
Nova Scotia Department of Finance

Business Plan
2006-2007



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Message from the Minister

I am pleased to present the 2006-2007 business plan for the Department of Finance.

The Department of Finance plays a key role in implementing the Government of Nova Scotia's commitment to sound financial management.

Finance oversees the province's fiscal plan, which provides resources to address the needs of Nova Scotians today and make strategic investments for tomorrow. Good work done in this department has helped produce budget surpluses in each of the last number of years.

The Finance department also plays a leadership role in financial management across government. This year, we will continue to improve control and risk management systems in the department, and continue the implementation of the new audit framework for government and enhance financial reporting methods.

On the revenue side, we will continue to press for an equitable and adequate share of federal-provincial funding for Nova Scotia. Maintaining this priority is critical to the province and the recent successes in the form of offshore revenues and health and social transfer agreements demonstrate the benefits of perseverance.

The department will continue to place an enhanced focus on career development and wellness for staff, who represent our most fundamental resource. The department is committed to supporting the development of staff. Through the initial work completed on succession management the department has been able to identify developmental priorities; the area of policy development is one example. As well, the department remains interested and focussed on the overall health and wellness of staff and is committed to continuing and expanding initiatives in this regard.

I am pleased to see the department move forward with these initiatives. I know they will help us continue to make a significant difference in the lives of Nova Scotians.

The Honourable Michael G. Baker, Q.C.
Minister of Finance

Vicki Harnish
Deputy Minister of Finance

Mission Statement

Establish a fiscal climate conducive to economic growth and provide central agency support and policy direction for effective management of the province's finances.

Planning Context

The department plays a key role in assisting government to meet its objectives of a sustainable fiscal plan and uninterrupted balanced budgets for the province. The current challenge is not just to manage the funding requests for health and social programs and/or infrastructure enhancements or responding to those who advocate tax reductions. The challenge also involves ensuring surpluses, beginning in 2007-08, that will be sufficient to begin reducing the net direct debt of the province. Managing the fiscal plan so that we can enjoy a sound financial position today means future generations will not bear an undue burden.

The province is committed to following Canadian generally accepted accounting principles (GAAP) for the public sector. This is a challenging process that requires ongoing monitoring of standard setting which includes assessing proposed standards or revisions, commenting on those proposals, and the eventual implementation of new standards or revisions. Ultimately, this commitment results in more open and transparent accounting and reporting. In the coming year, we will continue a review of our financial reporting. This review will include consulting various stakeholder groups with an eye toward improving the usefulness and understandability of our financial reporting while maintaining or enhancing the province's compliance with GAAP.

A significant area of focus for the department in the coming year will be to ensure a smooth transition from the current governance and administrative structure of Investments & Pensions Services division to the Special Operating Agency (SOA). The department will provide ongoing support services to the SOA while contracting the administration and investment functions for the Public Service Superannuation Plan (PSSA), Sydney Steel Corporation Superannuation Plan and Members' Retiring Allowance Plan to the SOA. Developing an agreement to provide administrative and investment services to the jointly governed Teachers' Pension Plan (TPP), will be an important element of this transition. The TPP will be under joint-trusteeship of the Nova Scotia Teachers' Union and the Minister of Finance while all other plans will continue to have the Minister of Finance as the sole trustee.

A continuing priority of the department in the coming year is to further incorporate risk management best practices for liability and investment management into regular operations. This must be done while providing ongoing oversight of these functions. In the coming year, we will continue to focus on reviewing and documenting internal controls and will ensure investment processes are considered in the business continuity plan.

Many of the challenges the department faces require interdepartmental and intergovernmental collaboration and participation. Staying focussed on ensuring effective interactions/ collaborations with our federal and provincial counterparts has demonstrated important payoffs in the form of offshore revenues and transfer payment agreements. The department is committed to advancing the Province's priorities with regard to the fiscal imbalance. These priorities include advancing the position to strengthen the existing Equalization program, restoring the 10-province standard, basing Equalization on a Representative Tax System that is a true reflection of how provinces raise their revenue, incorporating comprehensive revenue coverage that includes both resource revenue and user fees, and not limiting Equalization with artificial ceilings restricting the federal government's ability to fulfill its constitutional commitment.

Along the way, we must keep stakeholders, which include the general public and investment community, informed with timely and reliable information about financial issues affecting Nova Scotia. Internal communication will be enhanced and we will continue to revise and improve our website to provide up-to-date information about the department's activities and the province's finances.

The department is comprised of experienced professionals in the fields of financial analysis and accountability, federal/provincial/territorial fiscal agreements, investments and cash management, financial information systems and products, economic analysis and statistics, and taxation and policy. Yet, given the number of retirements that are scheduled to take place in coming years, staffing/recruitment has become one of the biggest challenges all departments face. The department is committed to ensure its staff receives ongoing training and development while also recruiting highly skilled and motivated people, in order to meet current needs and to address the needs of the future. The department has taken a series of meaningful steps to respond to the needs expressed by staff and management through surveys and focus group research. Development of a plan and related initiatives in support of a healthy workplace, improvements to safety and security, better internal communication and various initiatives to improve the quality of work are areas the department will continue focussing on. We will also continue our Human Resource strategies to build on the results of the initial phase of the succession management initiative. This work has identified experience and/ or knowledge gaps within the department which will be addressed by considering new approaches to retaining staff including training, and cross training as well as new approaches to recruiting staff from outside the department.

Core Business Areas

The department's core business areas directly support the priorities of government. Many activities within the core business areas reinforce these linkages; for example, economic development is enhanced with a healthy fiscal plan and through effective taxation policies. Similarly, the development of financial accountability documents supports government's commitment to accountability and transparency.

Financial Management

This core business centres around ensuring financial accountability in the management and control of the province's finances, which includes:

- ▶ financial accountability and governance
- ▶ revenue and expenditure monitoring and reporting (shared with Treasury & Policy Board)
- ▶ centralized payment support for departmental operations
- ▶ employee and pension payroll administration

Treasury Management

This involves the processes, policies and procedures that ensure effective money management, maximising return on investments and minimising debt servicing costs within risk tolerances acceptable to government. Specific business activities include:

- ▶ managing the debt portfolio and sinking funds
- ▶ treasury function and investor relations

Fiscal Planning and Policy

This core business involves two primary functions which both contribute to responsible fiscal planning and budgeting. The fiscal and economic policy functions include:

- ▶ equitable, efficient and effective taxation to promote economic growth
- ▶ providing timely economic and revenue forecasts essential to government planning and budgeting
- ▶ policy analysis and advice related to the Minister's role as trustee of several government pension plans and joint sponsor of the Teachers' Pension Plan
- ▶ providing strong representation and negotiation of Nova Scotia's interests on a wide variety of federal-provincial, regional and inter-departmental committees and task groups reviewing such issues as federal-provincial fiscal and taxation arrangements

The policy and planning functions include:

- ▶ corporate responsibility for developing and maintaining the provincial fiscal and debt reduction plan
- ▶ developing and delivering a balanced provincial budget
- ▶ preparing monthly provincial budget forecast reports

These policy and planning responsibilities are shared with Treasury Policy Board. In addition, the function supports coordinated information flows into and out of the department and intra and interdepartmental collaboration.

Central Agency Services

The Department of Finance provides a core set of services that support the management of the province's programs and public resources, in addition to supporting the core business functions of the department. These services are:

- ▶ providing ongoing support for the SAP systems within provincial departments and agencies, school boards, regional housing authorities and six municipalities;
- ▶ providing a continuum of services - from descriptive statistics, to in-depth impact, cost-benefit and economic policy analyses - that will better inform policy development, program planning and decision-making;
- ▶ developing and maintaining a statistical infrastructure comprised of a wide range of census, taxation and administrative data sets that will support evidence-based decision-making and program planning. This supports the Nova Scotia Community Development Policy and other government-wide initiatives.
- ▶ performing and facilitating value-added audit and consulting services for client departments and agencies regarding effectiveness of control structures and cost-effective usage of public funds. This function is undergoing change to provide a more directed and comprehensive, corporate approach.
- ▶ providing professional accounting advice to all entities within the government reporting entity, working closely with the Office of the Auditor General to ensure financial reporting requirements are met, commenting on new standards being proposed by PSAB, and conducting presentations on financial reporting matters to ensure the government's financial community is aware of changes in accounting and/ or reporting requirements.

The department also hosts the Corporate Services Unit (CSU) that supplies financial services to the Departments of Finance, Tourism, Culture and Heritage, the Office of Economic Development (OED), the Office of Acadian Affairs, and the Office of African Nova Scotian Affairs. Human Resources are provided through the Transportation and Public Works CSU and Information Technology resources are hosted by the CSU at the Department of Natural Resources. Communications staff are assigned to the department by Communications Nova Scotia, and legal expertise is provided through the Department of Justice.

Strategic Goals

1. Develop fiscal and economic strategies to help government realise its fiscal, social and economic development objectives.
2. Produce understandable and informative reporting on financial results while applying Public Sector Accounting Board (PSAB) recommendations.
3. Articulate the province's position and strategy to ensure an equitable and adequate share of resources relative to federal/provincial funding arrangements.
4. Enhance risk management strategies.
5. Enhance the department's workforce strategies (development of our people), focussing on staffing levels, training, job satisfaction, employee health and safety, and succession management.

Priorities for 2006-2007

Following is a list of strategic priorities for fiscal year 2006-2007 grouped under the relevant Strategic Goal.

Strategic Goal No. 1: *Develop fiscal and economic strategies to help government realise its fiscal, social and economic development objectives.*

1. Lead the development of a fiscal plan that includes a balanced budget for 2006-2007 and adequate surplus funds to fulfill the requirements of the provincial debt retirement plan, and, in partnership with Treasury and Policy Board (TPB), monitor, report and advise on the ongoing implementation of the fiscal plan.
2. Stabilize the environment surrounding Project e-Merge, the human resource and payroll modules of the SAP enterprise resource planning system within government departments and agencies in order to effectively generate, monitor, and report payroll for all government employees and pensioners. In collaboration with the Office of Economic Development and the Department of Education continue with the development and implementation of the SAP human resource/ payroll system for the Regional School Boards (Project JEM) and in collaboration with the Office of Economic Development and the Department of Health, to begin the implementation of the financial and human resource management information systems in District Health Authorities (DHAs).
3. To ensure a smooth transition from the current governance and administrative structure of Investments & Pensions Services division to the Special Operating Agency (SOA). It will be necessary to formalize the nature of the on-going relationship between the Department of Finance and the SOA through the entering of service level agreements (SLA). The governance responsibilities, and underlying administrative roles, must be clearly understood by both parties, while the Department continues to exercise its responsibilities related to trusteeship of the Public Service Superannuation Plan, Sysco and Members' plans and its co-sponsor role with the Teachers' Pension Plan.
4. Improve the climate, capacity and support for evidence based decision making. This is to be accomplished through the continuing development and maintenance of a statistical infrastructure comprised of a wide range of census, taxation and administrative data sets that will support decision-making and program planning.
5. Review the performance of the business and personal income tax structure to assess its long-term competitiveness, efficiency, sustainability and fairness.
6. Review the governance structure and continue to foster relationships with those agencies, boards and commissions which report to the Minister of Finance to assess the existing

accountability mechanisms in place. Accurate, timely and complete information is required by the Minister so the department is able to consider all of its responsibilities, goals, priorities and pressures.

Strategic Goal No. 2 *Produce understandable and informative reporting on financial results while applying PSAB recommendations.*

7. Conduct a financial document review, including the public accounts, with the objective being to improve the usefulness of the documents produced by the Department while maintaining compliance with Generally Accepted Accounting Principles (GAAP) for the public sector.
8. Continue the consolidation of existing accounts receivable systems throughout government into one corporate Accounts Receivable (AR) by moving all or most of the AR accounts into SAP-AR. A corporate system will provide for improved data management, reporting and analysis functions, and the enhancement of internal controls, including relevant policies and procedures.

Strategic Goal No. 3: *Articulate the province's position and strategy to ensure an equitable and adequate share of resources relative to federal/provincial funding arrangements.*

9. Collaborating with IGA and other relevant partners, develop a comprehensive, corporate strategy and negotiating position in response to the federal governments' commitment to attain a broad, long-term agreement from the provinces to permanently address the fiscal imbalance issue. This process will also include detailed and rigorous analysis of the recommendations of the federal Expert Panel on Equalization, the Council of the Federations' Advisory Panel on Fiscal Imbalance and the proposals put forth by the Federal government itself.
10. Articulate and advance the Province's position with respect to the Equalization program and the 2005 Offshore Agreement. This will include thorough analysis of federal proposals stemming from their commitment to remove non-renewable resources from the Equalization formula.
11. Work with the Council of the Federation to continue to press for adequate levels of federal funding for post-secondary education and social services through improvements to the Canada Social Transfer.

Strategic Goal #4: *Enhance risk management strategies.*

12. Continue to develop the Middle Office function of providing ongoing oversight of investment and liability management functions while further incorporating risk management best practices.
13. Further incorporate risk management into the business practices of the Department. This will include assisting the Emergency Management Office with the corporate business continuity plan (BCP) through ensuring a proper BCP for the Department functions. This will also involve beginning the implementation of a records management system designed to maximize departmental records' usefulness, integrity and ability to support the delivery of programs and services.
14. Continue with migration of financial transaction and payment production from the Department of Community Services to the Department of Finance, resulting in improved internal controls over the payment cycle.
15. Ensure that management steering committees for all future enterprise resource planning (ERP) implementations will receive resources to complete an independent assessment of the risk management strategies proposed and used by project implementation teams.
16. Implement additional risk-based frameworks that support good governance and accountability. Risk-based frameworks are to be used to identify opportunities and efficiencies; achieve goals and objectives; as well as improve outcomes. This includes developing an annual and three-year rolling risk-based Internal Audit Plan.

Strategic Goal #5: *Enhance the department's workforce strategies (development of people) focussing on staffing levels, training, job satisfaction, employee health and safety, and succession management.*

17. Continue with a series of Human Resource strategies to enhance employee career planning and development, support a department-wide approach to succession management and encourage diversity, thus enabling a productive workforce.
18. Develop a plan and related initiatives supporting a healthy workplace culture which will include employee recognition, occupational health and safety, employee wellness and support in managing change.

Human Resource Strategy

The department of Finance has a diversified workforce. Current staffing levels consist of approximately 211 occupied positions, the total approved complement is approximately 253 (approved for fiscal year 2005-2006). The department's workforce consists of management, confidential excluded and NSGEU employees. The following illustrates the demographic breakdown of current occupied positions:

Employee Type	Male	Female	Age	Male	Female	Total
Contract	2	2	Under 30	6	5	11
Management	30	33	30-34	7	10	17
Professional	27	25	35-39	10	12	22
Technical	4	15	40-49	29	61	90
Clerical	4	54	50-59	18	46	64
Treasury	2	1	60+	6	1	7
Other	7	5				
Total	76	135	Total	76	135	211

The department is committed to the government human resource strategy and has made significant progress in certain areas.

A departmental talent (succession) management plan was started in 2005-2006 and its development will continue through 2006-2007 and beyond. The department has assessed all positions and reviewed the skills and experience within the department to assess the ability to continue the core functions in the event of retirements or other sources of staff turnover. By identifying the skills and experience which currently are present, management has been able to identify priorities for development and/ or future recruitment. The department is working toward a transparent and objective methodology to ensure the development and training needs of employees are met.

The department is also developing a formal orientation program for new employees which includes a new 'Employee Handbook' and new administrative policies to promote fairness and consistency in application of practises not specifically prescribed in Manual 500.

As part of the healthy workplace initiative the department is committed to expanding the support available within to help manage change. Acknowledging that change is common in our environment, the goal is to create a culture that is more comfortable working in times of change. Building on this, it is also a priority to ensure the culture is one that realizes the importance of recognizing and rewarding employees, both formally and informally. The intention is to work on

this area. It is very important that our people realize their contributions and sacrifices are appreciated and valued by the organization.

Other priorities of the department involve working with the corporate Healthy Workplace Initiative, promoting the health promotion calendar, launching an intranet site to enhance the availability of information, and soliciting staff for ideas as to how to improve workplace health.

Budget Context

Budget Context Chart 2006-2007			
		Estimated Budget Expenditures	
	2005-2006 Estimate*	2005-2006 Forecast	2006-2007 Estimate
	Per 2005-2006 Estimates	Per 2006-2007 Estimates	Per 2006-2007 Estimates
	\$ Thousands	\$ Thousands	\$ Thousands
Total Program Expenses - Gross Current	34,759.0	40,332.0	24,643.0
Net Program Expenses - Net of Recoveries	16,858.0	15,930.0	18,517.0
Tangible Capital Assets (TCA)	4,700.0	5,272.0	9,445.0
Salaries and Benefits - Gross	15,575.0	14,689.0	14,320.0
Funded Staff (FTEs) Gross	252.6	221.5	226.0
Funded Staff (FTEs) Net	161.6	150.0	173.0

* Included in 2005-2006 Estimates are balances relating to the Pension and Investment Branch. This branch has been transferred to a Special Operating Agency effective 2006-2007, therefore the 2006-2007 Estimates do not include balances for this branch. The Pension and Investment Branch represented Total Program Expenses - Gross Current of \$12,994.0, Net Program Expenses - Net of Recoveries of \$30.0, Tangible Capital Assets impact of nil, Salaries and Benefits - Gross of \$2,460.0, Funded Staff (FTEs) Gross of 41.6, and Funded Staff (FTEs) Net of 0.1.

Performance Measures

The Department of Finance's outcomes and performance measures are consistent with last year's Business Plan. We have added one measure that addresses the production of understandable and informative financial reporting, one measure that addresses risk management and two which address career/succession planning. In addition, the department has reviewed and revised relevant targets, as required by Treasury and Policy Board's Guidelines for Business Planning, 2006-2007. Also, strategic actions have been revised to assist in the achievement of new targets.

The Department of Finance has removed three performance measures which were included in the 2005-2006 business plan. Two of the measures removed were "proportion of DHA's with financial systems in place to monitor third party spending" and "proportion of MASH sector with systems in place to enhance service delivery (modules include: HR, Procurement, Business Warehouse, Tax-&-Utilities)". Both of these measures were associated with enhanced financial accountability however upon further consideration these measures were not considered meaningful in this context. The third measure that was removed was "net debt service costs as percentage of net debt outstanding" however this measure was replaced with "credit spread relative to Ontario". The desired outcome is efficient and prudent management of the Province's financial assets and liabilities. What has been found with the initial measure is that Nova Scotia's calculated percentage cannot be compared to other provinces and another meaningful target could not be identified. Nova Scotia's credit spread relative to Ontario's relates to the desired outcome and can be independently verified, making it a more meaningful measure.

Strategic Goal 1: Develop fiscal and economic strategies to help government realise its fiscal, social and economic development objectives.				
OUTCOME	MEASURE	DATA	TARGET	STRATEGIC ACTIONS to achieve target
Effective management of the province's financial operating resources	surplus/deficit budget	- 2004-05: surplus of \$165.3 million - 2003-04: surplus of \$38.1 million (<i>as restated</i>)	meet legislated requirements for balanced budget (and Debt Management)	- Work closely with TPB re: expenditure control and continue to update and improve fiscal models to improve in-house revenue forecasting.
More informed program delivery and policy development	Number of downloads from Economics and Statistics Division web sites	2005: 255,000 2004: 346,000 2003: 256,000 2002: 167,000	upward trend	Enhance internet and intranet sites. Provide effective, timely and analytical support for projects and policy initiatives to support provincial strategies ((e.g., energy and economic growth).
Effective management of the assets of provincial pension plans	funded status of the Public Service Superannuation (PSS) and Teachers' Pension Plan (TPP) funds	<u>PSS:</u> 85.2% (Dec. 31/04) 85.8% (Dec. 31/03) 82.1% (Dec. 31/02) <u>TPP:</u> 81.7% (Dec. 31/04) 81.0% (Dec. 31/03) 76.8% (Dec. 31/02)	<u>PSS:</u> 12/31/05- 87% 12/31/06- 88% 12/31/07- 89% <u>TPP:</u> 12/31/05- 93% 12/31/06- 94% 12/31/07- 95%	- Continue to manage pension funds to maximize rate of return within an acceptable level of risk - Generate a 4.25% real rate of return annually

Strategic Goal 1: Develop fiscal and economic strategies to help government realise its fiscal, social and economic development objectives.				
OUTCOME	MEASURE	DATA	TARGET	STRATEGIC ACTIONS to achieve target
Efficient and prudent management of the province's financial assets and liabilities	credit spread relative to Ontario	2005-06: 0.0 bps 2004-05: 4.6 bps 2003-04: 7.6 bps 2002-03: 14.4 bps 2001-02: 20.1 bps	nil (indicative of rates equal to Ontario)	- adherence to balanced budget legislation, debt reduction plan, and continue positive relations with investment community - all in the context of managing the portfolio within an acceptable level of risk.
	percentage of foreign debt in debt portfolio	Mar. 31, 2006: 13.0% Mar. 31, 2005: 16.2% Mar. 31, 2004: 16.9% Mar. 31, 2003: 18.1% Mar. 31, 2002: 28.9%	20% or less	- Continue to re-finance maturing debt in net Canadian dollar exposure.
	credit ratings of major rating agencies (DBRS, S&P and Moody's)	January, 2006: - DBRS: A(low), positive outlook (Aug '04, stable outlook) - S&P: A with positive outlook - Moody's: A2 with positive outlook	improved or sustained credit rating	- Make strong presentations to rating agencies on a regular basis that highlights our financial position.

Strategic Goal 2: Produce understandable and informative reporting on financial results while applying Public Sector Accounting Board (PSAB) recommendations.				
OUTCOME	MEASURE	DATA	TARGET	STRATEGIC ACTIONS to achieve target
Open and transparent financial reporting	<ul style="list-style-type: none"> - timeliness of Public Accounts documentation - unqualified audit report 	consolidated financial statements released: <ul style="list-style-type: none"> - September 28, 2005 - September 30, 2004 	release date: on or before Sept 30 th	<ul style="list-style-type: none"> - Continue improving procedures to expedite production of Public Accounts and forecasts. - Further develop financial statement discussion and analysis to enhance the understandability and usefulness of the Public Accounts and the audited financial statements contained in the Public Accounts. - Execute communications strategy to effectively communicate/educate stakeholders about GAAP and PSAB, particularly when new accounting policies are adopted.
Clear and understandable financial reports	<ul style="list-style-type: none"> - Completion of financial document review 	<ul style="list-style-type: none"> - Recommendations & other input received from stakeholder groups and research 	December 2006	<ul style="list-style-type: none"> - Reach agreement on financial documents subject to review - Determine stakeholder groups to consult and establish focus groups - Distribute material to focus groups for advance review - Conduct focus groups with relevant departmental representation - Conduct research into the practices of other jurisdictions

Strategic Goal 3: Articulate the province's position and strategy to ensure an equitable and adequate share of resources relative to federal/provincial funding arrangements.																																		
OUTCOME	MEASURE	DATA	TARGET	STRATEGIC ACTIONS to achieve target																														
Prudent and sustainable fiscal plan	provincial government debt as a percentage of GDP (<i>restated ratios as of December 2005</i>)	2004-05: 41.0% 2003-04: 42.6% 2002-03: 45.1% 2001-02: 46.6%	continue downward trend	- Work closely with TPB on expenditure control.																														
Positive climate for investment/economic growth	overall personal income, corporate income and capital tax rates	<p>- marginal personal income tax rates at December 31:*</p> <table border="1"> <thead> <tr> <th></th> <th>2005</th> <th>2004</th> </tr> </thead> <tbody> <tr> <td>L:</td> <td>8.79%</td> <td>8.79%</td> </tr> <tr> <td>M:</td> <td>14.95%</td> <td>14.95%</td> </tr> <tr> <td>H:</td> <td>16.67%</td> <td>16.67%</td> </tr> <tr> <td>H+:</td> <td>17.50%</td> <td>17.50%</td> </tr> <tr> <td>Surtax:</td> <td>10.00%</td> <td>10.00%</td> </tr> </tbody> </table> <p>- corporate tax rates at December 31:</p> <table border="1"> <thead> <tr> <th></th> <th>2005</th> <th>2004</th> </tr> </thead> <tbody> <tr> <td>gen:</td> <td>16%</td> <td>16%</td> </tr> <tr> <td>sm. bus:</td> <td>5%</td> <td>5%</td> </tr> <tr> <td>capital tax (large corp)</td> <td>0.275%</td> <td>0.30%</td> </tr> </tbody> </table> <p>* L=Low, M=Middle, H=High</p>		2005	2004	L:	8.79%	8.79%	M:	14.95%	14.95%	H:	16.67%	16.67%	H+:	17.50%	17.50%	Surtax:	10.00%	10.00%		2005	2004	gen:	16%	16%	sm. bus:	5%	5%	capital tax (large corp)	0.275%	0.30%		<p>- Review tax initiatives for financial implications to the province and continue to explore alternatives to the current tax structure.</p> <p>- Continue to monitor the overall tax burden.</p>
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Strategic Goal 4: Enhance risk management strategies.				
OUTCOME	MEASURE	DATA	TARGET	STRATEGIC ACTIONS to achieve target
Enhanced risk management program	year 2 (06-07): independent assessment regarding the implementation status of Deloitte audit recommendations	completed follow-up audit focussing on initial recommendations of the Deloitte report	March 31, 2007	<ul style="list-style-type: none"> - Advisory committee reviews progress (with regard to implementation of policies and procedures) and determines if sufficient progress has been achieved to proceed to an independent evaluation - scope of engagement to be determined and communicated to Internal Audit & Risk Management Centre (IARM) - IARM to determine if assignment is to be completed internally (to IARM) or if it should be outsourced
Enhanced risk management	Completion business continuity plan	Documentation of critical functions and requirements to ensure business continuity through catastrophic event	December '06	<ul style="list-style-type: none"> - Project Charter to be approved - Project team to be organized - Objectives to be established and communicated throughout department - Divisions to assess requirements to continue business contemplating a catastrophic event - Department must identify critical functions for consideration at corporate level

Strategic Goal 5: Enhance the department's workforce strategies (development of our people), focussing on staffing levels, training, job satisfaction, employee health and safety and succession management.				
OUTCOME	MEASURE	DATA	TARGET	STRATEGIC ACTIONS to achieve target
strategic management	proportion of staff participating in career development/succession management training programs	staff participation in training/ development courses	2006-2007 to be base year	<ul style="list-style-type: none"> - Introduce a series of Human Resource strategies to enhance employee career planning and development support a department-wide approach to succession management. - Follow-up on key findings of recent PSC employee survey by addressing the key areas of concern expressed by Finance employees (e.g., health and wellness, job security and communications). - Increase staff's awareness of training resources and encourage staff to explore course offerings
strategic management	proportion of staff receiving performance appraisals	staff receiving performance appraisals Bargaining Unit: 2004-2005 40% Non-Bargaining Unit 2004-2005 91%	95% for all staff	<ul style="list-style-type: none"> - Continue to communicate the benefits of performance appraisals - Encourage the use of the performance appraisal process as a means to better understand the skills and ambitions of staff
Reduced vacancy level	2005-2006 vacancy rate of 17%	number of vacancies as percentage of approved positions	lower vacancy rate	<ul style="list-style-type: none"> - coordinate efforts with HR CSU and PSC to post positions - where necessary support in reclassifying positions from PSC - efforts focussing on healthy workplace should assist in employee retention (therefore reducing turnover/ vacancy)