (CHP) Printing Bureau - Electrical upgrade (S-EPA, DA)	4.8	2.5	2.3	--	--	--
NATIONAL CAPITAL REGION (ONTARIO)						
Ottawa - West Memorial - Renovation (I-PPA, DA)	47.7	2.2	3.2	13.8	16.5	12.1
Ottawa - Constitution Building - Renovation (I-PPA, DA)	7.5	1.4	4.7	1.5	--	--
Ottawa - CHP Heron Road - Systems Upgrade (I-PPA, DA)	3.7	1.3	1.8	0.6	--	--
Ottawa - Sir John Carling Building - Renovation, Addition (I-PPA, TB)	57.8	0.9	4.0	9.8	14.8	28.4
Ottawa - 440 Coventry Road - Renovation (I-PPA, DA)	1.6	0.1	1.5	--	--	--
Ottawa - St. Andrews Tower - Acquisition, Renovation (S-EPA, TB)	28.5	27.4	1.2	--	--	--
Ottawa - Standards Laboratory - Renovation (S-EPA, DA)	9.8	1.3	6.0	2.4	0.1	--
Ottawa - M. G. Pearkes Building - Fire alarm Upgrade (S-EPA, DA)	3.3	1.9	1.4	--	--	--
Ottawa - National Library/Public Archives Building - Wall Rehabilitation (S-EPA, DA)	10.0	2.1	4.8	3.1	--	--
Ottawa - Data Centre (Building No.16) - Renovation (S-EPA, DA)	10.4	1.0	5.2	4.3	--	--
Ottawa - M. G. Pearkes Building - Renovation (S-EPA, TB)	29.1	7.9	13.6	7.6	--	--
Ottawa - CBC Building - Acquisition, Renovation (S-EPA, TB)	11.6	2.4	6.4	2.8	0.1	--

Section IV: Supplementary Information

TABLE 7: MAJOR CAPITAL PROJECT EXPENDITURES BY PROGRAM AND BUSINESS LINE (CONT'D)

(millions of dollars)						
PROGRAM Business Line	Current	Forecast	Planned Spending 1998-99	Planned	Planned	Future Year
	Estimated	Spending to				
	Total Cost	March 31, 1998		1999-00	2000-01	Requirements
GOVERNMENT SERVICES						
Real Property Services						
PARLIAMENTARY PRECINCT						
Ottawa - Site Access Control - Renovation (I-PPA, DA)	3.6	1.2	2.4	--	--	--
Ottawa - New Temporary Parking Facilities - Construction (I-PPA, DA)	2.2	0.6	0.3	0.8	0.5	--
Ottawa - West Block - Furniture, Fixture and Equipment - Renovation, Acquisition (I-PPA, TB)	30.0	0.3	1.0	1.8	2.1	24.8
Ottawa - Centre Block - Underground Utilities Services (S-EPA, TB)	25.2	17.7	7.5	--	--	--
Ottawa - West Block - Renovation (S-EPA, TB)	88.2	6.8	2.1	16.7	33.4	29.2
Ottawa - Grounds Utilities - Reconstruction (S-EPA, DA)	7.1	3.9	1.7	1.5	--	--
Ottawa - Centre Block - Emergency Masonry Repair (S-EPA, DA)	6.6	5.6	1.1	--	--	--
Ottawa - East Memorial Building - Renovation (S-EPA, TB)	58.1	55.9	1.4	0.9	--	--
Ottawa - Justice Building - Renovation (S-EPA, TB)	18.4	2.1	15.7	0.6	--	--
Ottawa - East Block, 1910 Wing - Renovation (S-EPA, TB)	24.7	21.9	2.0	0.8	--	--
Ottawa - Bates Building - Renovation (I-PPA, DA)	1.8	0.7	1.2	--	--	--
ONTARIO						
Toronto - Dominion Public Building - Renovation (S-EPA, TB)	30.3	6.4	23.9	--	--	--
Sudbury - GOCB, 19 Lisgar - Renovation (S-EPA, DA)	8.6	3.4	5.2	--	--	--
MANITOBA						
Lockport - St. Andrews Locks and Dam - Reconstruction (S-EPA, TB)	19.5	16.6	3.0	--	--	--
BRITISH COLUMBIA						
Delta - Marine Base - Addition (S-EPA, DA)	2.5	0.2	2.3	--	--	--
Surrey - Taxation Data Centre - Addition (S-EPA, TB)	23.1	13.6	9.3	0.2	--	--
Northwest Highway - Reconstruction (S-EPA, TB)	472.1	377.6	13.5	13.5	13.5	54.0
Victoria - New GOCB - Addition, Renovation (S-EPA, DA)	11.0	10.3	0.7	--	--	--
Vancouver - Standards Building - Renovation (S-EPA, DA)	1.1	0.8	0.3	--	--	--
Summary						
Total Spending on Major Capital Projects listed above	1,113.2	626.7	165.0	90.2	82.9	148.4
Total Spending on Major Capital Projects to be approved not listed above			68.0			
Total Spending planned for Minor Capital Projects			40.0			
Total Program/Business Line			273.0			

TABLE 8: SUMMARY OF DEPARTMENTAL PLANNED SPENDING BY STANDARD OBJECT

(millions of dollars)	Forecast Spending 1997-98 ¹	Planned Spending 1998-99	Planned Spending 1999-00	Planned Spending 2000-01
Personnel				
Salaries and Wages	543.3	533.0	531.1	530.5
Contributions to Employee Benefit Plans	101.4	124.9	124.4	124.2
Other Personnel Costs	25.1	2.7	2.7	2.7
	669.8	660.6	658.2	657.5
Goods and Services				
Transportation and Communications	257.6	256.1	241.4	232.9
Information	22.3	17.6	17.2	17.2
Professional and Special Services	592.9	563.0	490.2	480.3
Rentals	1,155.8	1,087.9	1,035.5	1,023.0
Purchased Repair and Maintenance	402.3	371.1	352.5	347.9
Utilities, Materials and Supplies	326.2	306.9	289.8	286.3
Construction/Acquisition of Land, Buildings and Works	326.9	325.2	294.6	285.4
Construction/Acquisition of Machinery and Equipment	35.7	37.4	36.4	36.1
Other Subsidies and Payments	766.0	767.6	709.6	693.9
	3,885.8	3,732.8	3,467.2	3,402.9
Total Operating	4,555.6	4,393.4	4,125.4	4,060.4
Major Capital	348.0	273.0	325.9	332.8
Transfer Payments				
Voted	12.0	--	2.5	--
Statutory ²	459.2	467.3	421.4	421.4
	471.2	467.3	423.9	421.4
Gross budgetary expenditures	5,374.8	5,133.7	4,875.2	4,814.6
Less:				
Revenue Credited to the Votes	834.6	782.3	778.4	778.0
Revenue Credited to the Revolving Funds	2,605.6	2,548.0	2,369.2	2,311.6
	3,440.2	3,330.4	3,147.5	3,089.7
Net budgetary expenditures	1,934.6	1,803.3	1,727.7	1,724.9

Totals may not add up due to rounding

- Forecast spending for 1997-98 has been realigned to reflect the new Planning, Reporting and Accountability Structure.
- Funding for payments of Grants to Municipalities and Other Taxing Authorities has now been devolved to the applicable custodian departments. Payments of municipal grants under this statutory authority will be recovered by PWGSC from custodian departments and credited to the statutory payment.

TABLE 9: RESOURCES FOR 1998-99 BY PROGRAM AND BUSINESS LINE

PROGRAM Business Line Service Line	Budgetary									
	FTEs	Operating	Capital	Voted Grants and Contributions	Sub-total Gross Voted Expenditures	Statutory Grants and Contributions	Gross Planned Spending	Less: Revenue Credited to the Vote or Revolving Funds	Net Planned Spending	
GOVERNMENT SERVICES										
Real Property Services										
Federal Accommodation and Holdings Services	164	1,184.8	273.0	--	1,457.8	467.3	1,925.1	667.3	1,257.9	
Real Property Services Revolving Fund	3,333	2,063.2	--	--	2,063.2	--	2,063.2	2,061.1	2.1	
Real Property Disposition Revolving Fund	--	6.8	--	--	6.8	--	6.8	27.7	(20.9)	
Total Real Property Services	3,497	3,254.8	273.0	--	3,527.9	467.3	3,995.1	2,756.1	1,239.1	
Supply Operations Service										
Vote	1,568	165.8	--	--	165.8	--	165.8	16.3	149.5	
Optional Services Revolving Fund	300	129.2	--	--	129.2	--	129.2	128.6	0.6	
Total Supply Operations Service	1,868	295.0	--	--	295.0	--	295.0	144.9	150.1	
Receiver General										
	703	124.4	--	--	124.4	--	124.4	23.3	101.1	
Public Service Compensation										
	765	45.6	--	--	45.6	--	45.6	3.5	42.1	
IM/IT - Common Services										
Government Telecommunications and Informatics Services Revolving Fund	293	170.4	--	--	170.4	--	170.4	170.0	0.4	
Consulting and Audit Canada										
Consulting and Audit Canada Revolving Fund	330	59.7	--	--	59.7	--	59.7	60.8	(1.1)	
Translation Bureau										
Vote	--	36.8	--	--	36.8	--	36.8	--	36.8	
Translation Bureau Revolving Fund	1,154	109.0	--	--	109.0	--	109.0	99.8	9.2	
Total Translation Bureau	1,154	145.9	--	--	145.9	--	145.9	99.8	46.0	
Operational Support										
IM/IT - Departmental Operations	1,280	141.6	--	--	141.6	--	141.6	23.0	118.6	
Corporate Management	1,667	134.2	--	--	134.2	--	134.2	48.9	85.3	
Total Operational Support	2,947	275.8	--	--	275.8	--	275.8	71.9	203.9	
Total Program	11,557	4,371.6	273.0	--	4,644.7	467.3	5,112.0	3,330.4	1,781.6	
GROWN CORPORATIONS										
Old Port of Montreal Corporation Inc.	--	17.2	--	--	17.2	--	17.2	--	17.2	
Queens Quay West Land Corporation	--	4.5	--	--	4.5	--	4.5	--	4.5	
Total Program	--	21.7	--	--	21.7	--	21.7	--	21.7	
TOTAL DEPARTMENT	11,557	4,393.3	273.0	--	4,666.4	467.3	5,133.7	3,330.4	1,803.3	

Totals may not add up due to rounding

TABLE 10: DETAILS OF TRANSFER PAYMENTS BY PROGRAM AND BUSINESS LINE

(thousands of dollars)	Forecast Spending 1997-98	Planned Spending 1998-99	Planned Spending 1999-00	Planned Spending 2000-01
PROGRAM				
Business Line				
GOVERNMENT SERVICES				
Real Property Services				
Contributions				
Canadian Standards Association	12	12	12	12
Corporation of the City of Welland, Ontario	12,000	0	0	0
Government of Manitoba	0	0	2,500	0
	<u>12,012</u>	<u>12</u>	<u>2,512</u>	<u>12</u>
Other Transfer Payments				
Strait Crossing Finance Inc.	37,803	45,900	0	0
	<u>37,803</u>	<u>45,900</u>	<u>0</u>	<u>0</u>
Total Program/Business Line	49,815	45,912	2,512	12

Note: Funding for payments of Grants to Municipalities and other Taxing Authorities has now been devolved to the applicable custodian department. Payments of municipal grants under this statutory authority which amount to \$421,400,000 will be recovered by Public Works and Government Services from custodian departments and credited to the statutory payment.

Section IV: Supplementary Information

TABLE 11: DETAILS OF REVENUE CREDITED TO THE VOTES OR REVOLVING FUNDS BY PROGRAM AND BUSINESS LINE

(millions of dollars)				
PROGRAM	Forecast	Planned	Planned	Planned
Business Line	Revenue	Revenue	Revenue	Revenue
<i>Service Line</i>	1997-98	1998-99	1999-00	2000-01
GOVERNMENT SERVICES				
Real Property Services				
<i>Federal Accommodation and Holdings</i>				
Rentals and Concessions	285.2	245.9	242.7	242.7
Recoveries of Grants in lieu of taxes	421.4	421.4	421.4	421.4
	706.6	667.3	664.1	664.1
<i>Services</i>				
Real Property Services Revolving Fund				
Recoveries of disbursements on behalf of clients	1,788.5	1,755.2	1,605.4	1,559.8
Fee revenues from real property related common services	365.2	305.9	301.7	301.7
	2,153.7	2,061.1	1,907.1	1,861.5
Real Property Disposition Revolving Fund				
Sales of real properties	27.7	27.7	24.5	24.5
	2,181.4	2,088.8	1,931.6	1,886.0
Total Business Line	2,888.0	2,756.1	2,595.7	2,550.1
Supply Operations Service				
<i>Vote</i>				
Major Crown Projects	9.9	7.9	7.2	7.2
Acquisitions	4.4	4.0	4.0	4.0
Others	3.8	4.4	4.4	4.4
	18.1	16.3	15.6	15.6
Optional Services Revolving Fund				
Traffic	32.3	43.8	33.3	33.3
Software Brokerage/Benchmarking	2.7	2.7	2.7	2.7
Locally Shared Support Services	--	7.5	7.5	7.5
Exposition Services	7.2	10.9	10.9	10.9
Audio-Visual Services	15.4	23.7	23.7	23.7
Publishing and Depository Services	17.7	18.7	18.1	17.8
Contracting and Others	17.9	4.7	4.7	4.7
Crown Assets Distribution	9.6	9.6	9.6	9.6
Others	7.0	7.0	7.0	7.0
	109.8	128.6	117.5	117.2
Total Business Line	127.9	144.9	133.1	132.8
Receiver General				
Payment Services	17.1	23.3	23.3	23.0
Public Service Compensation				
Compensation Services	7.7	2.1	2.1	2.1
Personnel Application	1.4	1.4	1.4	1.4
Total Business Line	9.1	3.5	3.5	3.5
IM/IT - Common Services				
Telecommunications Revenue	170.8	163.8	155.2	144.6
Informatics and Others	5.9	6.2	6.2	6.2
Total Business Line	176.7	170.0	161.4	150.8
Consulting and Audit Canada				
Consulting and Audit Services	46.7	60.8	60.8	60.8
Translation Bureau				
Revolving Fund				
Translation Services	88.9	82.1	80.2	79.2
Interpretation Services	1.7	11.6	11.6	11.6
Terminology Services	0.5	6.1	6.1	6.1
Total Business Line	91.1	99.8	97.9	96.9

TABLE 11: DETAILS OF REVENUE CREDITED TO THE VOTES OR REVOLVING FUNDS BY PROGRAM AND BUSINESS LINE (CONT'D)

(millions of dollars)				
PROGRAM	Forecast Revenue	Planned Revenue	Planned Revenue	Planned Revenue
Business Line	1997-98	1998-99	1999-00	2000-01
<i>Service Line</i>				
GOVERNMENT SERVICES				
Operational Support				
<i>IM/IT - Departmental Operations</i>				
IM/IT Services	25.9	23.0	23.0	23.0
<i>Corporate Management</i>				
Ministerial regional offices	1.9	1.7	1.7	1.7
Internal Recoveries and Others	55.4	47.2	47.1	47.1
	57.3	48.9	48.8	48.8
Total Business Line	83.2	71.9	71.8	71.8
<i>Item not required:</i>				
Canada Communication Group				
Printing and Publishing Services	0.4	--	--	--
TOTAL PROGRAM	3,440.2	3,330.4	3,147.6	3,089.7
Totals may not add up due to rounding				

TABLE 12: DETAILS OF REVENUE CREDITED TO THE CONSOLIDATED REVENUE FUND BY PROGRAM

(millions of dollars)				
PROGRAM	Forecast Revenue	Planned Revenue	Planned Revenue	Planned Revenue
	1997-98	1998-99	1999-00	2000-01
GOVERNMENT SERVICES				
Rentals and Concessions	0.1	0.1	0.1	0.1
Dry Docks	4.1	4.5	4.5	4.5
Interest on Loans	0.1	0.1	0.1	0.1
Goods and Services Tax	10.1	10.1	10.1	10.1
Return on Investments				
- Royal Canadian Mint				
Interests	2.6	0.0	0.0	0.0
- Canada Post Corporation				
Interests	7.8	7.8	0.0	0.0
Miscellaneous Non-tax Revenues	8.6	15.8	15.8	15.8
Total Program	33.4	38.3	30.6	30.6
CROWN CORPORATIONS				
Rentals and Concessions	0.1	0.1	0.1	0.1
Parking Fees	0.2	0.2	0.2	0.2
Total Program	0.3	0.3	0.3	0.3
TOTAL DEPARTMENT	33.6	38.6	30.8	30.8
Totals may not add up due to rounding				

Section IV: Supplementary Information

TABLE 13: NET COST OF PROGRAMS FOR 1998-99

(millions of dollars)	Government Services	Crown Corporations	Total
Gross Planned Spending	5,112.0	21.7	5,133.7
Plus:			
Services Received without Charge			
Contributions covering employee's share of insurance premiums and costs paid by Treasury Board Secretariat	17.6	--	17.6
Workman's compensation coverage provided by Human Resources Canada	4.3	--	4.3
Salary and associated costs of legal services provided by Justice Canada	1.7	--	1.7
	<u>23.6</u>	<u>--</u>	<u>23.6</u>
Total Cost of Programs	5,135.6	21.7	5,157.3
Less:			
Revenue Credited to the Votes/Revolving Funds	3,330.4	--	3,330.4
Revenue Credited to the Consolidated Revenue Fund	38.3	0.3	38.6
	<u>3,368.7</u>	<u>0.3</u>	<u>3,369.0</u>
1998-99 Net Cost of Programs	1,766.9	21.4	1,788.3
1997-98 Net Cost of Programs	1,907.1	12.8	1,919.9
Totals may not add up due to rounding			

TABLE 14: REAL PROPERTY SERVICES REVOLVING FUND**Statement of Operations**

(millions of dollars)	Forecast 1997-98	Planned 1998-99	Planned 1999-00	Planned 2000-01
Revenue	365.2	305.7	302.5	302.5
Expenses				
Operating:				
Salaries and employee benefits	224.6	211.6	208.5	208.5
Amortization	6.2	5.9	5.9	5.9
Other Operating Costs	145.1	91.9	91.8	91.8
Total Expenses	375.9	309.5	306.1	306.1
Surplus (Deficit)	(10.7)	(3.7)	(3.6)	(3.6)

This table refers to the Fund's operating profit and loss, not to cash requirements for the fiscal year. The operating profit or loss that the Fund will realize is calculated through accrual accounting. Therefore, some cash expenditures in the estimates do not affect the operating balance, and other items that must be considered when calculating the profit or loss do not require a direct cash outlay. The two can be reconciled as follows:

Statement of Changes in Financial Position and Projected Use of Revolving Fund Authorities

(millions of dollars)	Forecast 1997-98	Planned 1998-99	Planned 1999-00	Planned 2000-01
Operating Activities:				
(Surplus) Deficit	10.7	3.7	3.6	3.6
Less items not requiring use of funds:				
Amortization	6.3	5.9	5.9	5.9
Provision for compensation	0.5	1.1	1.1	1.1
Provision for employee termination benefits	2.1	1.5	1.5	1.5
Sub-total	1.8	(4.8)	(4.9)	(4.9)
Working capital change	(2.4)	(2.4)	(2.4)	(2.4)
Payments on and change in provision for employee termination benefits	5.0	5.0	5.0	5.0
Net financial resources (provided by) used in operating activities	4.4	(2.2)	(2.3)	(2.3)
Investing Activities:				
Capital assets:				
Net acquisitions	4.6	4.3	4.2	4.2
Net financial resources (provided by) used in investing activities	4.6	4.3	4.2	4.2
Financial Activities:				
Recoveries from annual appropriation	(2.6)	--	0.0	--
Net financial resources (provided by) used in financing activities	(2.6)	0.0	0.0	0.0
Authority (provided) used during the year	6.3	2.1	2.0	2.0
Net authority (provided) used at the start of year	75.5	81.8	83.9	85.9
Net authority (provided) used at the end of year	81.8	83.9	85.9	87.9
Authority Limit	450.0	450.0	450.0	450.0
Unused authority carried forward	368.2	366.1	364.1	362.1

Totals may not add up due to rounding

Note: Recoverable Disbursements on behalf of clients are not included in Revenue and Expenses

TABLE 15: REAL PROPERTY DISPOSITION REVOLVING FUND

Statement of Operations

(millions of dollars)	Forecast 1997-98	Planned 1998-99	Planned 1999-00	Planned 2000-01
Revenue	27.7	27.7	24.5	24.5
Expenses	8.1	6.8	6.7	6.7
Surplus (Deficit)	19.6	20.9	17.8	17.8

This table refers to the Fund's operating profit and loss, not to cash requirements for the fiscal year. The operating profit or loss that the Fund will realize is calculated through accrual accounting. Therefore, some cash expenditures in the estimates do not affect the operating balance, and other items that must be considered when calculating the profit or loss do not require a direct cash outlay. The two can be reconciled as follows:

Statement of Changes in Financial Position and Projected Use of Revolving Fund Authorities

(millions of dollars)	Forecast 1997-98	Planned 1998-99	Planned 1999-00	Planned 2000-01
Operating Activities:				
(Surplus) Deficit	(19.6)	(20.9)	(17.8)	(17.8)
Less items not requiring use of funds:				
Amortization	--	--	--	--
Working capital change	0.0	--	--	--
Authority (provided) used during the year	(19.6)	(20.9)	(17.8)	(17.8)
Net authority (provided) used at the start of year	(3.2)	(3.2)	(3.2)	(3.2)
Payment to the Consolidated Revenue Fund	19.6	20.9	17.8	17.8
Net authority (provided) used at the end of year	(3.2)	(3.2)	(3.2)	(3.2)
Authority Limit	5.0	5.0	5.0	5.0
Unused authority carried forward	8.2	8.2	8.2	8.2
Totals may not add up due to rounding				

TABLE 16: OPTIONAL SERVICES REVOLVING FUND**Statement of Operations**

(millions of dollars)	Forecast 1997-98	Planned 1998-99	Planned 1999-00	Planned 2000-01
Revenue	109.8	128.6	117.5	117.2
Expenses				
Operating:				
Salaries and employee benefits	15.0	14.5	14.5	14.5
Product Cost	83.5	91.5	80.4	80.1
Amortization	0.7	0.7	0.7	0.7
Other Operating Costs	10.4	22.0	22.0	22.1
Interest	1.0	1.0	1.0	1.0
Total Expenses	110.4	129.7	118.5	118.2
Surplus (Deficit)	(0.7)	(1.0)	(1.0)	(1.0)

This table refers to the Fund's operating profit and loss, not to cash requirements for the fiscal year. The operating profit or loss that the Fund will realize is calculated through accrual accounting. Therefore, some cash expenditures in the estimates do not affect the operating balance, and other items that must be considered when calculating the profit or loss do not require a direct cash outlay. The two can be reconciled as follows:

Statement of Changes in Financial Position and Projected Use of Revolving Fund Authorities

(millions of dollars)	Forecast 1997-98	Planned 1998-99	Planned 1999-00	Planned 2000-01
Operating Activities:				
(Surplus) Deficit	0.7	1.0	1.0	1.0
Less items not requiring use of funds:				
Amortization	0.7	0.7	0.7	0.7
Provision for employee termination benefits	0.2	0.2	0.2	0.2
Sub-total	(0.2)	0.1	0.1	0.1
Working capital change	0.0	0.0	0.0	0.0
Net financial resources (provided by) used in operating activities	(0.2)	0.1	0.1	0.1
Investing Activities:				
Capital assets:				
Net acquisitions	0.6	0.4	0.4	0.4
Net financial resources (provided by) used in investing activities	0.6	0.4	0.4	0.4
Authority (provided) used during the year	0.3	0.6	0.6	0.6
Net authority (provided) used at the start of year	42.7	10.9	11.5	12.1
Authority to write off Stocked Item Supply Accumulated Deficit	(32.1)	0.0	0.0	0.0
Net authority (provided) used at the end of year	10.9	11.5	12.1	12.6
Authority Limit	200.0	200.0	200.0	200.0
Unused authority carried forward	189.1	188.5	187.9	187.4

Totals may not add up due to rounding

TABLE 17: GOVERNMENT TELECOMMUNICATIONS AND INFORMATICS SERVICES REVOLVING FUND

Statement of Operations

(millions of dollars)	Forecast 1997-98	Planned 1998-99	Planned 1999-00	Planned 2000-01
Revenue	176.7	170.0	161.4	150.8
Expenses				
Operating:				
Salaries and employee benefits	17.1	16.8	16.9	17.0
Product Cost	145.0	140.1	131.3	118.1
Amortization	1.1	1.4	1.4	1.4
Other Operating Costs	13.0	11.9	12.0	14.5
Interest	0.5	0.2	0.2	0.2
Total Expenses	176.7	170.4	161.8	151.2
Surplus (Deficit)	--	(0.4)	(0.4)	(0.4)

This table refers to the Fund's operating profit and loss, not to cash requirements for the fiscal year. The operating profit or loss that the Fund will realize is calculated through accrual accounting. Therefore, some cash expenditures in the estimates do not affect the operating balance, and other items that must be considered when calculating the profit or loss do not require a direct cash outlay. The two can be reconciled as follows:

Statement of Changes in Financial Position and Projected Use of Revolving Fund Authorities

(millions of dollars)	Forecast 1997-98	Planned 1998-99	Planned 1999-00	Planned 2000-01
Operating Activities:				
(Surplus) Deficit	0.0	0.4	0.4	0.4
Less items not requiring use of funds:				
Amortization	2.1	2.4	2.4	2.4
Provision for compensation	1.5	0.0	--	--
Sub-total	(3.6)	(2.0)	(2.0)	(2.0)
Working capital change	0.0	0.0	0.0	0.0
Payments on and change in provision for employee termination benefits	1.5	0.0	0.0	0.0
Net financial resources (provided by) used in operating activities	(2.1)	(2.0)	(2.0)	(2.0)
Investing Activities:				
Capital assets:				
Net acquisitions	2.1	2.4	2.4	2.4
Net financial resources (provided by) used in investing activities	2.1	2.4	2.4	2.4
Authority (provided) used during the year	0.0	0.4	0.4	0.4
Net authority (provided) used at the start of year	(11.2)	(11.2)	(10.8)	(10.4)
Net authority (provided) used at the end of year	(11.2)	(10.8)	(10.4)	(10.0)
Authority Limit	64.0	64.0	64.0	64.0
Unused authority carried forward	75.2	74.8	74.4	74.0

Totals may not add up due to rounding

TABLE 18: CONSULTING AND AUDIT CANADA REVOLVING FUND**Statement of Operations**

(millions of dollars)	Forecast 1997-98	Planned 1998-99	Planned 1999-00	Planned 2000-01
Revenue	46.7	60.8	60.8	60.8
Expenses				
Operating:				
Salaries and employee benefits	21.2	23.3	23.3	23.3
Product Cost	18.1	30.0	30.0	30.0
Amortization	1.0	1.0	1.0	1.0
Other Operating Costs	5.2	5.2	5.2	5.2
Interest	1.1	1.1	1.1	1.1
Total Expenses	46.6	60.6	60.6	60.6
Surplus (Deficit)	0.1	0.2	0.2	0.2

This table refers to the Fund's operating profit and loss, not to cash requirements for the fiscal year. The operating profit or loss that the Fund will realize is calculated through accrual accounting. Therefore, some cash expenditures in the estimates do not affect the operating balance, and other items that must be considered when calculating the profit or loss do not require a direct cash outlay. The two can be reconciled as follows:

Statement of Changes in Financial Position and Projected Use of Revolving Fund Authorities

(millions of dollars)	Forecast 1997-98	Planned 1998-99	Planned 1999-00	Planned 2000-01
Operating Activities:				
(Surplus) Deficit	(0.1)	(0.2)	(0.2)	(0.2)
Less items not requiring use of funds:				
Amortization	1.0	1.0	1.0	1.0
Provision for employee termination benefits	0.3	0.3	0.3	0.3
Sub-total	(1.4)	(1.5)	(1.5)	(1.5)
Working capital change	0.1	(0.1)	(0.1)	(0.1)
Net financial resources (provided by) used in operating activities	(1.3)	(1.6)	(1.6)	(1.6)
Investing Activities:				
Capital assets:				
Net acquisitions	0.4	0.5	0.5	0.5
Net financial resources (provided by) used in investing activities	0.4	0.5	0.5	0.5
Authority (provided) used during the year	(0.9)	(1.1)	(1.1)	(1.1)
Net authority (provided) used at the start of year	23.8	22.9	21.8	20.7
Net authority (provided) used at the end of year	22.9	21.8	20.7	19.6
Authority Limit	30.0	30.0	30.0	30.0
Unused authority carried forward	7.1	8.2	9.3	10.4
Totals may not add up due to rounding				

TABLE 19: TRANSLATION BUREAU REVOLVING FUND

Statement of Operations

(millions of dollars)	Forecast 1997-98	Planned 1998-99	Planned 1999-00	Planned 2000-01
Revenue	91.1	99.8	97.9	96.9
Expenses				
Operating:				
Salaries and employee benefits	62.0	71.4	71.5	70.9
Amortization	2.1	1.4	1.2	1.0
Other Operating Costs	33.2	37.4	31.6	28.2
Interest	1.4	0.1	0.1	0.1
Total Expenses	98.7	110.2	104.3	100.2
Surplus (Deficit)	(7.6)	(10.4)	(6.5)	(3.4)

This table refers to the Fund's operating profit and loss, not to cash requirements for the fiscal year. The operating profit or loss that the Fund will realize is calculated through accrual accounting. Therefore, some cash expenditures in the estimates do not affect the operating balance, and other items that must be considered when calculating the profit or loss do not require a direct cash outlay. The two can be reconciled as follows:

Statement of Changes in Financial Position and Projected Use of Revolving Fund Authorities

(millions of dollars)	Forecast 1997-98	Planned 1998-99	Planned 1999-00	Planned 2000-01
Operating Activities:				
(Surplus) Deficit	7.6	10.4	6.5	3.4
Less items not requiring use of funds:				
Amortization	2.1	1.4	1.2	1.0
Provision for employee termination benefits	1.0	1.1	1.1	1.1
Sub-total	4.6	7.9	4.2	1.3
Working capital change	3.7	(0.9)	(0.1)	(0.1)
Payments on and change in allowance for compensation	4.2	--	--	--
Payments on and change in provision for employee termination benefits	2.8	1.0	1.0	1.0
Net financial resources (provided by) used in operating activities	15.2	8.0	5.1	2.2
Investing Activities:				
Capital assets:				
Net acquisitions	1.2	1.2	1.2	1.2
Net financial resources (provided by) used in investing activities	1.2	1.2	1.2	1.2
Authority (provided) used during the year	16.4	9.2	6.4	3.4
Net authority (provided) used at the start of year	2.8	11.6	11.8	13.1
Authority to delete operating losses	(7.6)	(9.0)	(5.1)	(2.0)
Net authority (provided) used at the end of year	11.6	11.8	13.1	14.5
Authority Limit	75.0	75.0	75.0	75.0
Unused authority carried forward	63.4	63.2	61.9	60.6

Totals may not add up due to rounding

TABLE 20: CANADA COMMUNICATION GROUP REVOLVING FUND**Statement of Operations**

(millions of dollars)	Forecast 1997-98	Planned 1998-99	Planned 1999-00	Planned 2000-01
Revenue	0.4	0.0	0.0	0.0
Expenses	3.5	0.0	0.0	0.0
Surplus (Deficit)	(3.1)	0.0	0.0	0.0

This table refers to the Fund's operating profit and loss, not to cash requirements for the fiscal year. The operating profit or loss that the Fund will realize is calculated through accrual accounting. Therefore, some cash expenditures in the estimates do not affect the operating balance, and other items that must be considered when calculating the profit or loss do not require a direct cash outlay. The two can be reconciled as follows:

Statement of Changes in Financial Position and Projected Use of Revolving Fund Authorities

(millions of dollars)	Forecast 1997-98	Planned 1998-99	Planned 1999-00	Planned 2000-01
Operating Activities:				
(Surplus) Deficit	3.1	0.0	0.0	0.0
Less items not requiring use of funds:				
Amortization	0.0	0.0	0.0	0.0
Sub-total	3.1	0.0	0.0	0.0
Changes in assets and liabilities	5.9	0.0	0.0	0.0
Net financial resources (provided by) used in operating activities	9.1	0.0	0.0	0.0
Investing Activities:				
Capital assets:				
Net acquisitions	(0.5)	0.0	0.0	0.0
Net financial resources (provided by) used in investing activities	(0.5)	0.0	0.0	0.0
Authority (provided) used during the year	8.6	0.0	0.0	0.0
Net authority (provided) used at the start of year	39.5	0.0	0.0	0.0
Transfer of Residual Liabilities to PWGSC	4.7	0.0	0.0	0.0
Recovery of Severance Pay from Treasury Board Vote 5	(6.2)	0.0	0.0	0.0
Net Assets/Liabilities transferred to Optional Services Revolving Fund	0.3	0.0	0.0	0.0
Authorized write-off to Accumulated Net Charge against the Fund authority				
- Contributed Capital	12.6	0.0	0.0	0.0
- Cumulative Deficit	(59.5)	0.0	0.0	0.0
Net authority (provided) used at the end of year	0.0	0.0	0.0	0.0
Authority Limit	100.0	0.0	0.0	0.0
Unused authority carried forward	100.0	0.0	0.0	0.0

Totals may not add up due to rounding

Note: The Canada Communication Group Revolving Fund has been discontinued, effective December 31, 1997.

TABLE 21: DEFENCE PRODUCTION REVOLVING FUND

Note: Parliament authorized a total drawdown of \$100 million for the Defence Production Revolving Fund. No activity is forecast for this Fund over the entire planning period.

TABLE 22: LOANS, INVESTMENTS AND ADVANCES BY PROGRAM

(millions of dollars) PROGRAM	Forecast 1997-98	Planned 1998-99	Planned 1999-00	Planned 2000-01
GOVERNMENT SERVICES				
Royal Canadian Mint	22.0	--	--	--
Canada Post Corporation	80.0	--	--	--
Seized Property Working Capital Account	1.0	1.0	1.0	1.0
Total Program	103.0	1.0	1.0	1.0
CROWN CORPORATIONS				
Queens Quay West Land Corporation	45.8	45.8	45.8	45.8
Total Program	45.8	45.8	45.8	45.8
TOTAL DEPARTMENT	148.8	46.8	46.8	46.8

Totals may not add up due to rounding

B. Statutes and Regulations Administered by the Department

The Minister of Public Works and Government Services has the responsibility for the following Acts and Regulations

Bridges Act - R.S. 1985 c. B-8 (SI/93-138)

Canadian Arsenals Limited Divestiture Authorization Act - S.C. 1986, c. 20

- ◆ Regulations:
 - Canadian Arsenals Limited Pension Protection Regulations, SOR/87-196

Defence Production Act - R.S. 1985 c. D-1

- ◆ Regulations:
 - Technical Data Control Regulations, SOR/86-345

Dry Docks Subsidies Act - R.S. 1985, c. D-4 (SI/93-138)

- ◆ Regulations:
 - Canadian Vickers Dry Dock Regulations, SOR/77-347

Expropriation Act - R.S. 1985, c. E-21 (SI/93-138)

- ◆ Regulations:
 - Expropriation Act Basic Rate Order, C.R.C., c. 640

Federal District Commission to have acquired certain lands, An Act to confirm the authority of the - S.C. 1979, c. 7 (SI/93-138)

Garnishment, Attachment and Pension Diversion Act - R.S. 1985, c. G-2

(Certain provisions of Part II)

Government Property Traffic Act - R.S. 1985, c. G-6 (SI/93-138)

- ◆ Regulations:
 - Government Property Traffic Regulations, C.R.C., c. 887

Kingsmere Park Act - R.S.C. 1952, c. 161 (SI/93-138)

Municipal Grants Act - R.S. 1985, c. M-13 (SI/93-138)

- ◆ Regulations:
 - Crown Corporation Grants Regulations, SOR/81-1030

- Interim Payments and Recovery of Overpayments Regulations, SOR/81-226
- Municipal Grants Regulations, 1980, SOR/81-29

Northumberland Strait Crossing Act - S.C. 1993, c. 43 (SI/93-138)

Ottawa River, an Act respecting certain works - S.C. 1870, c. 24 (SI/93-138)

Public Works and Government Services Act, Department of - S.C. 1996, c. 16

- ◆ Regulations:
 - Esquimalt Graving Dock Regulations, 1989, SOR/89-332
 - Lauzon Dry Docks Regulations, 1989, SOR/89-330
 - Public Works Nuisances Regulations, C.R.C., c. 1365
 - Selkirk Marine Railway Dry Dock Regulations, 1989, SOR/89-331
 - St. Andrew's Lock Regulations, SOR/91-444

Seized Property Management Act - S.C. 1993, c. 37

- ◆ Regulations:
 - Forfeited Property Sharing Regulations, SOR/95-76
 - Seized Property Disposition Regulations, SOR/94-303

Statutes Act, Publication of - R.S. c. S-21

- ◆ Regulations:
 - Publication of Statutes Regulations, C.R.C., c. 1367
 - Statutes of Canada Distribution Direction, SI/83-207
 - Statutes of Canada Distribution Direction, No. 2 SI/89-140

Surplus Crown Assets Act - R.S. 1985, c. S-27

Translation Bureau Act - R.S. 1985, c. T-16 (SI/93-113)

- ◆ Regulations:
 - Translation Bureau Regulations C.R.C., c. 1561

C. Proposed Regulations (Future)

- ◆ No major regulation changes are expected at this time.

D. Contact for Further Information

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