

# **Treasury Board of Canada Secretariat**

2005–06 Estimates

A Report on Plans and Priorities

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President of the Treasury Board and  
Minister responsible for the Canadian Wheat Board

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## President's Message



Federal institutions make up the largest and most complex organization in Canada and include Parliament, the Supreme Court, federal departments and agencies, Crown corporations, and the federal Public Service as a whole.

Together, these institutions support the way we govern ourselves as a federation, administer our laws and justice system, develop and deliver our national social programs and services, regulate the economy and promote fair trade, and represent and protect the interests and values of Canadians.

Getting federal governance right has a direct impact on Canada and the social, political, and economic well-being of Canadians.

Canadians expect their federal government to pursue policies and programs that take into account public priorities. They expect it to operate in an open, transparent, and accountable manner. They want to know that federal programs and services are well managed. Above all, they want assurances that they are receiving good value for money for their tax dollars.

Federal institutions, however, are facing some significant pressures to reform and modernize. Social and demographic changes are increasing our diversity as a nation, the competition for skilled labour, and pressures on the distribution of resources across our social programs as society ages. Rapid and ongoing technological change is creating new opportunities to streamline government operations, reduce overlap and duplication, and integrate the delivery of some programs and services. Calls for democratic reform are fuelling demands to better engage Canadians in government, and broaden parliamentary and stakeholder engagement in the development of public policy. In addition, public sector employees are demanding more from their leaders than in the past, in the areas of learning, professional development, work life-family balance, and career opportunities.

The Treasury Board of Canada, its Secretariat, and the organizations within its portfolio, have a unique mandate to deliver good government to Canadians. It is the Treasury Board of Canada Secretariat's job to address these challenges as the general manager of the federal government. This includes setting performance expectations for public sector management, overseeing the expenditure management system of government, supporting the allocation of public funds in accordance with changing public priorities, assuring integrity and value for money with respect to public investments, and overseeing the preparation of the Government of Canada's financial statements.

While there is more to do, the federal government has made significant progress in its efforts to strengthen public sector management. It has:

- ▶ launched a major effort to modernize the culture of the federal public sector and move from a focus on activities to a focus on performance and results;
- ▶ laid the foundation for modernizing human resources management across the public sector through the development and passage of the *Public Service Modernization Act*;
- ▶ introduced the Management Accountability Framework to enhance accountabilities across the system;
- ▶ undertaken additional reviews of accountability, including the roles and responsibilities of ministers and senior public service employees, and governance of Crown corporations;
- ▶ re-established the Office of the Comptroller General to lead and strengthen financial management and internal audit across the Public Service, including overseeing government spending and establishing more rigorous certification standards for financial management and internal audit professionals; and
- ▶ laid a foundation for the transformation of government operations and service delivery through Government On-Line, which has made the Canadian government one of the most connected public administrations in the world.

Through these efforts, the government has put in place the building blocks needed to strengthen public sector management across the federal public sector as a whole. The government is committed to making the operations of federal institutions more open and accountable, based on clearer performance expectations and measurable standards. It is committed to capitalizing on new information and communications technologies to better integrate the delivery of shared programs and services. It is committed to modernizing human resources management in order to better reward performance and excellence.

To move forward on this agenda, the government must take a comprehensive and integrated approach. It is not effective, for example, to set measurable performance standards without putting in place the training and learning programs for public service employees who are required to meet those standards.

It is for this reason that the Treasury Board, its Secretariat, and the broader Treasury Board portfolio will pursue an integrated management agenda for the Public Service in the year ahead, focussed on the following four priority areas:

- ▶ enhance accountability;
- ▶ strengthen financial management;
- ▶ improve service delivery and internal efficiencies; and
- ▶ ensure effective human resources management.

Co-ordinated efforts in all of these areas will serve to strengthen trust, accountability, and the value for money that Canadians expect from their federal institutions.

Reg Alcock

President of the Treasury Board and  
Minister responsible for the Canadian Wheat Board





## 1. Overview

This *Report on Plans and Priorities* is the Treasury Board of Canada Secretariat's key planning and priority-setting document for the fiscal year 2005–06. The report provides an overview of the role of the Treasury Board and its Secretariat, outlines the issues and challenges that the Treasury Board and the Secretariat are facing in their efforts to strengthen public sector management, and establishes priorities for the government's management agenda.

The report is divided into four sections. This section provides an introduction to the Treasury Board and outlines its core business and current operating environment. Section 2 outlines the Secretariat's plans and priorities, and the resources and milestones associated with those priorities. Section 3 presents the Secretariat's current program activity architecture by outcome and outlines how the Secretariat organizes its program activities and resources to deliver results. Section 4 provides supplementary information, including financial tables for departmental planned spending.

### 1.1 The Treasury Board

The Treasury Board is a Cabinet committee of the Queen's Privy Council for Canada. It was established in 1867 and given statutory powers in 1869.

As the general manager of the Public Service, the Treasury Board functions as the government's management board, overseeing the operations of the entire federal government. It manages the government's financial, personnel, and administrative responsibilities, establishes management policy in each of these areas, examines and approves the proposed spending plans of government departments, and reviews the development of approved programs.

The Treasury Board's powers and responsibilities are set out in various pieces of legislation, regulations, orders-in-council, policies, guidelines, and practices. While the primary statute setting out the legislative authorities of the Treasury Board is the *Financial Administration Act*, there are over 20 other contributing statutes.

The Treasury Board has a number of instruments at its disposal to fulfill its responsibilities. It oversees a suite of administrative management policies that set the performance expectations of the government. It scrutinizes and approves all Treasury Board submissions from departments and, through the Treasury Board submissions process, provides departments with authority to expend funds in accordance with government policies and priorities. The Treasury Board also sets standards for a range of reports to Parliament, determines compensation, approves terms of employment, and manages the various pension and benefit plans provided for public service employees.

## 1.2 The Treasury Board Portfolio

The Treasury Board fulfills its responsibilities through a portfolio of organizations. The portfolio includes the:

- ▶ Treasury Board of Canada Secretariat, which supports the Treasury Board by providing advice to Treasury Board ministers in the management and administration of government, by overseeing government management and expenditure performance, by managing compensation, pensions, benefits, and labour relations, and by fulfilling the statutory responsibilities of a central government agency;
- ▶ Public Service Human Resources Management Agency of Canada, which supports the Treasury Board by bringing together most human resources (HR) management functions, including HR planning and accountability, the implementation and management of the Public Service Modernization Act, the management and reform of the classification system for the Public Service, the development and implementation of employment policies, leadership, values and ethics, employment equity and diversity, and official languages; and
- ▶ Canada School of Public Service, which supports the Treasury Board by ensuring that public service employees have access to the common learning they need to effectively serve Canadians.

## 1.3 The Treasury Board of Canada Secretariat

The mission of the Treasury Board of Canada Secretariat is to ensure that the rigorous stewardship of public resources achieves results for Canadians. This includes:

- ▶ setting performance expectations and standards for public sector management;
- ▶ establishing and leading strategies to support the horizontal management of operations across government;
- ▶ assessing departmental, agency, and Crown corporation performance against expectations;
- ▶ assessing government operations, programs, and services at the departmental and whole-of-government level, and advising the government on ways and means to allocate and reallocate resources to achieve government priorities and objectives;
- ▶ supporting the Treasury Board's role as employer by conducting labour relations and compensation operations, and through the strategic management of public service pension and benefits policies and programs;
- ▶ providing assurance of probity and value for money with respect to public investments;
- ▶ reporting federal expenditures to Parliament through the Public Accounts of Canada; and
- ▶ supporting the President of the Treasury Board, the Treasury Board, and Cabinet system as a central agency of government.

Within this context, the core business of the Secretariat is currently organized into three key areas of activity. They are:

- ▶ Management and Expenditure Performance;
- ▶ Comptrollership; and
- ▶ Centrally Managed Funds.

These program areas are discussed in greater detail in Section 3; information about the Secretariat's corporate management is provided in Section 4.

## 1.4 Operating Environment

The federal government is the largest and most complex organization in Canada. It is more than four times larger than the next largest employer in Canada, with seven times more revenue than the next largest organization in the country. It has more than 1,600 programs and 2,000 points of service in Canada and abroad. And it administers more than \$186 billion per year supporting national programs, services, and transfers to the provinces, and processes more than 350 million transactions per year.

It is also a diverse organization. It is supported by 450,000 federal employees, including public service employees, officers of Parliament and the Supreme Court, RCMP officers, members of the Canadian Forces, and employees of Crown corporations.

Managing change within this environment is a challenging and demanding task. By their very nature, large organizations require structure to function. These structures take the form of administrative policies, established processes and procedures, suborganizations, and their supporting information systems and cultures. Collectively, these structures tend to be rigid and fairly resistant to change. As a result, large organizations often find it difficult to adapt to changes in their environment. The most successful organizations, however, create mechanisms that encourage change on a continuous basis.

Our national institutions of governance and the federal public sector as a whole are facing significant pressures to reform and modernize:

- ▶ innovative opportunities have arisen to better engage Canadians in government and streamline and integrate government operations, programs, services, and their delivery through continual developments in information and communications technologies;
- ▶ increased competition for financial and human resources, and increased pressure on the distribution of these resources across our social programs have emerged even as the diversity of our nation increases through social and demographic changes;

- ▶ Canadians are demanding more from their governments in terms of openness, transparency, citizen-centred service, and accountable financial management and public administration; and
- ▶ employees have different expectations from their leaders than in the past, with high expectations for learning, professional development, work life-family balance, and career opportunities.

The Treasury Board portfolio is also experiencing significant change and pressures. The Secretariat has been reorganized and re-mandated to focus on the stewardship of public resources. The Public Service Human Resources Management Agency of Canada has been mandated to oversee implementation of the *Public Service Modernization Act*, and the Canada School of Public Service is just completing a review of its business operations to improve the delivery of core learning across the federal public sector.

Collectively, these issues and challenges have placed significant pressures on the management of the federal public sector, and the ongoing administration of Treasury Board policies, the expenditure management system, financial operations, and human resources management and learning. Indeed, in multiple areas, the federal public sector is facing growing and deepening challenges in terms of its ability to meet higher public expectations for openness, transparency, greater accountability, and integrated services with existing resources.

The government has established an ambitious agenda to address these challenges and respond to public demands for better government. Solid progress is being made. Key developments include the:

- ▶ re-establishment of the Office of the Comptroller General of Canada as a distinct office within the Secretariat, whereby the Comptroller General reports to the President via the Secretary;
- ▶ passage of the *Public Service Modernization Act*;
- ▶ creation of the Management Accountability Framework;
- ▶ tabling of the *Public Servants Disclosure Protection Act*;
- ▶ introduction of the new *Policy on Service Standards for External Fees*;
- ▶ ongoing, proactive disclosure of government operations in areas such as contracts over \$10,000, reclassifications, and hospitality and travel of senior officials;
- ▶ tabling of the *Review of the Governance Framework for Canada's Crown Corporations—Meeting the Expectations of Canadians*; and

- ▶ ongoing efforts to clarify the accountabilities and responsibilities of ministers and senior public service employees and strengthen rules governing compliance under the *Financial Administration Act*, including prevention and sanction of mismanagement.

More, however, must be done to address public demands for better government and position the federal government as an exemplary workplace. Continued action is required to:

- ▶ make departments, agencies, and Crown corporations more accountable to Parliament for results and performance;
- ▶ ensure greater fiscal discipline and the ability to allocate and reallocate resources based on priorities and performance on an ongoing basis;
- ▶ integrate the delivery of government operations and services; and
- ▶ ensure federal public service employees have the tools, training, and capabilities they need to deliver programs and services effectively, efficiently, and in a manner that meets performance expectations.

To address each of these areas effectively, the Treasury Board, its Secretariat, and its portfolio partners must move forward in a measured and well-planned manner. It is vital to build on *Results for Canadians*, a management framework for the Government of Canada tabled in 2000, establish an integrated, long-term agenda that sets clear and achievable goals, and then move forward on a planned, incremental, and step-by-step basis.

## 2. Departmental Plans and Priorities

The government has made a clear commitment to strengthening public sector management and has laid out an ambitious management agenda that focusses on continued fiscal discipline, results-based management, and public service excellence.

The core goals of this agenda are to:

- ▶ make government as a whole more accountable and increase openness, transparency, and the quality of information that federal organizations provide to Parliament so that Canadians are better able to hold the government to account for public policy and administration choices;
- ▶ ensure ongoing fiscal discipline by setting clear performance expectations, standards, and measures for federal programs and services in order to better assess and assure probity and the value for money of public investments, account for and demonstrate results, and reallocate resources on an ongoing basis to where they make the greatest, positive difference to the lives of Canadians;
- ▶ make government services citizen-centred and government operations more efficient by capitalizing on information technology to work more effectively across departments and with the provinces and territories to deliver more integrated services to Canadians and to integrate shared administrative services within government; and
- ▶ promote the ongoing development of a capable workforce and an appropriate workplace for federal employees by modernizing human resources management and by recruiting and investing in the skills, learning programs, and systems to ensure federal employees can deliver high-quality advice, programs, and services in a manner that meets clearly defined performance expectations.

To achieve these goals, the Secretariat and its portfolio partners are working together to establish a common vision for the public sector and have established an integrated management agenda for the Treasury Board portfolio as a whole.

The resulting management agenda focusses the priorities and activities of the Treasury Board of Canada Secretariat in four key areas. The four priority areas are:

- ▶ enhance governance, accountability, and management practices;
- ▶ strengthen expenditure and financial management;
- ▶ improve service delivery and government operations; and
- ▶ contribute to the people and human resources modernization agenda.

Section 2.2 provides details on priority initiatives in each of these areas.

## 2.1 Summary Information

### Raison d'Être

The mission of the Treasury Board of Canada Secretariat is to ensure that the rigorous stewardship of public resources achieves results for Canadians. The functions performed by the Secretariat have a direct impact on governance, accountability, and the quality of public sector management and an indirect impact on the efficiency and effectiveness with which programs and services are delivered.

### Financial Resources<sup>1</sup> (in \$ thousands)

2005–06	2006–07	2007–08
\$2,580,846.0	\$2,785,077.0	\$2,973,860.0

### Human Resources

2005–06	2006–07	2007–08
1259	1288	1296

### Departmental Priorities

#### Priority Area A: Enhance Governance, Accountability, and Management Practices

1. Implement the Next Phase of the Management Accountability Framework	Previously committed
2. Renew and Consolidate the Treasury Board Policy Suite	Previously committed
3. Improve Reporting to Parliament	Previously committed
4. Enhance Financial, Management and Performance Information	Previously committed

#### Priority Area B: Strengthen Expenditure And Financial Management

5. A Strengthened Budget Office Role	New
6. Strengthen Internal Audit	Previously committed
7. Strengthen Financial Management	Previously committed

#### Priority Area C: Improve Service Delivery and Government Operations

8. (i) Transform Services and their Delivery to Citizens and Clients	Previously committed
8. (ii) Lead an Integrated Approach to Internal Service Transformation	New

#### Priority Area D: Contribute to the People and Human Resources Modernization Agenda

9. Contribute to the Core Learning Agenda and to Building Public Service Capacity	Previously committed
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1. Equivalent to Total Planned Spending from Table 1.

## 2.2 Details About Plans and Priorities

As outlined above, the Treasury Board of Canada Secretariat has established an integrated management agenda focussed on four key areas for action. Each area includes one or several priority initiatives. Where appropriate, priority initiatives are being pursued in collaboration with the Secretariat's portfolio partners. This section provides details on priority initiatives in each of these four areas.

### **Priority Area A: Enhance Governance, Accountability, and Management Practices**

For the fiscal year 2005–06, the Secretariat has identified four priority initiatives that collectively are designed to enhance governance, accountability, and management practices across the federal public sector.

The shared goals of these initiatives are to establish:

- ▶ clear, understood, and respected accountabilities and responsibilities for public sector management; and
- ▶ comprehensive and understandable expenditure and performance information that enhances accountability for results of both the government and Public Service.

The priority initiatives are:

- ▶ implementing the next phase of the Management Accountability Framework;
- ▶ renewing and consolidating the Treasury Board policy suite;
- ▶ improving reporting to Parliament; and
- ▶ enhancing management and performance information, and enterprise management capacity.

#### **#1. *Implement the Next Phase of the Management Accountability Framework***

##### **context and expected results**

The Management Accountability Framework (MAF) provides a vision for management for the federal public sector as a whole. The goal of the MAF is to encourage management excellence and accountability for results through the establishment of clear performance expectations, measures, and reporting. It provides a framework for assessing both management performance and management capacity across departments and agencies.



The Secretariat introduced the MAF in 2003 to clarify management expectations of deputy heads and public service managers and to provide focus and greater clarity on how its management improvement initiatives fit together.

In the fiscal year 2004–05, the Secretariat worked to build a broader understanding of the MAF, to engage departments in its initial application, and to lay a foundation for the development of MAF performance indicators and measures. The objective was to encourage departments and agencies to use the MAF to assess areas of strength and weakness in management capacity and performance at the departmental and agency level, and start developing plans to build on strengths and address any identified weaknesses.

**plans and milestones**

In 2005–06, the emphasis for MAF implementation will begin to shift from initial engagement and analysis towards compliance monitoring, reporting, and accountability.

Specifically, the Secretariat will work with its portfolio partners to:

- ▶ lead the implementation of the MAF and work with other departments and agencies to ensure alignment, consistency, and coherence between the various management frameworks;
- ▶ confirm MAF standards and indicators for analyzing management capacity and performance, its mechanisms and process for reviewing departmental progress, its annual cycle for monitoring and engagement, and its protocols for public reporting; and
- ▶ support departments, agencies, public service managers, and Secretariat analysts with MAF implementation.

Key Elements of Plan and Milestones	Time Frame
Work with departments to identify management priorities and take action to address them. Action on government-wide priorities such as human resources management and selected departmental challenges will be an important basis of engagement between the Secretariat and departments and tracking their implementation will be a collaborative effort.	ongoing April 2005 to March 2007
Develop options for public reporting on departmental and government-wide management capacity and performance to commence in 2006. This work will be linked with the Secretariat’s efforts to improve reporting to Parliament and obligations related to Human Resources Modernization.	September 2005

Key Elements of Plan and Milestones	Time Frame
Confirm its annual cycle and process of management assessment and reporting. The cycle will include annual compliance monitoring, dialogue, and assessments of management capacity and performance against departmental management plans, the monitoring of government-wide improvements, and the identification and promotion of sound practices.	June 2005
Finalize the framework of indicators of effective management practice, capacity, and performance for purposes of monitoring and reporting to ministers, Parliament, and the public on management performance. <sup>2</sup>	March 2006
Work with the Public Service Human Resources Management Agency of Canada and the Canada School of Public Service to develop a core curriculum for managers based on MAF performance expectations and standards, and support Secretariat analysts in MAF application.	ongoing April 2005 to March 2007

**key risks and challenges**

The key challenge in implementing the next phase of the MAF is to ensure ongoing co-ordination and establish achievable expectations. The Secretariat and its portfolio partners must continue to work together to minimize administrative requirements, while maintaining flexibility in approach, as no two public sector organizations have the same mix of management capabilities, strengths, and weaknesses. At the same time, it will be important to ensure that performance information involving management weaknesses is explained and not taken out of context or inflated.

**#2. Renew and Consolidate the Treasury Board Policy Suite**

**context and expected results**

The Treasury Board policy suite is a collection of administrative policies that collectively provide direction to public sector managers and employees on accountabilities, responsibilities, performance expectations, required procedures, and desired management practices. In total, there are more than 300 different Treasury Board policy instruments.

In late 2002, the Secretariat embarked on an exercise to renew the Treasury Board policy suite as part of its efforts to strengthen management from both a departmental and whole-of-government perspective. Since then, the Secretariat has worked to create an integrated policy architecture,

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2. This work is directly linked to the renewal of the Treasury Board policy suite, which will set performance and compliance expectations and standards.

from which a reduced number of related policies, directives, guidelines, and procedures can easily be accessed by public service managers. The overall architecture includes, but is not limited to, the areas of financial management, procurement, real property and materiel management, information and informatics, human resources, planning and budgeting, labour relations, pensions, and benefits.

The expected result of the policy suite renewal and consolidation initiative is a clearer, more streamlined, and integrated suite of management policies that will more effectively support Treasury Board’s oversight responsibilities. Through the renewal and consolidation process, the Secretariat will work with its portfolio partners to establish clearer accountabilities and performance expectations based on the MAF, as well as required processes and compliance reporting for departments and agencies.

The new policy suite will:

- ▶ clarify roles and responsibilities;
- ▶ be written in plain language and be Web-based to ensure it is accessible and understandable;
- ▶ promote transparency and consistency in decision making;
- ▶ reinforce clear links between results and reporting;
- ▶ support legislative authorities and Parliament;
- ▶ provide the basis for accountability; and
- ▶ be aligned with the MAF to promote the clear expectations, accountabilities, and policy compliance outlined above.

**plans and milestones**

In 2005–06, the policy suite renewal initiative will focus on establishing a shared strategy for renewal and consolidation across the portfolio, and on piloting and extending a methodology for consolidating and streamlining the suite using priority policy areas, including contracting, procurement, and real property.

Key Elements of Plan and Milestones	Time Frame
Identify and seek Treasury Board approval to eliminate policies that are obsolete, redundant, or that duplicate policy direction found elsewhere in the Treasury Board policy suite.	spring 2005
Complete an overarching Treasury Board policy framework.	spring 2005

Key Elements of Plan and Milestones	Time Frame
Rationalize Treasury Board policies related to project management, procurement, and real property.	fall 2005
Rationalize the remainder of the Treasury Board policy suite, using the experience of renewing the project management, procurement, and real property policies as a model.	spring 2005 to spring 2007
Communicate new management expectations to departmental and agency deputy heads and practitioners and provide training and support tools as necessary.	spring 2005—ongoing
Establish organizational structures and new processes to monitor compliance and ensure that policies remain current, relevant, and clear.	spring 2005—ongoing
Complete the streamlining of the Treasury Board policy suite.	spring 2007

### key risks and challenges

The Treasury Board policy suite is a complex collection of management policies that have developed over time. To some extent, they cross-reference one another and duplicate direction on related subject matter across different management communities. For this reason, it is a challenging task to undertake a process to consolidate and rationalize the suite as a whole within an integrated management policy framework.

Given the number of individual policies and the level of complexity involved, the key challenge in moving forward is to establish a common framework and approach for consolidation. With the establishment of the MAF, a key building block for moving forward is now in place. To maintain momentum, the Secretariat is establishing strong linkages between the MAF project and the policy suite renewal effort, and sequencing its efforts to ensure dedicated resources for identified action areas. This will ensure steady, incremental progress over the next three years, as outlined.

A second challenge is to establish a reasonable and achievable pace of change for departments and agencies. It is vital to engage departments, agencies, and functional communities in clarifying core accountabilities and embedding performance indicators, standards, and measures in Treasury Board policy. To this end, the Secretariat is currently engaging departments on the MAF and its links to the renewal of the policy suite to develop a forward plan for implementation. In addition, it is important to reconcile the policy review with legislative and other parliamentary concerns and to mitigate legal risks and exposure to litigation by exercising due diligence.

**#3. Improve Reporting to Parliament**

**context and expected results**

The government has made a clear commitment to improving reporting to Parliament, and to Canadians, most recently in the 2005 budget and the Action Plan for Democratic Reform.

Reporting to Parliament is one of the most important elements of democratic oversight in Canada. It is Parliament’s job to oversee government spending, to hold the government to account for its spending decisions, and to hold ministers, departments, and agencies accountable for the performance and value for money received from federal programs and services.

As part of its efforts to enhance governance and accountability, the Secretariat is working to improve the overall effectiveness and usefulness of parliamentary reporting. The expected results of these efforts is clearer, more useful, and more timely reporting based on performance information that is more comprehensive, easy to understand, contextual, balanced, timely, and transparent.

**plans and milestones**

In 2005–06, the Secretariat will develop a blueprint for improved parliamentary reporting in *consultation with* parliamentarians.

The blueprint will include Estimates and related documents, government-wide reporting, and ad hoc reporting documents from over 280 government entities.

The design of the blueprint will be guided by the following key principles. Information for Parliament must be of the highest quality; provide parliamentarians with a whole-of-government perspective; focus on results to support Parliament’s role in holding the government to account for performance; and be timely and easily accessible on-line to support proactive disclosure of government spending.

**Key Elements of Plan and Milestones**

**Time Frame**

Undertake the evaluation of ad hoc reports to Parliament and use the recommendation arising from this to inform the process.  
Develop consultation draft of blueprint and establish a full-time office to co-ordinate project implementation.

April to September 2005

Key Elements of Plan and Milestones	Time Frame
Engage parliamentarians on all aspects of the blueprint. Engage departments and agencies to develop a single planning and reporting framework for government planning, budgeting, and reporting practices. Develop a whole-of-government strategic plan and report that sets out the Government of Canada's strategic and operational plan for the upcoming fiscal year.	October 2005 to March 2006
Explore with parliamentarians the possibility of piloting "evergreen" reporting in the strategic plan and in selected departmental reports on plans and priorities. Influence longer-term changes to planning, reporting, and review of appropriations, consistent with the blueprint and subsequent consultations.	April 2005 to March 2008

**key risks and challenges**

Full implementation of the project will likely take two to three years, as parliamentarians and other stakeholders will be consulted at all stages of the initiative and progress will be influenced by the result of these consultations. In addition, progress in the area of electronic reporting will depend on the development of the Expenditure Management Information System, as the availability of electronic information and the development of protocols for departmental reporting at greater levels of detail on Web sites will be critical.

**#4. Enhance Financial, Management, and Performance Information**

**context and expected results**

In 2004, the Secretariat launched two related initiatives to improve expenditure management information and reporting—the *Management Resources and Results Structure Policy* (MRRS) and the Expenditure Management Information System.

Approved in December 2004, the Policy replaces the 1996 Planning, Reporting, and Accountability Structure (PRAS) policy framework. It applies to all federal departments as defined under section 2 of the *Financial Administration Act*, as well to any Crown corporation seeking an appropriation from Parliament. The MRRS provides the conceptual framework for collecting and presenting resource allocation and performance information. As the enabler, EMIS is the information system that will support enhanced analysis and reporting of this information.

The MRRS is comprised of three key elements:

- ▶ clearly defined and measurable strategic outcomes;
- ▶ a Program Activity Architecture (PAA) that arrays a department's full range of activities in a logical and hierarchical structure, forming the basis for capturing resource allocation and other data for each activity, as well as linking spending and performance; and
- ▶ a governance structure that reflects the way the organization is managed.

The MRRS resource, performance, and other relevant information is collected and entered in the Secretariat's Expenditure Management Information System (EMIS). EMIS is the information system that supports implementation of the *Management Resources and Results Structure Policy*.

EMIS has four main components:

- ▶ a common database that will be used by both departments and the Secretariat to link expenditure and performance information on priorities, planned and actual spending, and results;
- ▶ automated business processes to streamline budgeting and reporting (Annual Reference Level Update (ARLU), Estimates);
- ▶ analytical tools to support the Secretariat's expenditure and management analysis; and
- ▶ common standards to support government-wide exchange of expenditure information.

The expected results for MRRS and EMIS are:

- ▶ improved expenditure and performance information at a level of detail that will support decision making, allocation, and reallocation from lower to higher priorities;
- ▶ improved transparency and reporting to Parliament and Canadians, such that the basis upon which departments report to Parliament from year to year is consistent with the way departments manage and demonstrate the value for money of their programs and services;
- ▶ better alignment of resources to results, and early warning and intervention when value for money is not apparent; and
- ▶ strengthened horizontal management of federal priorities and improved ability to manage programs and services that share similar objectives across government.

## plans and milestones

While significant progress has already been made with the introduction of the new *Management Resources and Results Structure Policy*, efforts in 2005–06 will focus on fully implementing the Policy and populating EMIS with departmental data, MRRS, and financial information.

Key Elements of Plan and Milestones	Time Frame
<p>The Secretariat will work with stakeholders to fully implement the <i>Management Resources and Results Structure Policy</i> and EMIS. Consultations and capacity building will be undertaken to address implementation issues and resolve remaining technical, accounting, or information management challenges.</p>	<p>April 2005 to March 2006</p>
<p>The Secretariat will continue EMIS development throughout 2005–06 to be ready in 2006–07 for active data flows from internal government-wide financial management and control systems in order to align actual spending to planned budgets.</p> <p>The Secretariat will implement the EMIS features and functionalities required to streamline internal Secretariat business processes and automate the Treasury Board submission process.</p>	<p>April 2005 to March 2007</p>
<p>The ARLU and Main Estimates are prepared based on the new <i>Management Resources and Results Structure Policy</i> and through the automated EMIS systems.</p> <p>Data collection and development of an integrated expenditure management system (EMS) supports the budget and reallocation processes.</p> <p>The Secretariat, departments, and agencies are actively using MRRS and EMIS to evaluate program performance and inform expenditure allocation decisions.</p> <p>The basis upon which departments report to Parliament from year to year is consistent with the way departments manage, and it provides the basis to demonstrate value for money.</p>	<p>by March 2007</p>

### key risks and challenges

Significant challenges facing the MRRS and EMIS initiatives revolve around the co-ordination of implementation across government. Both are large projects involving all departments and agencies. It takes time and dedicated effort to build shared understanding and capacity across the system. A second challenge is ensuring the reliability of incoming data. To mitigate both risks, the Secretariat will continue to work with stakeholders and monitor and validate the financial and non-financial data collected by EMIS. In addition, an incremental approach to MRRS implementation will be adopted, along with the development of a long-term plan for continuous improvement of MRRS data. An Evaluation Framework for the *Management Resources and Results Structure Policy* will be developed to assess its implications and, if necessary, ensure further adjustments.

It is also important to note that the success of these initiatives depends to a certain extent on the performance of EMIS. The inherent technical risks associated with a large-scale IT process of this nature are significant, but any capacity, systems, or technological performance issues will be addressed as they arise.



## **Priority Area B: Strengthening Expenditure and Financial Management**

The Secretariat has identified three priority initiatives for the fiscal year 2005–06 in its efforts to strengthen expenditure and financial management, including the resource management framework and related systems. These initiatives build on work underway to re-establish the Office of the Comptroller General and efforts to enhance the Secretariat’s expenditure management and oversight role.

The three priority initiatives include efforts to:

- ▶ develop a strengthened budget office role for the Treasury Board that will support and effect reallocation on an ongoing basis;
- ▶ strengthen internal audit; and
- ▶ strengthen financial management, including enterprise-wide financial management systems.

Collectively, these initiatives are designed to strengthen the Secretariat’s capacity to assess expenditure and financial performance and validate and account for results. The specific goals to be achieved are to establish and/or enhance the Secretariat’s ability to:

- ▶ assess and demonstrate the value for money of government programs and services based on well-defined performance metrics;
- ▶ identify, understand, and manage risk and relative trade-offs from a whole-of-government perspective; and
- ▶ ensure rigorous, but not cumbersome, financial management, audit, and assurance systems.

### **#5. *A Strengthened Budget Office Role***

#### **context and expected results**

In the 2003 and 2004 budgets, the government committed to new measures to improve expenditure management and accountability, including ongoing reviews of programs and reallocation from lower to higher priorities.

A strengthened expenditure management system and an increased budget office role for the Treasury Board is a prerequisite to fully delivering on both of these commitments. Together, they will enable the Treasury Board and its Secretariat to improve their oversight role, with the following expected results:

- ▶ more effective and efficient programs that deliver outcomes consistent with government priorities and that are sustainable within the base resource levels approved by the Treasury Board; and
- ▶ ready access to, and reports on, information about the government’s programs that facilitate accountability to government, Parliament, and Canadians for the results achieved with the money spent.

A strengthened role for the Treasury Board and the Secretariat in pursuing its expenditure management responsibilities would also result in:

- ▶ greater responsibility for setting the direct program spending component of the fiscal framework and in advising the Treasury Board on post-budget allocation of new policy funds to departments; and
- ▶ greater responsibility for managing direct program spending as an envelope with the associated responsibility to make reallocation decisions to manage within this envelope.

**plans and milestones**

In the fiscal year 2005–06, the Secretariat will focus on developing an action plan to create the processes and capacity within the Secretariat to report annually in the fall to the Treasury Board on expenditure management issues from a whole-of-government perspective.

The Secretariat is currently examining the feasibility of running next year’s Annual Reference Level Update exercise on an accrual basis, as well as the cash basis on which it is presently based. Achievement of this objective would represent the most significant step yet taken towards across-the-board implementation of accrual budgeting. A specific objective would be for the Treasury Board to approve reference levels for all departments and agencies on an accrual, as well as cash, basis.

Key Elements of Plan and Milestones	Time Frame
Undertake consultations and develop an action plan to achieve the “steady state” outlined above.	April to September 2005

Key Elements of Plan and Milestones	Time Frame
Develop a plan for production of an annual report to the Treasury Board outlining expenditure management issues from a whole-of-government perspective.	April to September 2005
Produce the first annual report to the Treasury Board.	September 2006

### key risks and challenges

A strengthened expenditure management system and an increased role for the Secretariat will require close collaboration and co-ordination with the Secretariat's central agency partners. To this end, the Secretariat will actively pursue co-operation from the other central agencies in the development of all related plans in this area.

## #6. *Strengthen Internal Audit*

### context and expected results

As part of the 2004 budget, the government made a clear commitment to reorganize and bolster the internal audit function on a government-wide basis and to ensure comprehensive audit programs, based on sound risk analysis, of all departmental activities.

Within the Secretariat, the Comptroller General of Canada and his office are leading efforts to strengthen the internal audit function. Significant changes must be made in the manner in which the internal audit function is currently conducted. A strong internal audit function across government requires strong internal audit organizations in both the Office of the Comptroller General and in departments and agencies, backed by certified professionals and by independent audit committees. Internal audit organizations must be supported by generally accepted standards and practices, and by methodologies that support consistent, high-quality auditing across government. Quality must be monitored by the Office of the Comptroller General, and work must be undertaken to strengthen internal audit capacity through recruitment and retention initiatives, strengthened liaison and partnership with professional associations, and curriculum development.

The expected results of these efforts include more relevant, timely, and quality audits and more effective use of audit information in planning and decision making across government, which will enhance the stewardship of public resources through independent, objective, and timely assurance services, based on sound risk analyses of departmental and major horizontal activities, in a manner consistent with legislation, regulations, and Treasury Board policies and direction.

**plans and milestones**

In 2005–06, the Office of the Comptroller General (OCG) will build on current initiatives and continue to move forward on multiple tracks to strengthen capacity, develop standardized internal audit methodologies and plans, and initiate audit plans for small departments, and selected horizontal and government-wide audits.

Key Elements of Plan and Milestones	Time Frame
Select standardized internal audit methodologies and tools.	December 2005
Complete one internal OCG-led, government-wide horizontal audit.	December 2005
Develop three-year plans for a) audits of small departments and agencies and b) government-wide horizontal audits.	March 2006
Staff the new OCG, using a phased approach to find and recruit high-calibre professionals. This includes capacity to perform assessments of departmental internal audit functions.	Substantially completed by March 2006 and fully completed by March 2007
Monitor the performance of the internal audit function across the Government of Canada on an ongoing basis and report on findings to the Secretary of the Treasury Board.	ongoing

**key risks and challenges**

It is expected that the changes that will occur over the next few years will require significant cultural change for internal audit professionals and departmental managers.

Success will require clear expectations and sustained commitment. Having qualified departmental chief audit executives and effective audit committees will be key. In addition to providing certification standards, the need to recruit, train, and retain is fundamental. Implementation plans will depend on ongoing support for the Office of the Comptroller General and line departments. The targets are deliberately aggressive to reflect the urgency of this work and achieve a singular focus; while every effort will be made to achieve them, there are many factors outside the direct control of the Office of the Comptroller General that could influence their achievement. A focus on change management will also be required to support the larger community of internal auditors and mitigate any concerns of departmental managers with new standards and methodologies. Further, strong linkages between the Office of the Comptroller General and the development of a core learning agenda will be essential.

**#7. Strengthen Financial Management**

**context and expected results**

As part of the 2004 budget, the government made a clear commitment to re-establish the Office of the Comptroller General to rigorously oversee all aspects of government spending.

To deliver on this commitment, the Office of the Comptroller General is continuing its efforts to strengthen the financial management and control framework, including policies, guidance, systems, analyses, and advisory services across the federal Public Service as a whole. The Office of the Comptroller General also continues to ensure that the financial statements of the federal government provide complete and accurate information in accordance with accepted accounting principles and time frames set out by the government. The Office of the Comptroller General is also supporting government-wide efforts to ensure that financial systems introduce modern, timely information systems to track all spending and provide appropriate tools for effective scrutiny and decision making.

As with internal audit, significant change is required. Stronger financial management organizations are needed in both the Office of the Comptroller General and in line departments and agencies. These organizations must be led by certified professionals and supported by effective policies and practices. Additional effort is required to strengthen oversight of government spending, including review and sign-off of new spending initiatives, supported by appropriate financial controls, monitoring, and enforcement mechanisms.

The expected results of these efforts include more rigorous and timely financial management, audit, and verification systems, as well as improved financial management information and decision making.

**plans and milestones**

In 2005–06, the Office of the Comptroller General will build on current initiatives and continue to move forward on multiple tracks to strengthen financial management and deliver on its commitments.

Key Elements of Plan and Milestones	Time Frame
Obtain approval with respect to the roles, responsibilities, and profiles for departmental comptrollers.	June 2005

Key Elements of Plan and Milestones	Time Frame
Obtain approval with respect to the process and criteria for review and sign-off of new spending proposals, including monitoring and reporting provisions.	September 2005
Develop a five-year strategy for the ongoing, annual audit of financial statements of departments and agencies.	September 2005
Develop and implement enterprise-wide standards and processes for financial analysis and reporting on financial position and results.	December 2005
Explore the feasibility of having the federal government's audited annual unqualified consolidated financial statements and the Public Accounts ready for tabling much earlier.	December 2005
Staff the new OCG, using a phased approach to find and recruit high-calibre professionals.	substantially complete by March 2006
Fully implement the review and sign-off process throughout the Government of Canada.	June 2006
Update the financial management control framework.	September 2006
Renew financial management policies in support of strengthened comptrollership.	March 2007
Complete the staffing of the OCG.	fully complete by March 2007
Determine the specific administrative areas that will need to be supported by the Government of Canada's new financial systems.	as appropriate within the scope of the <i>Lead an Integrated Approach to Internal Service Transformation</i> priority
Develop associated business processes and standards for data and information, and implement these in selected departments and agencies.	

### key risks and challenges

It is expected that the changes that will occur over the next few years will require significant cultural change for the financial management community, as well as departmental managers.

As a result, success will require clear expectations and sustained commitment. Having qualified departmental comptrollers will be key. In addition to providing certification standards, the need to recruit, train, and retain is fundamental. Implementation plans will depend on ongoing support for the Office of the Comptroller General and line departments. A focus on change management will also be required to support the larger community of financial managers and mitigate any

concerns of departmental managers may have with new policies, standards, and methodologies. Furthermore, strong linkages between the Office of the Comptroller General and the development of a core learning agenda will be essential. The targets are deliberately aggressive to reflect the urgency of this work and achieve a singular focus; while every effort will be made to achieve them, there are many factors outside the direct control of the Office of the Comptroller General that could influence their achievement.

## **Priority Area C: Improving Service Delivery and Government Operations**

The government has made a clear commitment to designing and delivering citizen-centred services and to ensuring the internal administrative operations of government are as efficient and effective as possible.

The wide range of services offered by the Government of Canada touches virtually all Canadians—whether as individuals, businesses, or citizens abroad—as well as international clients. Service delivery expectations and capabilities, however, continue to grow.

As a result, fundamental change is required as to how services are designed and delivered. Put simply, to meet public expectations and deliver quality services in an efficient manner into the future, the government must rethink services and their delivery by re-engineering business processes, consolidating services across delivery channels, rationalizing and integrating its service delivery infrastructure, and eliminating duplication.

To achieve these objectives, the Secretariat will work with its service delivery partners across government to lead an integrated approach to internal and external service transformation for the Government of Canada.

The key goals of service transformation will be to establish:

- ▶ integrated government services that are accessible through a variety of efficient, single-window service options, based on citizens' needs and preferences; and
- ▶ shared administrative systems that are streamlined and better support government operations and decision making.

### ***#8. Leading an Integrated Approach to Internal and External Service Transformation***

To meet these objectives, the Secretariat will lead the development and implementation of two interrelated, government-wide strategies to:

- ▶ transform services and their delivery to citizens and clients; and
- ▶ transform those services that are internal to government.



**#8. (i): Transform Services and their Delivery to Citizens and Clients****context and expected results**

A key element of the Management Accountability Framework (MAF) is the development of performance indicators and measures to support the Service Strategy initiative.

Under this initiative, indicators are being developed to assess the efficiency and cost-effectiveness of government services and to determine whether services are meeting the needs and expectations of citizens, businesses, and international clients. These data will foster a common understanding of the government's service capabilities, focus management on performance issues, and help determine how best to integrate services and their delivery across programs, departments, and jurisdictions in response to the needs of Canadian and international clients.

The Secretariat has a key leadership role to play in these efforts. As a central agency and the policy centre for Information Management and Information Technology, it is well positioned to promote a whole-of-government approach to service transformation, including how services are designed and delivered. To this end, the Secretariat is supporting innovative approaches to integrating services and their delivery for the government's service relationships with citizens, businesses, and non-Canadians and is leading the development of common goals, targets, models, standards, and strategies to consolidate service delivery infrastructures.

Key areas of focus include:

- ▶ putting a greater policy emphasis on accountability for cost-effective service delivery, as well as on enhanced transparency;
- ▶ rethinking front-end client interfaces, business models, and service delivery across multiple delivery channels;
- ▶ linking related federal services;
- ▶ managing information to optimize reuse, where consistent with protection of privacy; and
- ▶ using common databases, back office business systems and infrastructure services.

Expected results of these efforts across government include substantial improvements in client satisfaction and the value for money derived from service delivery investments.

plans and milestones

In the fiscal year 2005–06, the Secretariat will focus its efforts on development of an implementation strategy for the Government of Canada Service Vision.

Key Elements of Plan and Milestones	Time Frame
Provide ongoing support to ensure alignment of departmental service integration projects, consistent with the service vision.	initiated spring 2005
Carry out ongoing intergovernmental research into determinants of client satisfaction and service improvement priorities for individuals and businesses.	initiated spring 2005
Lead the development of an implementation strategy for the overall Government of Canada Service Vision, including transformation targets and priorities and governance models to ensure alignment of departmental initiatives.	July 2005
Present a next-generation service policy to ministers for approval, to provide post-2005 strategic direction.	fall 2005
Initiate and advance operational reviews of priority service delivery elements (e.g. call centre infrastructure).	late 2005

**#8. (ii): *Lead an Integrated Approach to Internal Service Transformation***

context and expected results

Currently, federal departments and agencies use a multitude of practices, processes, and systems to perform the same administrative and technological functions.

The lack of commonality and interoperability across common systems has a significant impact on operational efficiency and productivity for the government as a whole. In addition, it seriously impedes efforts to produce comprehensive, comparable, government-wide information on service costs, levels, and results.

To address the need to improve operational efficiency and establish more complete, reliable information about government operations and performance, the Secretariat is leading an integrated approach to transforming government-wide administrative services, including finance, human resources, materiel, and information technology services.

Recent government-wide reviews on corporate administrative services and information technology (IT) have indicated the potential for significant savings by adopting a shared services model for delivering administrative and IT services. Savings generated by reducing inefficiencies and duplication through shared systems could be used to advance the government’s broader service transformation agenda and support the Expenditure Review Subcommittee agenda of continuous reallocation.

The expected results of pursuing shared services models include administrative savings and an enhanced capability to:

- ▶ assess the cost-effectiveness of shared functions;
- ▶ assess levels of service and their impact on the effectiveness and quality of program delivery;
- ▶ track performance and improve reporting; and
- ▶ make better decisions and investments to improve services.

**plans and milestones**

Over the next few years, the Secretariat will apply lessons learned from the reviews of corporate administrative services (CAS) and IT to promote a shared services approach to administrative services in key areas.

Key Elements of Plan and Milestones	Time Frame
Complete recommendations from CAS and IT reviews related to moving to shared services.	April 2005
Provide departments and agencies with guidance related to the implementation of shared services and the use of a shared service solution for all organizations by 2010.	May 2005
Launch new governance models for developing and delivering CAS and IT services.	June 2005
Begin preparations for the transfer of the first wave of departments to shared services.	fall 2005
Continue the creation of an information management infrastructure to support ongoing alignment of shared services.	over the next three to five years
Fully implement recommendations from the CAS and IT reviews.	over the next seven years

**key risks and challenges**

The key risk is the need to generate and sustain the momentum required to effect cultural change and encourage Government of Canada enterprise thinking and governance structures. The government's capacity to deliver on its service transformation agenda requires change management, as well as project and portfolio management, strategies to help departments, agencies, and regional organizations implement new service delivery structures and practices. In addition, sustained leadership at all levels and significant financial investments will be required.

The government must also continue to ensure that individuals' privacy is protected.

**Priority Area D:****Contributing to People and the Human Resources Modernization Agenda**

The Secretariat has a significant role to play contributing to human resources management in the federal Public Service.

As general manager of the federal government, the Treasury Board is responsible for managing the human resources of the Public Service. The Secretariat supports this role with direct responsibilities for labour relations and compensation, and supports core learning and governance of functional communities through the establishment of administrative policies and performance expectations and standards under the Management Accountability Framework.

Within this context, the Secretariat is working with its portfolio partners to actively support implementation of the Human Resources Modernization Agenda by contributing to the Core Learning Agenda and to building public service capacity.

The goals of this initiative are:

- ▶ a workforce that is productive, principled, sustainable, knowledgeable, and adaptable; and
- ▶ a workplace that is fair, enabling, healthy, and safe.

**#9. *Contribute to the Core Learning Agenda and to Building Public Service Capacity***

**context and expected results**

A key element of the government's plan to strengthen public sector management involves the need to build capacity in the Public Service.

In order to facilitate the transition from activity-based to results-based management, it is vital to put in place the training and learning programs required to provide today's and tomorrow's public service employees, managers, and the functional specialists who support them with the professional development opportunities they need to meet performance expectations and standards.

The building blocks for a core learning agenda have already been laid and the Management Accountability Framework (MAF) provides a vision of what to focus on. The *Professional Development and Certification Program for the Procurement, Materiel Management and Real Property Community* being developed in collaboration with the community and stakeholders provides a model to strengthen capacity for functional specialists. Certification standards proposed by the Comptroller General for departmental comptrollers and chief audit executives

have been developed and are being reviewed by the relevant communities and key stakeholders. The challenge in the months ahead is to build on the progress made in these areas in order to establish core learning curricula and certification standards in key areas such as financial management, internal audit, and labour relations.

Collectively, the expected result of these efforts is enhanced management capacity and functional specialist capacity across the public sector as a whole. Through these initiatives and the development of a core learning curriculum, public sector managers will have better tools and training to understand their performance expectations and deliver on them. They will be supported by professional functional specialists who possess the competencies and associated knowledge, training, and experience to provide value-added service in the delivery of the government's programs.

**plans and milestones**

In the fiscal year 2005–06, the Secretariat will work with its portfolio partners to establish a common strategy for the development and implementation of the core learning agenda and identify priority areas for curriculum development, including procurement, materiel management, real property, financial management, and internal audit.

Key Elements of Plan and Milestones	Time Frame
Finalize the shared portfolio strategy for curriculum development for public service managers, linked to the Management Accountability Framework.	March 2006
Complete the development of the Professional Development and Certification Program for the Procurement, Materiel Management, and Real Property Community and the Communication Strategy to support its implementation.	September 2005
Develop an implementation strategy for the Professional Development and Certification Program in collaboration with stakeholders and partners.	December 2005
Obtain Treasury Board approval for certification standards for departmental comptrollers.	June 2005
Develop certification standards for chief audit executives.	September 2005
Develop a core learning strategy for financial management, internal audit, and labour relations.	December 2005

Key Elements of Plan and Milestones	Time Frame
Implement a strategy to recruit accredited comptrollers and train current comptrollers to meet certification standards.	in the first group of departments by March 2006 and in other departments by March 2007
Implement a strategy to recruit chief audit executives and train current chief audit executives to meet certification standards.	in the first group of departments by March 2007 and in other departments by March 2008

### key risks and challenges

The key risk in establishing a core learning agenda revolves around the issue linkages to other priorities. Simply put, progress on the learning agenda is dependent on progress on MAF implementation, the policy suite renewal, and other initiatives. Departmental participation will also be dependent on the allocation of resources to training and certification.

The Secretariat will mitigate these risks by establishing a shared strategy for curriculum development and certification implementation for the Treasury Board portfolio as a whole and by developing ongoing working relationships and structure to facilitate ongoing co-ordination.

The Financial Management and Audit component of the Secretariat's Learning Agenda targets are deliberately aggressive to reflect the urgency of this work and achieve a singular focus; while every effort will be made to achieve them, there are many factors outside the direct control of the Office of the Comptroller General that could influence their achievement.

### Summary

The government has established an ambitious agenda to strengthen public sector management. It has launched multiple initiatives across multiple areas of public sector administration, management, and governance.

The goals of the agenda are to:

- ▶ enhance governance and accountability;
- ▶ strengthen expenditure and financial management;
- ▶ improve service delivery and operations; and
- ▶ enhance public sector management capacity and modernize human resources management.

The Treasury Board of Canada, its Secretariat, and the broader Treasury Board portfolio all have a major role to play in leading and implementing this agenda. They have established a common management agenda and will continue to work together in the months ahead to build on progress already made, focus the agenda on shared goals, initiatives, and strategies for renewal, and deliver on their respective priorities.

By working together, the portfolio will strengthen the government's ability to optimize the management and allocation of public resources to achieve results for Canadians.



### 3. Analysis of Program Activities by Strategic Outcome

As the administrative arm of the Treasury Board, the Secretariat has a dual mandate: to support the Treasury Board as a committee of ministers, and to fulfill the statutory responsibilities of a central government agency.

Within this context, the mission and strategic outcome of the Treasury Board of Canada Secretariat is to ensure the rigorous stewardship of public resources to achieve results for Canadians. This includes setting performance expectations, assessing performance against expectations, assuring effective financial and audit controls, supporting Treasury Board's role as the employer and advising Treasury Board ministers and the government on management policy, expenditure management, and compliance issues.

In fulfilling these core business responsibilities, the Secretariat is currently organized into three key areas of activity. They are:

1. Management and Expenditure Performance;
2. Comptrollership; and
3. Centrally Managed Funds.

#### **3.1 Management and Expenditure Performance**

As a program activity, Management and Expenditure Performance encompasses a suite of activities that define management expectations, assess departmental performance through analysis and monitoring, address and manage risk, and manage expenditure effectiveness.

The activities in this area are oriented toward promoting sound public management by defining clear and achievable management expectations for the use of resources, supporting collaborative labour relations, monitoring expenditure performance, aligning resources with government priorities, and reporting results to Parliament.

Total planned spending in this area<sup>3</sup> includes:

Financial Resources (in \$ thousands):

2005–06	2006–07	2007–08
\$134,322	\$132,913	\$129,886

Human Resources:

2005–06	2006–07	2007–08
1059	1040	1008

Given the breadth of activities and achievements, this program activity is discussed below as two complementary activities:

- ▶ Public Sector Governance and Management; and
- ▶ Expenditure and Performance Operations.

### ***3.1.1 Public Sector Governance and Management***

Public Sector Governance and Management encompasses those activities that establish the expectations, standards, measures, and incentives that govern public sector performance and accountability. These include:

- ▶ the Management Accountability Framework;
- ▶ service, information and technology management; and
- ▶ compensation and labour relations.

The core business outcome of these activities is the establishment and maintenance of confidence in the management capacity of the federal Public Service.

Key indicators include:

- ▶ the development of government-wide strategies for public sector management;
- ▶ the establishment of achievable performance expectations;
- ▶ defined and articulated performance standards; and
- ▶ the measurement of performance.

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3. Includes an allocation of the financial and human resources from the Corporate Strategy and Services activity.

Key priority initiatives designed to strengthen public sector governance and management include the following priorities for 2005–06:

- ▶ the next phase of the implementation of the Management Accountability Framework;
- ▶ the streamlining and consolidation of the Treasury Board policy suite;
- ▶ the Secretariat's contribution to the Core Learning Agenda; and
- ▶ an integrated approach to Internal and External Service Delivery Transformation.

### ***3.1.2 Expenditure and Performance Operations***

The area of expenditure and performance operations encompasses a suite of activities that include program evaluation, analysis, assessment, and monitoring at the departmental level, and resource allocations and management across government as a whole.

Expenditure and performance operations assess the value for money of departmental and horizontal management of crosscutting initiatives, such as security, science, environment, and Aboriginal peoples. The core business outcome of these activities is a whole-of-government perspective on expenditure management, to ensure the optimal allocation of public resources, in keeping with Treasury Board policies and accounting for performance.

Key indicators include:

- ▶ resources are allocated or reallocated on a well-informed, ongoing basis;
- ▶ performance is analyzed, evaluated, monitored, and reported;
- ▶ risks, issues, and trends are identified;
- ▶ expenditure management information is clear, timely, and accurate; and
- ▶ Parliament has the information it needs to hold the government to account.

Priority initiatives designed to strengthen expenditure and performance operations include:

- ▶ improving reporting to Parliament;
- ▶ a strengthened budget office role; and
- ▶ enhancing financial, management, and performance information.

### 3.2 Comptrollership

Comptrollership leads to the Secretariat’s strategic outcome by putting in place financial controls to ensure reliable and transparent reporting of public expenditures. As a program activity, Comptrollership encompasses a suite of activities that define financial management and internal audit expectations, policies, and guidance across the public sector as a whole.

The Comptrollership program activity aims to build and maintain the trust of Canadians by recommending to ministers and putting in place effective policies, oversight, and reporting mechanisms.

Total planned spending in this area<sup>4</sup> includes:

**Financial Resources:**

2005–06	2006–07	2007–08
\$28,152	\$35,141	\$40,649

**Human Resources:**

2005–06	2006–07	2007–08
200	248	288

The core business outcomes of these activities are:

- ▶ assurance of probity and value for money with respect to public investments; and
- ▶ providing overall leadership in ensuring rigorous stewardship of public funds through strengthened financial management and internal audit across the Public Service.

Key indicators include the:

- ▶ establishment of clear certification standards for financial and internal audit professionals;
- ▶ establishment of a more effective control framework, supported by assurance of due diligence and due process, especially for high-risk spending proposals;
- ▶ completion of government audits of selected small agencies and horizontal issues;
- ▶ application of timely oversight and intervention to prevent potential problems or redress actual problems after they occur;

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4. Includes an allocation of the financial and human resources from the Corporate Strategy and Services activity.

- ▶ provision of quality, timely, and independent advice to Treasury Board ministers, the Secretary, and others on matters pertaining to financial management and audit; and
- ▶ identification of areas for improvement and provision of quality assurance of internal audit and financial management across government.

Priority initiatives designed to support Comptrollership include efforts to:

- ▶ strengthen internal audit;
- ▶ contribute to the renewal and consolidation of the Treasury Board policy suite through enhanced internal audit and financial management policies;
- ▶ strengthen financial management; and
- ▶ contribute to the Core Learning Agenda through capacity building and community development for the internal audit and financial communities.

### 3.3 Centrally Managed Funds

This program activity provides sound management and administration of central funds related to:

- ▶ government contingencies;
- ▶ government-wide initiatives;
- ▶ public service compensation; and
- ▶ public service pensions, benefits, and insurance.

Managing access to the central reserves under Treasury Board control is the core business of this program activity, and the expected result is that these funds are administered in accordance with the applicable legislation and/or Treasury Board policies and standards.

Total planned spending in this area includes:

Financial Resources:

2005–06	2006–07	2007–08
\$2,418,372	\$2,617,023	\$2,803,325

There are several centrally managed funds.

**Government Contingencies (or Treasury Board Vote 5)**, which consists of funds used to supplement other appropriations to provide the government with the flexibility to meet unforeseen expenditures until parliamentary approval can be obtained and to meet additional pay list costs, such as severance pay and parental benefits, which are not provided for in departmental estimates;

**Government-wide Initiatives (or Treasury Board Vote 10)**, which consists of funds supplement budgets in other departments and agencies in support of the implementation of strategic management initiatives in the Public Service of Canada;

**Compensation Adjustments (or Treasury Board Vote 15)**, which consists of funds that are transferred to departments and agencies for salary adjustments in the Supplementary Estimates; and

**Public Service Insurance (or Treasury Board Vote 20)**, which consists of funds for the:

- ▶ payment of the employer's share of health, income maintenance, and life insurance premiums;
- ▶ payments to or in respect of provincial health insurance plans;
- ▶ payment of provincial payroll taxes and Quebec sales tax on insurance premiums;
- ▶ pension, benefit, and insurance plans for employees engaged locally outside Canada; and
- ▶ return to certain employees of their share of the unemployment insurance premium reduction.

## 4. Supplementary Information

### 4.1 Management Representation Statement

I submit for tabling in Parliament the 2005–06 *Report on Plans and Priorities* for the Treasury Board of Canada Secretariat.

This document has been prepared based on the reporting principles contained in the *Guide to the Preparation of Part III of the Estimates: Reports on Plans and Priorities*.

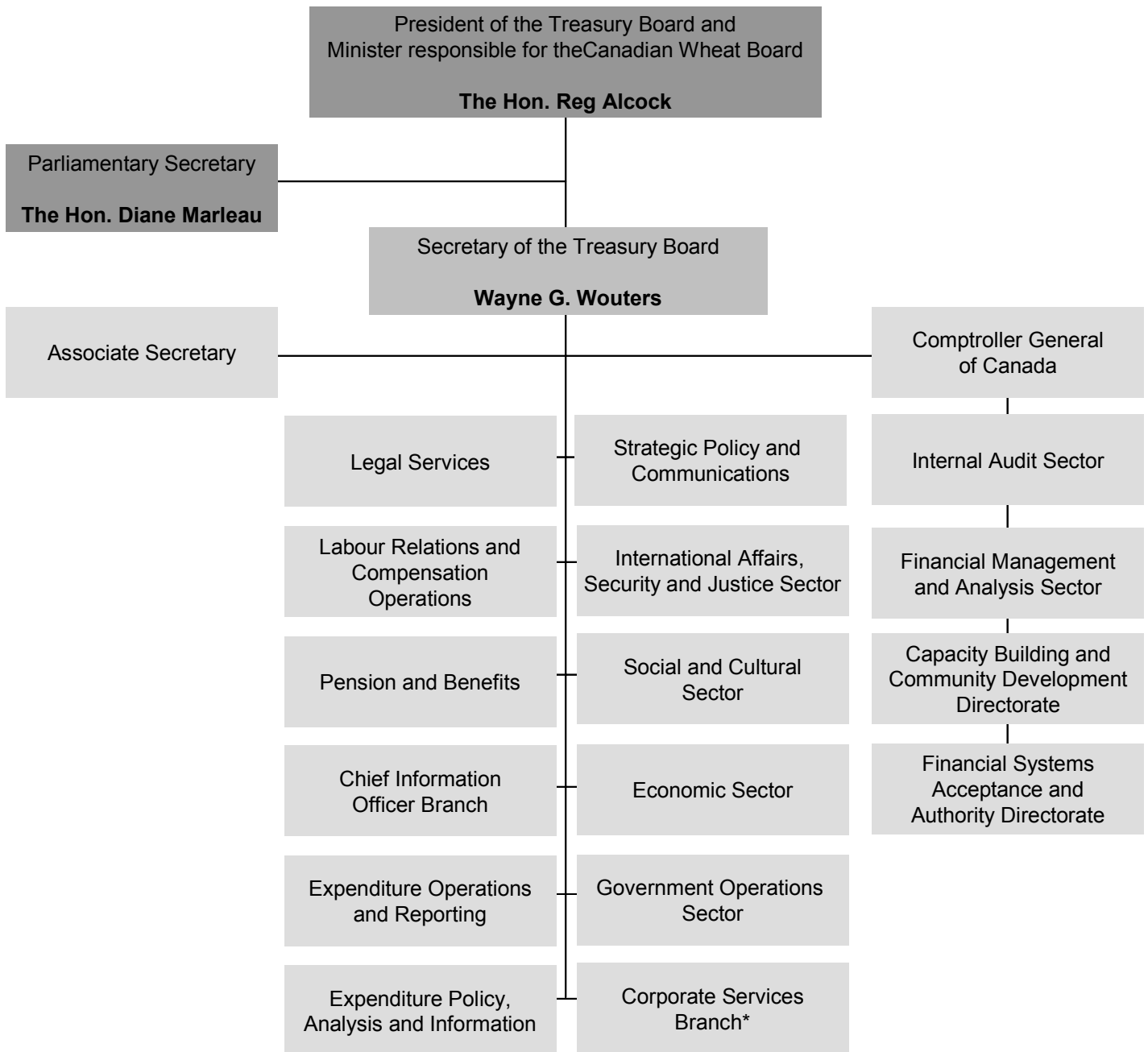
- ▶ it adheres to the specific reporting requirements outlined in the Treasury Board of Canada Secretariat's guidance;
- ▶ it is based on the Secretariat's approved accountability structure as reflected in the Management Resources and Results Structure;
- ▶ it presents consistent, comprehensive, balanced, and accurate information;
- ▶ it provides a basis of accountability for the results achieved with the resources and authorities entrusted to it; and
- ▶ it reports finances based on approved planned spending numbers from the Treasury Board of Canada Secretariat.

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Wayne G. Wouters  
Secretary of the Treasury Board

## 4.2 Organizational Information

### 4.2.1 Organizational Chart



\*Corporate Services are shared functions, with service provided to the Department of Finance Canada, Treasury Board of Canada Secretariat, and the Public Service Human Resources Management Agency of Canada.



#### 4.2.2 Organizational Accountability

The Honourable Reg Alcock is the **President** of the Treasury Board and the Minister responsible for the Canadian Wheat Board. The Honourable Diane Marleau is the **Parliamentary Secretary** to Mr. Alcock.

The **Secretary** of the Treasury Board reports to the President and is responsible for:

- ▶ developing the policies and priorities to support the prudent and effective management of the Government of Canada's human, financial, information, and technology resources in the achievement of the government's objectives;
- ▶ monitoring the proposed spending programs of all government departments and agencies and reviewing the development of approved programs to ensure effective expenditure management; and
- ▶ recommending human resources management policy to the Treasury Board in the areas of compensation, pensions, benefits, and staff relations and negotiating collective bargaining agreements with the various bargaining agents.

The Secretariat has an **Associate Secretary** who reports to the Secretary and assists him in the prudent and effective management of the Government of Canada's human, financial, information, and technology resources.

The **Comptroller General of Canada** reports through the Secretary to the President of the Treasury Board and has responsibility for:

- ▶ overseeing all government spending, including review and sign-off of new spending initiatives;
- ▶ setting or reviewing financial, accounting, and auditing standards and policies for the Government of Canada; and
- ▶ providing leadership to ensure and enforce appropriate financial controls and cultivating sound resource stewardship at all levels across the federal Public Service.

The **Assistant Comptroller General, Internal Audit** reports to the Comptroller General and is responsible for:

- ▶ the provision of leadership and oversight of the public service internal audit function as the functional head of federal internal audit;
- ▶ developing, implementing, and reviewing auditing policies, frameworks, and standards; and
- ▶ managing and conducting timely audits, including those for most small departments and agencies.

The **Chief Information Officer** reports to the Secretary and performs the following functions:

- ▶ provides frameworks, policies, and guidance on a broad range of information management (IM) and information technology (IT) matters and related issues in support of program and service delivery;
- ▶ provides strategies, advice, and leadership to optimize IM/IT spending across the government and simplify and reuse common data, business processes, and solutions; and
- ▶ articulates and advances the government-wide service transformation agenda, to continuously improve service quality and increase Canadians' satisfaction with government service delivery.

The **Assistant Secretary of Strategic Policy and Communications** reports to the Secretary and performs the following functions:

- ▶ briefs the President on Cabinet and parliamentary affairs;
- ▶ co-ordinates and supports Treasury Board operations, submissions, and agendas;
- ▶ provides strategic policy and planning with integrated support for corporate direction and manages the Secretariat's external relations and partnerships; and
- ▶ delivers corporate and public service-wide communications, media relations, and Treasury Board communications policy.

The **assistant secretaries of the program sectors (International Affairs, Security, and Justice Sector, Government Operations Sector, Economic Sector, and Social and Cultural Sector)** all report to the Secretary. They support the Treasury Board in its management board role by advising on:

- ▶ strategic resource allocation and effective program design for departments and agencies;
- ▶ effective use of resources;
- ▶ policy and program design, viability, and responsiveness;
- ▶ funding pressures and mitigation strategies; and
- ▶ broad government policy, operational issues, and management strategies (e.g. integrity of programs).

The **Assistant Secretary of Labour Relations and Compensation Operations** reports to the Secretary and is responsible for supporting the Treasury Board's role as employer of the core public administration through labour relations and compensation operations, human resources, and risk management.

The **Assistant Secretary of Pensions and Benefits** reports to the Secretary and provides strategic direction and policy leadership on public service pension and employee/pensioners' insurance benefits policy and programs. This involves:

- ▶ strategic management of pension and benefits arrangements for the Public Service, retirees, and related populations;
- ▶ the development, negotiation, and implementation of pension and benefit designs and governance arrangements, including legislative and regulatory frameworks that meet the needs of the employer and employees at a cost acceptable to the Canadian public;
- ▶ the development of strategies and processes for effective funding, and financial and asset management for the public service, military, and RCMP pension plans and public service benefit plans; and
- ▶ the development of a risk management framework, including legal risk, and the establishment of appropriate mitigation measures.

The **Assistant Secretary of Expenditure Operations and Reporting** reports to the Secretary and performs the following functions:

- ▶ provides integrated and comprehensive reporting to Parliament, departments, and the public that reflects Treasury Board oversight responsibilities for management performance and expenditure management (i.e. Estimates, reports on plans and priorities, departmental performance reports, and *Canada's Performance*);
- ▶ leads the improvement and development of reporting instruments;
- ▶ prepares and tables the Estimates and supply legislation and provides parliamentary liaison;
- ▶ leads Management Resources and Results Structure implementation and co-ordination;
- ▶ strengthens results-based management, including horizontal management, and evaluation policy, monitors evaluations, and supports related capacity development across government;
- ▶ plays the lead role in the budget process and conducts primary liaison with the Privy Council Office and the Department of Finance Canada on related matters (e.g. fiscal framework, the management of emerging expenditure pressures, and allocations from other reserves);
- ▶ manages recommendations for access to central reserves under Treasury Board control (e.g. operating, contingency, and compensation reserves); and
- ▶ plays an internal challenge role, recommends allocations, and implements initiatives to achieve the Treasury Board's expenditure management objectives.

The **Executive Director of Expenditure Policy, Analysis, and Information** reports to the Secretary and supports an integrated Secretariat expenditure management role by providing expenditure policy, research and analysis, and the expenditure management information system (EMIS).

The **Senior General Counsel and Legal Services** provide a full range of legal and litigation services to the President, the Treasury Board, and the Secretariat, specifically regarding commercial law, labour and employment law, and government law. They further advise and support in the areas of powers and duties generally and by:

- ▶ ensuring that the government conducts its affairs in accordance with the law;
- ▶ ensuring government compliance with applicable statutes and regulations;
- ▶ conducting litigation on behalf of public service employers; and
- ▶ assisting in the enactment and amendment of legislation, regulations, strategic policy development, and initiatives, where the responsibility for these changes and initiatives falls under the President and the Treasury Board.

The **Assistant Deputy Minister of Corporate Services** and the **Corporate Services Branch** provide shared support and services to the Secretariat, the Department of Finance Canada, and the Public Service Human Resources Management Agency of Canada in the areas of human resources, financial management, corporate systems, facilities, informatics, information and materiel management, internal audit and evaluation, security, and employee orientation.

### 4.2.3 Crosswalk of Accountability

MRRS Element	Name	Accountable Position
Strategic Outcome	Rigorous stewardship of public resources to achieve results for Canadians	Secretary of the Treasury Board Associate Secretary
Program Activities	Management and Expenditure Performance	Chief Information Officer Assistant Secretary, Labour Relations and Compensation Operations Assistant Secretary, Pension and Benefits Assistant Secretary, Economic Sector Assistant Secretary, Social and Cultural Sector Assistant Secretary, International Affairs, Security, and Justice Sector Assistant Secretary, Government Operations Sector Assistant Secretary, Expenditure Operations and Reporting Executive Director, Expenditure Policy, Analysis, and Information
		Comptrollership
	Centrally Managed Funds	Assistant Secretary, Expenditure Operations and Reporting Assistant Secretary, Pension and Benefits Executive Director, Expenditure Policy, Analysis, and Information

### 4.2.4 Corporate Management

An important component of the Secretariat's core business is the work performed in the area of corporate strategy and services. This program activity encompasses corporate services and strategic governance for the Secretariat, including executive support, ministerial affairs, corporate policy, communications, and legal services. This program activity also aims to provide a supportive work environment for Secretariat employees.

The Assistant Deputy Minister, Corporate Services (Department of Finance Canada), the Assistant Secretary, Strategic Policy and Communications, and the Senior General Counsel are accountable in these areas.

The expected result in the areas of corporate strategy and services is the delivery of quality leadership and management of the Secretariat as a whole.

Key indicators of performance are as follows:

- ▶ Treasury Board ministers receive timely, accurate information and sound advice upon which to base their decisions;
- ▶ the Secretariat is flexible and adapts effectively to change; and
- ▶ continuous improvement is institutionalized.

Priorities in this area include:

- ▶ ongoing efforts to strengthen internal management of the Secretariat, in keeping with the government-wide implementation of the Management Accountability Framework; and
- ▶ efforts to stabilize and strengthen Regional Federal Council Secretariats in order to better integrate regional perspectives into national policies and programs, co-ordinate a more effective, responsive, and integrated approach to developing and delivering federal programs and services in the regions, manage horizontal initiatives, and communicate federal activities.

### 4.3 Tables

Table 1: Departmental Planned Spending and Full-time Equivalents

(\$ thousands)	Forecast Spending 2004–05	Planned Spending 2005–06	Planned Spending 2006–07	Planned Spending 2007–08
Management and Expenditure Performance <sup>(1)</sup>	114,657.0	134,839.0	134,512.0	128,322.0
Comptrollership <sup>(2)</sup>	12,429.0	27,924.0	34,811.0	40,272.0
Centrally Managed Funds	2,487,396.0	2,550,170.0	2,751,520.0	2,941,620.0
Budgetary Main Estimates (gross)	2,614,482.0	2,712,933.0	2,920,843.0	3,110,214.0
Secretariat Operations	127,086.0	162,763.0	169,323.0	168,594.0
Centrally-administered Funds	2,487,396.0	2,550,170.0	2,751,520.0	2,941,620.0
Total	2,614,482.0	2,712,933.0	2,920,843.0	3,110,214.0
Less: Respendable revenue <sup>(3)</sup>	(117,000.0)	(133,519.0)	(135,410.0)	(134,100.0)
Total Main Estimates	2,497,482.0	2,579,414.0	2,785,433.0	2,976,114.0
<i>Adjustments (Planned Spending not in Main Estimates)<sup>(4)</sup></i>				
Supplementary Estimates A	170,471.1	1,130.0		
Supplementary Estimates B	186,115.8			
Budget Announcements	-	(1,568.0)	(2,297.0)	(4,195.0)
Other	(424,003.0)	1,870.0	1,941.0	1,941.0
Total Planned Spending	2,430,065.9	2,580,846.0	2,785,077.0	2,973,860.0
Less: Non-respendable revenue <sup>(5)</sup>	(9,700.0)	(10,000.0)	(10,000.0)	(10,000.0)
Plus: Cost of services received without charge <sup>(6)</sup>	11,371.1	12,074.8	12,364.3	12,661.5
Net Cost of the Secretariat	2,431,737.0	2,582,920.8	2,787,441.3	2,976,521.5
Full-time Equivalents	990	1,259	1,288	1,296

#### Notes

- (1) Includes a portion of Corporate Strategy and Services resources: \$40.8 million in 2005–06; \$39.9 million in 2006–07; and \$39.4 million in 2007–08.
- (2) Includes a portion of Corporate Strategy and Services resources: \$5.3 million in 2005–06; \$5.8 million in 2006–07; and \$6.1 million in 2007–08.

- (3) Respendable Revenue is used to cover the costs incurred by the Secretariat on behalf of other government departments for shared initiatives, such as the Public Service Superannuation Account Pension Fund (Vote 1) and the Public Service Insurance (Vote 20).
- (4) Adjustments:

2004–05

Supplementary Estimates A adjustments include the following initiatives: Vote 1—Common Infrastructure and Service Delivery (CISD) (\$9.5 million), Expenditure Management Information System (EMIS) Project (\$6.2 million), Operating budget carry forward (\$5.3 million), Crossing Boundaries National Council (\$0.2 million); and Vote 15—Compensation adjustments for transfers to departments and agencies for salary adjustments (\$158.4 million). It also includes transfers out to the Public Service Human Resources Management Agency of Canada of \$9.0 million and to Indian and Northern Affairs Canada of \$0.1 million.

Supplementary Estimates B adjustments include the following initiatives: Vote 1—EMIS (\$6.0 million), *Public Service Modernization Act*-related activities in regional Joint Career Transition Committees (\$1.2 million), HR Action Fund Claw Back from Regional Councils (\$0.1 million); and Vote 15—Compensation adjustments for transfers to departments and agencies for salary adjustments (\$180.4 million). It also includes the transfer to a frozen allotment related to reprofiled funds for Pension Surplus and Death Benefit Litigations (\$1.3 million) and a transfer out to Public Works and Government Services Canada (PWGSC) (\$0.2 million).

Other adjustments include transfers from Vote 5 and 15 of \$426.0 million; increases to Vote 1 for compensation for collective agreements received (\$1.5 million); and increases to the employee benefit plan (EBP) related to Treasury Board approvals (\$0.5 million).

2005–06

Supplementary Estimates A adjustments to include the following initiatives: Vote 1—Group Insurance and Benefit Programs (\$2.1 million), a transfer out to PWGSC (\$0.2 million), and remaining transfers out related to Regional Councils (\$0.8 million). Budget Announcements reflects the reductions to the Secretariat's planned spending (\$1.6 million, including planned procurement savings) as a result of the Expenditure Review, which were announced in the 2005 budget. Other adjustments include an increase



to Vote 1 for compensation for collective agreements received (\$1.4 million) and increases to EBP related to Treasury Board approvals (\$0.5 million).

#### 2006–07

Budget Announcements reflects the reductions to the Secretariat's planned spending (\$2.3 million) as a result of the Expenditure Review, which were announced in the 2005 budget. Other adjustments to be made in the 2006–07 Annual Review Level Update (ARLU) include the following: Vote 1—Group Insurance and Benefit Programs (\$1.0 million), a transfer out to PWGSC (\$0.2 million), and remaining transfers out related to Regional Councils (\$0.8 million). Other adjustments also include increases to Vote 1 for compensation for collective agreements received (\$1.5 million), and increases to EBP related to TB approvals (\$0.4 million).

#### 2007–08

Budget Announcements reflects the reductions to the Secretariat's planned spending (\$4.2 million) as a result of the Expenditure Review, which were announced in the 2005 budget. Other adjustments to be made in the 2006–07 ARLU include the following: Vote 1—Group Insurance and Benefit Programs (\$1.0 million), a transfer out to PWGSC (\$0.2 million), and remaining transfers out related to Regional Councils (\$0.8 million). Other adjustments include increases to Vote 1 for compensation for collective agreements received (\$1.5 million) and increases to EBP related to Treasury Board approvals (\$0.4 million).

- (5) Revenue from parking fees.
- (6) Includes the following services received without charge: accommodation charges (PWGSC); Workers' Compensation (Social Development Canada); and Legal Services (Department of Justice Canada).

### **Spending Trends**

The Secretariat Operations planned expenditures show an increase over the three planned years mainly due to new demands and resources related to the increased responsibilities and/or workload of the Comptroller General and Chief Information Officer, and to strengthening the government's presence in the regions.

The Centrally Administered funds show a growth in expenditures over the three planned years for the Public Service Pensions and Insurance, which represents payments of the employer's share of health income maintenance, life premiums, payments in respect of provincial health insurance plans, provincial payroll taxes, as well as pension, benefits, and insurance plans for employees engaged locally (i.e. outside Canada).

Table 2: Program by Activity

2005–06								
(\$ thousands)								
Budgetary								
Program Activity	Operating	Grants and Contributions	Gross	Revenue	Net	Total Main Estimates	Adjustments (planned spending not in Main Estimates)	Total Planned Spending
Management and Expenditure Performance	134,839		134,839	(3,119)	131,720	131,720	2,602	134,322
Comptrollership	27,924		27,924	–	27,924	27,924	228	28,152
Centrally Managed Funds	2,549,650	520	2,550,170	(130,400)	2,419,770	2,419,770	(1,398)	2,418,372
<b>Total</b>	<b>2,712,413</b>	<b>520</b>	<b>2,712,933</b>	<b>(133,519)</b>	<b>2,579,414</b>	<b>2,579,414</b>	<b>1,432</b>	<b>2,580,846</b>

Table 3: Voted and Statutory Items Listed in Main Estimates

Vote or Statutory Item		Current Main Estimates	Previous Main Estimates
<b>Treasury Board of Canada Secretariat</b>		(\$ thousands)	
1	Operating Expenditures	<b>140,551</b>	111,451
5	Government Contingencies	<b>750,000</b>	750,000
10	Government-wide Initiatives	<b>16,050</b>	10,876
20	Public Service Insurance	<b>1,653,700</b>	1,609,500
(S)	<i>President of the Treasury Board—Salary and motor car allowance</i>	<b>70</b>	70
(S)	<i>Contributions to Employee Benefit Plans</i>	<b>19,023</b>	15,565
(S)	<i>Public Service Pension Adjustment Act</i>	<b>20</b>	20
<b>Total Secretariat</b>		<b>2,579,414</b>	2,497,482

Table 4: Net Cost of Department

(\$ thousands)	Total
Total Planned Spending (Total Main Estimates plus Adjustments as per the Planned Spending table)	<b>2,580,846.0</b>
<i>Plus: Services Received Without Charge</i>	
Accommodation provided by Public Works and Government Services Canada (PWGSC)	<b>9,673.9</b>
Workers' compensation coverage provided by Social Development Canada	–
Salary and associated expenditures of legal services provided by the Department of Justice Canada	<b>2,400.9</b>
	<b>2,592,920.8</b>
<i>Less: Non-responsible Revenue</i>	<b>(10,000.0)</b>
<b>2005–06 Net Cost of the Secretariat</b>	<b>2,582,920.8</b>

Table 5: Sources of Respendable and Non-respendable Revenue

(\$ thousands)	Forecast Revenue 2004–05	Planned Revenue 2005–06	Planned Revenue 2006–07	Planned Revenue 2007–08
Management and Expenditure Performance	2,989.0	<b>3,119.0</b>	3,210.0	–
Centrally Managed Funds—Public Service Insurance	117,000.0	<b>130,400.0</b>	132,200.0	134,100.0
<b>Total Respendable Revenue</b>	119,989.9	<b>133,519.0</b>	135,410.0	134,100.0

*Non-respendable Revenue*

(\$ thousands)	Forecast Revenue 2004–05	Planned Revenue 2005–06	Planned Revenue 2006–07	Planned Revenue 2007–08
Revenue from Parking Fees <sup>(1)</sup>	9,700.0	<b>10,000.0</b>	10,000.0	10,000.0
Total Non-respendable Revenue	9,700.0	<b>10,000.0</b>	10,000.0	10,000.0
<b>Total Respendable and Non-respendable Revenue</b>	129,689.9	<b>143,519.0</b>	145,410.0	144,100.0

(1) This represents the parking fees collected from public service employees in government-owned or -leased facilities. This revenue is deposited directly to the Consolidated Revenue Fund and cannot be used to offset operating expenditures.

Table 6: Resource Requirement by Branch or Sector

(\$ thousands)	2005–06			
	Management Comptrollership and Expenditure Performance		Centrally Managed Funds	Total Planned Spending
Office of the Comptroller General		21,392.0		21,392.0
Management Accountability Framework	593.9			593.9
Expenditure and Management Review Teams	4,443.7			4,443.7
Expenditure Operations and Reporting Branch	6,932.6		750,750.0	757,682.6
Expenditure Policy, Analysis, and Information Branch	8,553.6			8,553.6
Labour Relations and Compensation Operations Branch	9,453.2			9,453.2
Pensions and Benefits Branch	6,790.8		1,653,720.0	1,660,510.8
Chief Information Officer Branch	25,790.8			25,790.8
Social and Cultural Sector	3,881.3			3,881.3
Economic Sector	4,054.2			4,054.2
Government Operations Sector	11,310.6			11,310.6
International, Security, and Justice Sector	3,315.6			3,315.6
<u>Branches under Corporate Strategy and Services</u>	49,201.9	6,759.7	13,902.0	69,863.7
President's Office				
Secretary's Office				
Issue Management				
Associate Secretary's Office—Vacant				
Associate Secretary's Office				
Strategic Policy and Communications Branch				
Legal Services Branch				
Corporate Services Branch				
Central Costs				
<b>Total</b>	<b>134,322.3</b>	<b>28,151.7</b>	<b>2,418,372.0</b>	<b>2,580,846.0</b>

Table 7: Major Regulatory Initiatives

Regulations	Expected Results
<p>Amendments will be made to the Pension Benefits Division Regulations and the <i>Public Service Superannuation Regulations</i> to incorporate the revised standards of the Canadian Institute of Actuaries to be used in the calculation of certain lump sum pension benefits.</p>	<p>The amendments will ensure that the regulatory authorities are in accordance with the actuarial standards and therefore comply with generally accepted actuarial principles.</p>



Table 8: Horizontal Initiatives

Over the next three years, the Treasury Board of Canada Secretariat will be involved in the following horizontal initiatives as either the lead or as a partner:

2005–06	2006–07	2007–08
1. the Accelerated Action Plan for Federal Contaminated Sites (co-lead with Environment Canada)	1. the Accelerated Action Plan for Federal Contaminated Sites (co-lead with Environment Canada)	1. the Accelerated Action Plan for Federal Contaminated Sites (co-lead with Environment Canada)
2. Service Canada (partner)		

For further information on the above-mentioned horizontal initiatives, please see [http://www.tbs-sct.gc.ca/rma/eppi-ibdrp/hrdb-rhbd/profil\\_e.asp](http://www.tbs-sct.gc.ca/rma/eppi-ibdrp/hrdb-rhbd/profil_e.asp).

Table 9: Useful Internet Sites

General		
1.	Treasury Board of Canada Secretariat	<a href="http://www.tbs-sct.gc.ca/index_e.asp">http://www.tbs-sct.gc.ca/index_e.asp</a>
2.	Public Service Human Resources Management Agency of Canada	<a href="http://www.hrma-agrh.gc.ca/index_e.asp">http://www.hrma-agrh.gc.ca/index_e.asp</a>
3.	Canada School of Public Service	<a href="http://www.myschool-monecole.gc.ca/main_e.html">http://www.myschool-monecole.gc.ca/main_e.html</a>
4.	Public Service Commission of Canada	<a href="http://www.psc-cfp.gc.ca/index_e.htm">http://www.psc-cfp.gc.ca/index_e.htm</a>
5.	Office of the Auditor General of Canada	<a href="http://www.oag-bvg.gc.ca/domino/oag-bvg.nsf/html/menue.html">http://www.oag-bvg.gc.ca/domino/oag-bvg.nsf/html/menue.html</a>
6.	Public Service Modernization Portal	<a href="http://www.psm-modfp.gc.ca/index_e.asp">http://www.psm-modfp.gc.ca/index_e.asp</a>
7.	Government of Canada—Expenditure Review	<a href="http://www.expenditurereview-examendesdepenses.gc.ca/index_e.asp">http://www.expenditurereview-examendesdepenses.gc.ca/index_e.asp</a>
8.	<i>Review of the Governance Framework for Canada's Crown Corporations—Meeting the Expectations of Canadians</i>	<a href="http://www.tbs-sct.gc.ca/report/rev-exa/gfcc-cgse_e.asp">http://www.tbs-sct.gc.ca/report/rev-exa/gfcc-cgse_e.asp</a>
9.	Strengthening Public Sector Management	<a href="http://www.tbs-sct.gc.ca/spsm-rgsp/index_e.asp">http://www.tbs-sct.gc.ca/spsm-rgsp/index_e.asp</a>
10.	Management Accountability Framework	<a href="http://www.tbs-sct.gc.ca/maf-crg/index_e.asp">http://www.tbs-sct.gc.ca/maf-crg/index_e.asp</a>
11.	<i>Results for Canadians</i>	<a href="http://www.tbs-sct.gc.ca/res_can/rc_e.asp">http://www.tbs-sct.gc.ca/res_can/rc_e.asp</a>
12.	Government of Canada policies and guidelines	<a href="http://www.tbs-sct.gc.ca/common/policies-politiques_e.asp">http://www.tbs-sct.gc.ca/common/policies-politiques_e.asp</a>
13.	Professional Development and Certification Program for the Procurement, Materiel Management, and Real Property Community	<a href="http://publiservice.tbs-sct.gc.ca/pd-pp/home-accueil.asp?Language=EN">http://publiservice.tbs-sct.gc.ca/pd-pp/home-accueil.asp?Language=EN</a>
14.	Key Performance Indicators	<a href="http://www.cio-dpi.gc.ca/si-as/kpi-icr/kpi-icr00_e.asp">http://www.cio-dpi.gc.ca/si-as/kpi-icr/kpi-icr00_e.asp</a>
15.	Institute for Citizen-Centred Service	<a href="http://www.iccs-isac.org">www.iccs-isac.org</a>
16.	Budget 2005	<a href="http://www.fin.gc.ca/budtoce/2005/budliste.htm">http://www.fin.gc.ca/budtoce/2005/budliste.htm</a>
17.	Budget 2004	<a href="http://www.fin.gc.ca/budtoce/2004/budliste.htm">http://www.fin.gc.ca/budtoce/2004/budliste.htm</a>
18.	Budget 2003	<a href="http://www.fin.gc.ca/budtoce/2003/budliste.htm">http://www.fin.gc.ca/budtoce/2003/budliste.htm</a>
19.	<i>Ethics, Responsibility, Accountability: An Action Plan for Democratic Reform</i>	<a href="http://www.pco-bcp.gc.ca/default.asp?Language=E&amp;Page=Publications&amp;doc=dr-rd/dr-rd_e.htm">http://www.pco-bcp.gc.ca/default.asp?Language=E&amp;Page=Publications&amp;doc=dr-rd/dr-rd_e.htm</a>
20.	Speech from the Throne (October 5, 2004)	<a href="http://pm.gc.ca/eng/sft-ddt.asp">http://pm.gc.ca/eng/sft-ddt.asp</a>
21.	Speech from the Throne (February 2, 2004)	<a href="http://pm.gc.ca/eng/sft-ddt.asp?id=6">http://pm.gc.ca/eng/sft-ddt.asp?id=6</a>

<b>Management and Expenditure Performance</b>	
22. Modern Comptrollership	<a href="http://www.tbs-sct.gc.ca/CMO_MFC/index_e.asp">http://www.tbs-sct.gc.ca/CMO_MFC/index_e.asp</a>
23. Risk Management	<a href="http://publiservice.tbs-sct.gc.ca/rm-gr/home-accueil.asp">http://publiservice.tbs-sct.gc.ca/rm-gr/home-accueil.asp</a>
24. Evaluation	<a href="http://www.tbs-sct.gc.ca/eval/eval_e.asp">http://www.tbs-sct.gc.ca/eval/eval_e.asp</a>
25. Expenditure Management Information System	<a href="http://www.tbs-sct.gc.ca/emis-sigd/index_e.asp">http://www.tbs-sct.gc.ca/emis-sigd/index_e.asp</a>
26. Estimates for the Government of Canada, <i>Canada's Performance</i> , and other supporting documents	<a href="http://www.tbs-sct.gc.ca/est-pre/estime.asp">http://www.tbs-sct.gc.ca/est-pre/estime.asp</a>
27. Strategic Outcomes Database	<a href="http://www.tbs-sct.gc.ca/rma/krc/so-rs_e.asp">http://www.tbs-sct.gc.ca/rma/krc/so-rs_e.asp</a>
28. Horizontal Results Database	<a href="http://www.tbs-sct.gc.ca/rma/eppi-ibdrp/hrdb-rhbd/profil_e.asp">http://www.tbs-sct.gc.ca/rma/eppi-ibdrp/hrdb-rhbd/profil_e.asp</a>
29. Results-based Management	<a href="http://www.tbs-sct.gc.ca/rma/rbm-gar_e.asp">http://www.tbs-sct.gc.ca/rma/rbm-gar_e.asp</a>
30. Chief Information Officer	<a href="http://www.cio-dpi.gc.ca/cio-dpi/index_e.asp">http://www.cio-dpi.gc.ca/cio-dpi/index_e.asp</a>
<b>Comptrollership</b>	
31. Office of the Comptroller General of Canada	<a href="http://www.tbs-sct.gc.ca/organisation/ocg-bcg_e.asp">http://www.tbs-sct.gc.ca/organisation/ocg-bcg_e.asp</a>
32. Audit and Evaluation Database	<a href="http://www.tbs-sct.gc.ca/rma/database/aeve_e.asp">http://www.tbs-sct.gc.ca/rma/database/aeve_e.asp</a>
33. Public Accounts of Canada	<a href="http://www.pwgsc.gc.ca/recgen/text/pub-acc-e.html">http://www.pwgsc.gc.ca/recgen/text/pub-acc-e.html</a>