PUBLIC WORKS AND GOVERNMENT SERVICES CANADA

REPORT ON
PLANS AND
PRIORITIES

The Way Forward

2006 – 2007 ESTIMATES

The Honourable Michael M Fortier
Minister of Public Works and Government Services
Receiver General for Canada

Public Works and
Government Services
Canada

Travaux publics et
Services gouvernementaux
Canada

Canada

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MINISTER'S MESSAGE

Public Works and Government Services Canada (PWGSC)'s Report on Plans and Priorities 2006-07 outlines the key objectives for the department, and how we intend to help the Government of Canada provide quality services to Canadians.

Our department has begun transforming the way the government does business and finding innovative ways to deliver services smarter, faster and at a reduced cost. We are buying smarter, exploring savings in real estate, taking full advantage of information technology and greening government operations. We are taking a whole-of-government approach to program and service delivery. And, we aim to save several billion dollars for taxpayers over a five-year period.

As we begin to deliver on those savings and efficiencies, we have identified four major priorities that will guide our activities over the reporting period: strengthening accountability and transparency, pursuing our business transformation agenda, supporting the government's strategic agenda, and, delivering major projects of national importance, such as military procurement and e-Government.

To do this, we will build on the accountability measures we have implemented including improved internal audit and evaluation functions, coordinated risk management, increased proactive disclosure and better reporting on commitments.

In support of the government's commitments articulated in the *Federal Accountability Act and Action Plan*, we will pay particular attention to ensuring a fair, open and transparent procurement process. We will make sure that there are improved opportunities for Small and Medium Enterprises in all regions of Canada to compete for government contracts.

Working with Canadians, our partners in government and private sector stakeholders, we will generate savings that can be reallocated to Canadians' other priorities – priorities such as lowering taxes for working Canadians, supporting parents' child care choices, and delivering the health care Canadians need.

Sound management, strong ethics and a profound respect for Canadians' hard earned money are at the core of what we do. I look forward to working with all PWGSC employees to respond to the expectations of Canadians in these areas.

The Honourable Michael M Fortier

MANAGEMENT REPRESENTATION STATEMENT

I submit, for tabling in Parliament, the Report on Plans and Priorities: 2006-2007 to 2008-2009 for Public Works and Government Services Canada.

This document has been prepared based on the reporting principles and disclosure requirements contained in the Treasury Board Secretariat's *Guide for the Preparation of Report on Plans and Priorities* in that it presents consistent, balanced, and accurate information to Parliament by:

- Reporting based on the department's approved accountability structure as reflected in its Management Resources and Results Structure (MRRS);
- Providing a basis of accountability for the results pursued or achieved with the resources and authorities entrusted to it; and
- Reporting finances based on approved planned spending numbers from the Treasury Board Secretariat.

I. David Marshall
Deputy Minister of Public Works and Government Services

DEPARTMENTAL OVERVIEW

Our Raison d'être

Our *raison d'être* is to ensure optimum value to the government and to Canadians in the provision of common, central and shared services. Through the delivery of our core services, Public Works and Government Services Canada (PWGSC) enables other government departments and agencies to deliver on their mandates.

PWGSC's Value Proposition

PWGSC focuses on what Canadians, our clients and key stakeholders, have said they value. The following has become the PWGSC Value Proposition.

- **Strengthening Management and Public Confidence** – PWGSC will operate with appropriate checks and balances to strengthen public confidence in government operations by improving accountability, efficiency and transparency of our operations. Further, we are committed to reducing waste, maintaining internal management tools to monitor our performance, ensuring proper comptrollership and enhancing a culture based on values and ethics.
- **Increasing Savings and Productivity** – As the common, central and shared services provider for government, PWGSC will respond to the needs of government and devise strategies to yield significant savings and productivity improvements on behalf of client departments and Canadians.
- **Delivering Transformed Quality Services** – PWGSC will deliver quality goods and services to our clients, at the right quantity, price and time. In so doing, we will educate our stakeholders and devise frameworks to strike a balance among their needs and those of government as a whole.

- **Supporting the Government's Strategic Agenda** – PWGSC will support government-wide priorities, such as those articulated in the *Federal Accountability Act and Action Plan,* by providing sound management of government polling and advertising, supporting a Procurement Auditor to ensure that government procurements are fair and transparent, and ensuring that Small and Medium Enterprises receive due consideration for government contracts. PWGSC is also committed to leading government-wide efforts in the greening of its operations.
- **Delivering Major Projects of National Importance** – PWGSC will provide professional and results-oriented capacity for managing and delivering complex and high-value projects of national importance.

Our Business

PWGSC has an annual budget of $4.5 billion and employs approximately 12,000 people. Where appropriate, PWGSC takes a government-wide approach to facilitate innovative solutions to the

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PWGSC Business Highlights

- Accommodates almost 235,000 public servants across Canada and manages over 6.7 million square metres of space in some 1,840 locations.
- Administers annual payments in excess of $460 million under the Payments in Lieu of Taxes Program to approximately 1,300 local taxing authorities.
- Purchases over $10 billion worth of goods and services and manages 60,000 transactions annually.
- Provides 130 federal government services on-line including secure e-Government services.
- Handles $1.3 trillion in Receiver General cash flow, involving 230 million payments in 200 countries.
- Administers compensation for 293,000 government pay accounts and 324,000 pensioner accounts.
- Provides $100 million in consulting and audit services.
- Provides $260 million annually in translation and interpretation services in approximately 100 languages.
- Provides $150 million in telecommunications and informatics service.

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complex challenges that it faces.

PWGSC is the government's principal real property manager, central purchasing agent, banker and accountant. It provides services in the areas of payroll and pensions, information technology, translation, audit, communications and consulting. PWGSC is also responsible for leading the greening of government operations, with initiatives such as environmentally-friendly "green" procurement.

PWGSC provides its services in a professional, innovative, efficient and effective manner. The management of public funds is safeguarded by transparent and independent checks and balances.

The department's Program Activity Architecture (PAA) is based on two strategic outcomes, namely *Quality Services* and *Sound Stewardship.*

Quality Services: PWGSC provides common, central and shared services to client departments and agencies.

Sound Stewardship: PWGSC aims to achieve best value for the taxpayer by exercising quality assurance and maintaining service integrity.

Our Expenditure and Savings Summary

The *PWGSC Expenditure Summary for 2006-09* (Figure 1) presents the expenditures for PWGSC (i.e., Government Services Program) by our eight key government service areas: Real Property; Acquisitions; Information Technology; Receiver General and Public Service Compensation; Government Information and Consulting; Office of Greening Government Operations; Business Integration; and Special Operating Agencies.

In addition to the standard delivery of its services, PWGSC is committed to leading a government-wide effort to reduce the cost of procurement and real property. Over a five-year period, PWGSC is planning and leading initiatives expected to produce $3.4 billion in government-wide savings. Procurement and Real Property will be the primary generators of these savings. Approximately $2.5 billion and $925 million in savings are projected from Procurement and Real Property respectively.

Figure 1	**PWGSC Expenditure Summary for 2006-09**			
Government Services Program	*Raison d'être — to ensure optimum value to government and Canadians in the provision of common, central and shared government services*			
Strategic Outcomes	Quality Services		Sound Stewardship	
Government Service	**Service**	**Planned Spending** ($ millions)		
		2006-2007	**2007-2008**	**2008-2009**
	Real Property	2,264	1,948	1,776
	Acquisitions	194	181	184
	Information Technology	153	144	144
	Receiver General and Public Service Compensation	185	184	185
	Government Information	50	47	47
Note: *See Section III for financial details.*	Greening of Government Operations	1	1	1
	Business Integration	15	17	17
	Special Operating Agencies	54	57	57
	Pre-Adjustment Total Spending	**2,916**	**2,579**	**2,411**
	Adjustments	17	17	16
Totals may not add up due to rounding.	**Total Spending**	**2,933**	**2,596**	**2,427**
	Total FTE's	**12,043**	**11,919**	**11,868**

Figure 2	Government-wide Potential Net Savings ($ millions)					
Priority (New Savings)	**2005-06**	**2006-07**	**2007-08**	**2008-09**	**2009-10**	**Total**
Real Property	150	150	170	255	300	1,025
Acquisitions	59	184	513	711	748	2,215
Shared Travel Services Initiative		20	85	130	140	375
Investments	(32)	(58)	(46)	(28)	(26)	(190)
Total per Year	**177**	**296**	**722**	**1,068**	**1,162**	**3,425**

Note: The achievement of $3.4 billion in government-wide savings will require the full commitment of our colleague departments and policy-making agencies. Numbers have been rounded to the nearest million.

Figure 2 provides a summary of these expected savings, and of the investments that will be needed to generate them.

To achieve these savings, PWGSC plans to invest up to $190 million over five years in initiatives to support procurement and real property transformation. Additional expertise, as well as policy, regulatory and legislative changes will be needed to implement these initiatives and support the planned, government-wide savings.

Our Challenges

PWGSC must operate with appropriate checks and balances, and strengthen public confidence in government operations by reducing waste and by improving accountability, transparency and integrity. These challenges involve demonstrating that we have the internal management tools to monitor our performance, ensure proper comptrollership, and enhance a culture based on value and ethics.

PWGSC operates in a complex environment that is largely shaped by the government's priorities. PWGSC, with our client departments, must support public sector transformation. Government has become more horizontal and integrated. A challenge for PWGSC is to be an active contributor with other departments to whole-of-government strategic outcomes. In particular, PWGSC has a central role in achieving the government-wide objectives relating to modernization of public sector management. PWGSC must secure active participation from central agencies and colleague

departments for successful delivery of the savings identified in the PWGSC-led, government-wide business transformation agenda, called *The Way Forward*.

PWGSC must emphasize client relationship management and best practices, if it is to respond in a more timely and effective manner to meet the needs of client departments and agencies. Canadians expect efficient and effective programs and operations that realize government-wide savings, while at the same time ensuring accountability, transparency and integrity.

Our Employees

Successful organizations know that the best plans are useless without knowledgeable, skilled, talented and motivated people to drive their success. In today's fiercely competitive marketplace, it is not enough to have a compelling business model and well planned strategies. Having a workforce strategy in place that is well connected to your business strategy is important.

Therefore, PWGSC will continue to build and improve Human Resources Management (HRM) in the spirit of the *Public Service Modernization Act*. We will continue to consult and work in partnership with our unions, support and foster early, informal workplace conflict resolution and improve integrated, business-based HRM Planning in a fair, transparent and effective fashion.

PWGSC will undergo significant changes over the next three years while striving to implement innovative ways to deliver services smarter, faster and at a reduced cost. Our ability to continue to efficiently provide high-quality services depends on having a work force that is productive, principled, sustainable and adaptable while providing a fair, enabling, healthy and safe workplace.

Given the many HRM challenges we face from *The Way Forward*, a departmental HRM Plan was developed. It focuses on the following principles:

- Develop first, and then recruit if necessary, professional and management competencies;
- Ensure employment continuity in the Public Service, or elsewhere, to the greatest extent possible; and
- Focus on people and monitor progress against the HRM elements of the [Management Accountability Framework (MAF)](#) including the [People Component of the MAF (PCMAF).](#)

Each principle outlines specific strategies, actions and accountabilities to support PWGSC and its branches in successfully implementing *The Way Forward* and in effectively managing employees on an ongoing basis to ensure continuing progress on HR issues such as learning, diversity, union-management relations, and official languages.

Our Priorities

To meet the challenges facing PWGSC, we have established the following four priority areas for 2006-07:

1. Strengthening Accountability and Transparency;
2. Business Transformation Agenda;
3. Supporting the Government's Strategic Agenda; and
4. Delivering Major Projects of National Importance.

1. Strengthening Accountability and Transparency

Canadians expect their tax dollars to be linked with results to ensure value-for-money, and they expect the Government of Canada to pursue policies and programs that respond to public priorities. They expect government programs to operate in an open, transparent and accountable manner. They want assurances that government programs and services are well managed and give good value for their tax dollars. PWGSC has built a solid foundation and is continuing to work to increase capacity in ethics, audit and risk management, while implementing the government's management agenda.

In particular, PWGSC will make an important contribution to the implementation of the *Federal Accountability Act and Action Plan* by acting upon provisions in the *Act* in the area of government polling and advertising, and government procurement.

In addition, PWGSC, is one of the first departments to introduce an Ethics Program, that includes a Ten Point Integrity Plan that sets out the department's commitment to: strengthen ethical practices; hire Ethics Officers in every branch and region; link accountability with integrity and performance pay; and, expand ethics training throughout the department. In 2006-07, the department commits to further progress in its Ethics Program. The Statement of Values is being refocused to better reflect the principles and objectives of the business transformation agenda. The department plans to engage suppliers in a discussion on the role of values and ethics in managing their business relationships with PWGSC.

In line with the priorities of the Office of Comptroller General, PWGSC continues to strengthen its internal audit capacity, including increasing the independence of the Audit, Assurance and Ethics Committee with external members. In addition, the

Office of the Chief Risk Officer (OCRO) provides advice directly to the Deputy Minister and to the department's senior management team on risk-related issues. OCRO acts as a focal point in managing risks within the department and plays an active role in identifying and managing risks within PWGSC. As well, a Chief Financial Officer position was established (subject to TB approval) to provide financial advice independently from any program or service responsibility.

In 2006-07, the department will:

- Collaborate with Treasury Board Secretariat (TBS) and the Office of the Comptroller General on the implementation of the *TB Policy on Internal Audit* that took effect on April 1, 2006;
- Support the establishment of the Procurement Auditor function - it is proposed that the Auditor will be responsible for:
    - reviewing procurement practices across government;
    - reviewing certain complaints;
    - managing an alternative dispute resolution process; and
    - tabling an annual report in Parliament;
- Introduce a *Code of Conduct for Procurement* that will consolidate the government's existing suite of conflict of interest and anti-corruption policies, and will apply to both suppliers and public service employees;
- Develop a new vendor performance policy for procedures and standards for evaluating vendor performance in various commodity and service lines as well as improving dispute resolution processes;
- Enhance the implementation of the Management Accountability Framework;
- Strengthen oversight and transparency of operation of programs and services with actions such as proactive disclosure of contracts over $10,000, and post travel and hospitality expenses of senior departmental officials;
- Enhance risk, audit and evaluation management;

- Implement a Financial Management Framework; and
- Proactively manage, co-ordinate, and support PWGSC's and the Government of Canada's roles and actions associated with the former Sponsorship Program by:
    - providing documents and managing the payment of legal fees;
    - supporting the financial recovery of frauded funds; and
    - assisting the Royal Canadian Mounted Police and the Sûreté du Québec with their investigations.

2. Business Transformation Agenda

Generating government-wide savings of $3.4 billion and improving management are the central components of PWGSC's transformation agenda. We are leading a major government-wide business transformation aimed at finding innovative ways to deliver services smarter, faster and at reduced cost in the areas of real property, procurement and Information Technology (IT) while leading the

> ### *The Way Forward – PWGSC's Contribution*
>
> - Overall, PWGSC will contribute approximately $1.2 billion or 35% of the total government-wide savings of $3.4 billion over 5 years.
> - Other PWGSC productivity gains are expected to generate up to $24 million in savings over the next two years.

government's efforts to green its operations. This transformation has the following objectives:

- Finding savings and process efficiencies across government to be reallocated to higher government priorities; and
- Improving accountability and transparency of government management systems by delivering programs and services that demonstrate results and show Canadians that they are getting value for their money.

Specific initiatives to achieve this transformation occur in the following core areas:

- Acquisitions Transformation (Buying Smarter);
- Real Property Renewal; and
- IT-Shared Services.

PWGSC has created a Strategic Transformation Branch to establish a more results-oriented approach to transformation, and to strengthen departmental co-ordination and monitoring of our core business transformation activities.

Throughout the business transformation process, PWGSC is committed to supporting government programs and priorities by delivering ongoing quality services to client departments and agencies in the right quantity, price and on time.

Acquisitions Transformation (Buying Smarter)

PWGSC, the central purchaser for the government, buys on average over $10 billion in goods and services annually. This represents about 80 per cent of government purchases involving more than 60,000 transactions. The acquisitions program is shifting from managing on a transactional basis to the provision of strategic management and oversight of the procurement process.

In May 2005, legislative changes gave the Minister of PWGSC expanded authority and responsibility for the acquisition and provision of services, including construction services, for departments and agencies. PWGSC will continue to work with TBS to establish the necessary conditions to bring these authorities into force. Government-wide commitment is a key condition for success in order to achieve the bottom line savings target. Implementation of the government-wide procurement strategy also requires keeping in mind other factors such as sustainable development, Aboriginal economic development and the impacts of procurement on Small and Medium Enterprises, and the regions.

PWGSC – Acquisitions

- Departmental Act amended to give the Minister of PWGSC full and exclusive responsibility for procurement of goods and services.
- Procurement includes market research, product planning and the soliciting, evaluating, selecting, negotiating, issuing and administering of contracts.
- PWGSC's role involves ensuring contracts are successfully executed in accordance with agreed terms of time, cost and performance.
- PWGSC contracts represent about 9% of the total number but 89% of the government procurement value.
- Top commodities include:
  – General purpose computers and software;
  – Information processing and telecommunications services; and
  – Communications equipment and publishing.

Government procurement will be managed in such a manner as to promote greater accountability and transparency as called for in the *Federal Accountability Act and Action Plan*.

PWGSC will:

- Ensure that government procurements are fair and transparent;
- Achieve government-wide acquisition savings of $2.5 billion over five years beginning in 2005-06;
- Use its consolidated purchasing power to drive innovation and increase productivity within the economy;
- Improve procurement by reducing the transaction times by 50% and administration costs by 10%;
- Establish Interdepartmental Commodity Councils to develop government-wide procurement strategies tailored for key commodities;
- Implement an automated electronic purchasing and data tracking system; and
- Facilitate ongoing participation of Small and Medium Enterprises (SMEs) in federal government procurement opportunities.

Real Property (RP) Renewal

The Real Property Renewal Strategy emphasizes a government-wide approach to improved planning

and management, increased efficiencies in service delivery, as well as cost-effective, environmentally-friendly management of the portfolio. In the long-term, our objective is to achieve a net savings of $925 million over five years, with over 90% of these savings from PWGSC's reference levels.

Real Property will commence implementation of an enterprise-wide business transformation agenda by developing and implementing consistent and disciplined approaches to reflect industry standard practices. This will involve alignment of processes, people and systems with the new strategy. Some of our key commitments are to:

- Improve the management of our real estate portfolio, including approaches to innovative leasing and longer term leases;
- Implement a more rationalized approach to space utilization;
- Realize $150 million in savings in 2006-07;
- Rigorously apply space and fit-up standards;
- Continue to implement the NCA Accommodations Strategy and office accommodations distribution between Ontario and Quebec (Ratio of 75/25);
- Realign project governance and continue to make improvements in project delivery, having more focus on key clients and major projects;
- Improve management practices;
- Issue an RFP for Financial Advisory Services to provide innovative and useful recommendations from the private sector to address challenges facing the management of PWGSC's Crown-owned real estate;
- Identify and implement efficiencies in program management and the delivery of real property services, in consultation with unions and key stakeholders; and
- Increase efficiency in our overhead management.

IT – Shared Services Transformation

As one of the three pillars of the department's business transformation agenda, Information

Technology (IT) Service's vision is to become the centre of excellence for the delivery of IT Shared Services to the government. Our goal is to facilitate the transformation of how the government does business by adopting a government-wide IT Shared Services approach.

PWGSC's Information Technology Services is enhancing electronic services and creating new value for citizens and businesses, by rationalizing the management of IT infrastructure across government to increase efficiencies, improve quality and standardize processes. IT transformation is about leveraging investments in technology to enable public sector modernization.

Currently, PWGSC is working with six partner organizations within the federal government to transfer IT services to a shared services model. IT Shared Services is key to improving how government works. It is an essential enabler of the government's commitment to delivering integrated, easily accessible services to Canadians.

PWGSC-delivered IT Common Services

- Hosting of 250 software applications on behalf of various departments.
- Data centre service for 47 departments and agencies.
- 3 cheque production facilities (Dartmouth, NS; Quebec, QC and Winnipeg, MB) that handle 100 million mailings per annum.
- Secure Channel ePass services to 45 government programs and Secure Channel brokered services to 6 government programs for a total of 51 programs.
- Satellite-based, mobile fixed communication services for 30 departments.

As we move forward with this shared services approach, we will explore the advantages of creating a dedicated IT Shared Services Organization (IT-SSO). Such a model seeks to achieve a number of key results: more efficient, cost-effective operations through economies of scale and standardization; productivity gains; clearer accountabilities; timely decision-making based on consistent management information; and,

common, more consistent levels of service across the government. To achieve these results, PWGSC is aiming to:

- Shift from a departmental approach for IT to a government-wide approach to improve quality and availability of data, reduce duplication, lower costs, and improve the management of programs and internal functions;
- Increase the proportion of IT shared services in both IT infrastructure services, and, external service channels for Canadians;
- Achieve economies of scale for IT purchasing and outsourcing;
- Establish sustainable business models for the Secure Channel and Shared Travel Services Initiative;
- Strengthen internal IM/IT practices; and
- Support our business transformation commitments.

3. Supporting Government's Strategic Agenda

PWGSC is well-positioned to support the government's strategic agenda and government-wide management priorities while at the same time providing savings and quality services to the satisfaction of our stakeholders. PWGSC is supporting the government's accountability agenda by our # 1 priority, Strengthening Accountability and Transparency, by contributing to the implementation of the *Federal Accountability Act and Action Plan*. PWGSC is also indirectly supporting the government's commitments (e.g., tax reductions and child care) through savings resulting from our # 2 priority, Business Transformation.

4. Delivering Major Projects of National Importance

As one of Canada's oldest federal departments, PWGSC has a long history of public service representing some of the best traditions of Canadian nationhood. PWGSC has extensive

experience in linking communities through infrastructure and Canada-wide federal presence. PWGSC continues to provide professional and results-oriented management and to deliver complex and high-value projects of national importance.

Specific major capital projects and horizontal initiatives led by PWGSC include:

- Defence Procurement;
- Parliamentary Precinct (Phase I);
- Government of Canada Marketplace (GoCM);
- Shared Travel Services Initiative;
- Pension Modernization Project;
- Sustainable Development Strategies;
- Procurement and Contracting.

Pressures to share information across departments, agencies, other levels of government and international organizations are increasing. Our continued collaboration with provinces and territories, as well as other jurisdictions, will enhance our ability to deliver shared services and projects of national importance.

Emerging Priorities for Canadians

PWGSC has a unique opportunity to contribute to the government's broader agenda, e.g., the implementation of the *Federal Accountability Act and Action Plan*. This legislation will improve accountability and transparency and strengthen the management of such government-wide activities as public opinion research, advertising and procurement. In addition, PWGSC will align its management practices with the measures in the *Federal Accountability Act and Action Plan*, and adjust the programs and services we deliver on behalf of the Government of Canada.

PWGSC is well-positioned to deliver on and support emerging priorities for Canadians. PWGSC launched *The Way Forward* business transformation initiative, built on a whole-of-

government service model, that would provide greater public sector value through: improved efficiency and sound management; more focus on strategic outcomes; improved service delivery; and greater accountability and transparency. In an effort to mitigate concerns raised by Small and Medium Enterprises regarding the potential reduction of competitive opportunities for government business; the Office of Small and Medium Enterprises is endeavouring to strengthen access to government business for SMEs through collaboration with industry associations and individual businesses on training, information, development of support tools, and through participation in procurement policy changes.

PWGSC has recognized and embraced the government's commitment to restoring Canadians' faith in their public institutions, rewarding hard work and innovation, improving the quality of life in our communities and strengthening Canada through safety and unity. Through its plans and performance, particularly *The Way Forward,* PWGSC will be vigilant in supporting the government's emerging priorities over the planning period of this Report.

PROGRAM ACTIVITIES

Introduction

This section of the Report provides information about PWGSC's Program Activities. The Program Activity Architecture (PAA) is an activity-based management system, which all government departments are moving towards, in accordance with TB directives. The PAA is part of the government's Management Resources and Results Structure (MRRS), which will provide a horizontal management framework across the federal government and will allow for enhanced reporting to Parliament and Central Agencies on performance. The MRRS replaces the Planning, Reporting and Accountability Structure.

As a management tool, the PAA is in its early stages and is being completed with program financial, performance and other management information, which is being placed into the TBS Expenditure Management Information System. In the long-term, with its full implementation, the PAA should provide a basis for year-by-year evaluation/assessment of activity performance and a guide to monitoring results over time.

The Program Activity Architecture for PWGSC's Government Services Program is divided into 26 activities. These activities support our strategic outcomes: *Quality Services* and *Sound Stewardship.*

To better reflect the PWGSC approach to services, the PAA's 26 activities have been grouped to highlight our key service areas:

- Real Property;
- Acquisitions;
- Information Technology;
- Receiver General and Public Service Compensation;
- Government Information and Consulting;
- Greening Government Operations;
- Business Integration; and
- Special Operating Agencies such as the Translation Bureau and Consulting and Audit Canada.

Corporate Management is an additional activity provided internally to support our government services. Due to its importance to PWGSC, Corporate Management is discussed as part of the overall reporting structure in this report with the financial budget allocated to PWGSC's service areas.

In each of the Government Service sections, which follow in this Report, plans and initiatives are identified for each service. The plans and initiatives focus on the immediate planning period. Descriptions are also provided with results statements and performance indicators for the PAA activities within each service. The PAA focuses on long-term and enduring outcomes for PWGSC.

PWGSC – Program Activity Architecture			
OPI	**PWGSC Government Services**	**Quality Services**	**Sound Stewardship**
RP	Real Property	• Federal Accommodation and Holdings • Real Property Services Revolving Fund • Real Property Disposition Revolving Fund	• Real Property Stewardship
ACQ	Acquisitions	• Acquisition Services • Optional Services Revolving Fund • Defence Production Revolving Fund	• Supply Operations Stewardship
ITS	Information Technology	• IM/IT Services • Telecommunications Services Revolving Fund	• IM/IT Stewardship
ABC	Receiver General and Public Service Compensation	• Receiver General Services • Public Service Compensation Services	• Receiver General Stewardship • Public Service Pay Stewardship • Public Service Pension Stewardship
GIS	Government Information	• Government Information Services	• Government Information Stewardship
SI	Business Integration	• Business Integration Services	• Business Integration Performance Management
CAC/GIS **Translation Bureau**	Special Operating Agencies	• Consulting and Audit Canada Revolving Fund • Translation and Interpretation to Parliament, Conference Interpretation, Terminology • Translation Bureau Revolving Fund	• • • Translation Stewardship
OGGO	Greening Government Operations	• Office of Greening Government Operations Services	• Office of Greening Government Operations Stewardship
All Coordinated CSHRC	*Note: The two activities of Corporate Management, and Business Integration Client Relations Management are not shown in the table above because, for TBS's financial reporting purposes, their costs have been re-allocated to the other activities as departmental overheads.*		

REAL PROPERTY

PWGSC is one of the largest providers of office space in Canada. It is the custodian of a significant inventory of federal office space and common-use facilities, which makes up a good part of the critical infrastructure that enables the Government of Canada to effectively serve its citizens.

PWGSC provides office and common use accommodation to federal government departments and agencies, as well as a full range of real property services. It also contributes to the policy priorities that support the Government of Canada in the delivery of programs for Canadians. PWGSC demonstrates real property leadership by:

- Providing federal departments and agencies with affordable, productive work environments;
- Providing ongoing stewardship of national treasures such as the Parliamentary Precinct and other heritage assets across Canada and various engineered public works (such as bridges and dams);
- Administering the Payments in Lieu of Taxes program that strives for fair and equitable payments to real property taxing authorities; and
- Managing the Real Property Disposition Revolving Fund, which facilitates the disposal of properties surplus to government requirements.

Real Property provides strategic and expert advice to other federal departments and agencies for the acquisition, development, construction, management, operation, maintenance, repair and disposal of real property.

Plans and Initiatives

Real Property will support the following key strategic departmental priorities:

- *The Way Forward*;
- Real property savings;
- Sound stewardship and ethical management;
- Business transformation;
- Project performance;

Key Facts*

- Manages, as custodian, $7 billion worth of federal real property.
- Manages 6.8 million square metres of rentable space including:
  - 3.4 million m^2 of Crown-owned space;
  - 2.9 million m^2 of leased space; and
  - 0.5 million m^2 of lease-purchase space.
- Provides accommodation to 235,000 federal employees in 112 departments and agencies in about 1,840 locations across Canada.
- Administers annual payments in excess of $460 million under the Payments in Lieu of Taxes Program to approximately 1,300 local taxing authorities.

*as of March 31, 2006

- NCA Accommodations Strategy and office accommodations distribution between Ontario and Quebec (Ratio of 75/25);
- Ongoing mandate; and
- Long Term Vision and Plan for the Parliamentary Precinct.

The Way Forward

Real Property continues to be a significant contributor to the federal government's effort to achieve savings that can be reallocated to higher priorities. More specifically, *The Way Forward* initiative comprises two important elements:

- Saving money by maximizing efficiencies, taking advantage of economies of scale and leveraging existing expertise; and

Planned Net Expenditures
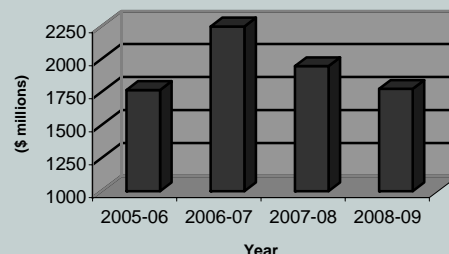
- Doing these things in an open, transparent way so as to preserve the confidence of Canadians in the integrity and fairness of the Government of Canada.

Real Property Savings

PWGSC has developed a number of specific initiatives so that real property gross savings of $1,025 million will be achieved over a five-year period, starting in 2005-06:

Rigorous Application of Accommodation Standards: PWGSC will consistently apply fit-up and space standards, and optimize space utilization to be more in line with private sector norms. This is expected to achieve savings of $500 million over the five-year period. The aim is to reduce the average space per Full Time Equivalent from 21.4 square metres to 18 square metres. It is anticipated that it will be a challenge to achieve the five-year space savings targets. PWGSC will have to seek collaboration and commitment from our client departments and agencies in order to achieve the long-term program savings commitment and the related short-term projects.

Overall, the fit-up portion of the savings will be the result of less space requiring fit-up and more rigorous accommodation standards.

Improved Inventory Management: PWGSC will continue to focus efforts on longer-term program planning and the optimization of its accommodation portfolio. This will include:

- Improving the management of its leased portfolio and the rates negotiated through such means as long-term leases; and
- Increasing efficiencies and savings in managing facilities operation and delivering maintenance

and repair projects, such as more effective scheduling and bundling of work.

This is expected to achieve savings of $300 million over the five-year period. We will be working closely with clients and TBS to achieve target savings.

Efficiencies in Program Management and Service Delivery: PWGSC is an industry leader in the area of outsourcing property management services. A new approach to program management and service delivery is expected to achieve savings of $175 million over the five-year period. We will assess further opportunities for outsourcing and, if appropriate, develop a related strategy and implementation plan. Real Property will reduce overhead by ceasing non-essential activities and reassigning resources to higher priorities.

One Time Capital Deferral: Real Property deferred $50 million investments in capital projects to reallocate to higher priorities in 2005-06. Capital deferral will not continue into 2006-07 and future years.

Investments at PWGSC: Investments are required in current and future years to transform Real Property's business and achieve the estimated savings.

The table "Government-wide Real Property Savings", as published in the Report on Plans and Priorities 2005-2006, summarizes the savings related to the reallocation process.

Government-wide Real Property Savings ($ Millions)						
Area of Savings	**2005-06**	**2006-07**	**2007-08**	**2008-09**	**2009-10**	**Total**
Applying Accommodation Standards	50	85	95	120	150	500
Improved Inventory Management	40	50	60	70	80	300
Outsourcing and Overhead Reductions	10	15	15	65	70	175
One Time Capital Deferral	50					50
Total Savings	150	150	170	255	300	1,025
Investments at PWGSC	(20)	(20)	(20)	(20)	(20)	(100)
Net Target Real Property Savings	130	130	150	235	280	925
Note: *1). Savings Contributions: PWGSC – 90%; and Other Government Departments – 10%* *2). Some savings will occur in organizations that reimburse PWGSC.*						

The achievement of $1.025 billion in government-wide savings will require the full commitment of our colleague departments and policy-making agencies. In order to attain these savings, PWGSC will invest about $100 million over five years in initiatives to enhance real property management.

Sound Stewardship and Ethical Management

Real Property strives to ensure sound and ethical management and stewardship of the resources entrusted to it. This will be achieved by having sound management practices in place with assurance functions and oversight mechanisms respected and supported.

PWGSC will work with the Office of the Chief Risk Officer so that risk management and quality assurance are more fully integrated into the culture of Real Property.

We will continue to foster and build a strong culture of values and ethics by further implementing the Ten-Point Integrity Plan, which includes mandatory training in ethics. In addition, we will continue to address recommendations arising from the Auditor General and PWGSC's Audit and Evaluation Branch.

Business Transformation

Real Property is seeking to become an industry leader in business performance and best practices. In 2006-07, Real Property will implement an

enterprise-wide business transformation agenda. We will develop and implement consistent and disciplined approaches to reflect industry standard practices. This will involve alignment of processes, people and systems with its new business direction. Capacity will be built-up in key areas of expertise.

While undergoing the business transformation process, Real Property is seeking access to financial advisory services from the private sector to provide innovative and useful recommendations to address challenges facing the management of PWGSC's Crown-owned real estate. These challenges include the condition and age of buildings, unrealized development potential, the limited flexibility of assets, outdated IT systems, project management performance, and inflated operating costs.

Although we are in the early stages of the transformation process, we have identified our key areas of activity for greatest value for money. With the implementation of pilot projects and by comparative analysis with real estate organizations, we will identify ways to improve our business processes. By implementing the business transformation process, we will be better able to

provide quality services for our clients and sustainable value and savings for Canadians.

Project Performance

To provide improved service delivery and greater client satisfaction, Real Property will realign project governance and continue to make improvements in project delivery having more focus on key clients and major projects. Given the current volatility in construction costs, more rigour will be brought to project risk management and cost estimating through investment in real time project management systems. Real Property will identify and implement a single industry standard project management approach to deliver our projects on time, on budget and within their defined scope.

Deliver Ongoing Mandate

In 2006-07, Real Property will continue to devote the majority of its resources to provide safe, affordable workplace solutions to support the delivery of government programs, including: Federal Accommodation and Holdings, Real Property Services Revolving Fund and Real Property Disposition Revolving Fund. In 2005-06, a re-organization within PWGSC resulted in a realignment of the Service Integration Branch, e.g., elements of client services were transferred to the real property organization.

Long Term Vision and Plan for the Parliamentary Precinct

PWGSC is the custodian for the buildings in the Parliamentary Precinct. As important heritage assets, these buildings are in need of significant investment to protect their architectural integrity and to ensure that they remain safe and useful for future generations. PWGSC has developed a Long Term Vision and Plan (LTVP) – a detailed blueprint for renovations and new construction program. Real Property will ensure that the principles of the LTVP are effectively implemented. These include: preserving the historical structures, bringing them

up to modern standards, and meeting accommodation requirements identified by the Senate, House of Commons, and Library of Parliament. The management of this important legacy program of work is supported through strong working relationships between PWGSC and our Parliamentary partners. Please see *Section III - Table 11* for more information on individual LTVP major Crown projects.

Activities

PWGSC has four Real Property Services activities.

- Federal Accommodation and Holdings;
- Real Property Services Revolving Fund;
- Real Property Disposition Revolving Fund; and
- Real Property Stewardship.

The first three activities support the Quality Services strategic outcome, while the fourth activity supports our Sound Stewardship strategic outcome. The Strategic Outcome Tables for these planned activities provide descriptions, results statements and performance indicators for each activity.

Real Property Planned Spending

(in millions of dollars)

	Forecast Spending 2005-2006	**Planned Spending 2006-2007**	Planned Spending 2007-2008	Planned Spending 2008-2009
Operating (including Special Purpose Allotment), Capital, Grants and Contributions and Statutory Votes				
Federal Accommodation and Holdings				
Gross Expenditures	2,176.5	**2,516.3**	2,198.9	2,027.2
Less: Respendable Revenue	452.7	**278.4**	277.9	277.9
Net Expenditures	1,723.8	**2,237.9**	1,921.0	1,749.3
Real Property Stewardship				
Gross Expenditures	67.0	**35.1**	35.9	35.9
Less: Respendable Revenue	1.8	**1.4**	1.5	1.5
Net Expenditures	65.2	**33.7**	34.4	34.4
Real Property Services Revolving Fund				
Gross Expenditures	784.8	**847.2**	910.7	910.8
Less: Respendable Revenue	784.8	**847.2**	910.7	910.8
Net Resources (Provided) Used	-	**-**	-	-
Real Property Disposition Revolving Fund				
Gross Expenditures	4.0	**4.0**	4.0	4.0
Less: Respendable Revenue	13.0	**12.0**	12.0	12.0
Net Resources (Provided) Used	(9.0)	**(8.0)**	(8.0)	(8.0)
REAL PROPERTY TOTAL	1,780.0	**2,263.6**	1,947.4	1,775.7
Gross Expenditures for Real Property	3,032.3	**3,402.6**	3,149.5	2,977.9
Less: Respendable Revenue for Real Property	1,252.3	**1,139.0**	1,202.1	1,202.2
Net Expenditures for Real Property	1,780.0	**2,263.6**	1,947.4	1,775.7
Totals may not add up due to rounding.				
				(FTEs)
Federal Accommodation and Holdings - Full Time Equivalents (FTEs)	2,402	**2,402**	2,402	2,402
Real Property Stewardship - FTEs	240	**245**	246	246
Real Property Services Revolving Fund - FTEs	1,261	**1,261**	1,261	1,261
Real Property Disposition Revolving Fund - FTEs	-	**-**	-	-
Real Property - Full Time Equivalents Total	3,903	**3,908**	3,909	3,909

Federal Accommodation and Holdings:
The increase in expenditures from 2005-2006 to 2006-2007 is mainly due to new funding received for specific authorities and reprofiling such as Long Term Vision and Plan (LTVP), Skyline and Sydney Tar Ponds. The decrease in expenditures in subsequent years is mainly related to sunsetting of funding related to specific activities such as accommodation funding and LTVP.

RP Stewardship:
The variance between the 2005-2006 Forecast Spending and the 2006-2007 Planned Spending can be explained by the Federal Accommodation and Holdings EBP charges recorded against the Real Property Stewardship Program Activity, as reflected in the 2005-2006 Public Accounts.

RPS Revolving Fund:
RPS Revolving Fund increases are mainly due to additional business volume expected for Correctional Service of Canada (Cowansville and Archambault Institutions) as well as for Indian and Northern Affairs Canada (National Contaminated Sites). A further increase due to Parks Canada (sites upgrade) is applicable to 2006-2007, while an increase for Agriculture and Agri-Food Canada (Milk Research Infrastructure in Lennoxville) is applicable to 2007-2008.

RPD Revolving Fund:
A decrease in revenue for future years is based on an anticipated decrease in affordable housing properties disposed of through the Fund. This is not offset by a decrease in expenditures due to increased planned costs and disposal efforts related to environmental issues for lower cost properties.

Strategic Outcome: Quality Services

Federal Accommodation and Holdings

Activity	Results	Performance Indicators
Effective management of real property investment, under the custodianship of PWGSC, in support of the delivery of government programs.	Government departments and agencies have safe, healthy, productive and affordable work environments and facilities that enable them to deliver programs and services. The real property portfolio is managed as an investment on behalf of the taxpayer.	• Accommodation usage (M^2 per FTE; cost per M^2; and cost per FTE). Achieve savings by reducing accommodation usage, M^2 per FTE. • Operating cost trends analysis. Achieve savings by reducing operating costs. • Percentage vacancy rate trend compared to industry. • Progress against Sustainable Development Strategy targets nationally.

Real Property Services Revolving Fund

Activity	Results	Performance Indicators
The provision on a fee-for-service basis of optional real property services to other custodial departments, and to other departments and agencies requesting services over and above those provided under the Federal Accommodation and Holdings Service Line program.	Quality, affordable services are provided to government departments and agencies. Revenues will cover the full cost of service delivery.	• Recoveries as a percentage of cost (target is 100%). • Percentage of Real Property projects* over $1 million completed (on time, on budget and on scope). * Projects include only non-operational projects having a significant construction-related component.

Real Property Disposition Revolving Fund

Activity	Results	Performance Indicators
The provision, on a cost recovery basis, of routine disposals of real property assets no longer required in order to generate revenue for the Crown.	Realization of value (net proceeds of sale) from surplus properties.	• Return on Disposals: Proceeds of sales divided by Expenditures (e.g., Fees, Disbursements and Investments).

Strategic Outcome: Sound Stewardship

Real Property Stewardship

Activity	Results	Performance Indicators
Provision of strategic leadership and proactive management of the resources and real property assets to support the delivery of government programs.	Government program delivery is facilitated by a consistently applied, modern real property and program management framework that reflects a whole-of-government perspective in decision-making.	• Actual recapitalization rate v. funded recapitalization. • Percentage or number of portfolio plans approved (against target). • Operating and capital year-end actuals are within pre-determined percentage of budget in accordance with approved practices.

ACQUISITIONS

PWGSC is the government's primary procurement service provider offering client departments and agencies a broad base of procurement solutions such as specialized contracts, standing offers, supply arrangements and electronic marketplaces. Our role is the provision of timely value-added acquisitions and related common services to Canadians and the federal government. These services are provided within a framework that promotes and requires stringent ethical procurement standards. In greening government operations, we also play a key role in assisting client departments to identify and adopt environmentally-friendly "green" procurement alternatives by encouraging them to buy green products.

As a strategic partner with our clients, Acquisitions:

- Builds and manages supplier relationships, including those of Small and Medium Enterprises (SMEs);
- Strives to achieve best value purchases;
- Helps define client requirements;
- Looks for opportunities to improve the process of buying goods and services;
- Finds the best possible solutions for meeting client needs; and
- Closely oversees client and supplier relationships after contract award for stronger accountability throughout the procurement process.

Our role also involves military and Major Crown Projects procurement, and the offering of specialized services such as: marine inspection

> ### *Key Facts*
>
> - PWGSC is Canada's largest public purchaser of goods and services. PWGSC's purchases account for more than 80% of the total value of government procurement.
> - Buys over $10 billion in goods and services each year and manages approximately 60,000 transactions, having an extensive influence on the efficiency of government-wide operations.
> - Spends the vast majority of procurement dollars on a basket of 40 commodities such as information technology and office equipment.

and technical services; management of seized property; travel management; standards for and certification of goods and services; surplus asset disposal; procurement of vaccines and drugs on behalf of provinces and territories; and registration of quality (ISO 9000) and environmental (ISO 14001) management services. We also support the development of professional procurement initiatives, such as certification standards for procurement professionals, through active participation in national organizations.

Plans and Initiatives

In 2006-07, we will continue the delivery of efficiencies, productivity gains, and cost reductions, thereby enabling the reallocation of resources to higher government priorities. *The Way Forward* is committed to achieving government-wide acquisition savings of $2.5 billion over 5 years.

Planned Net Expenditures
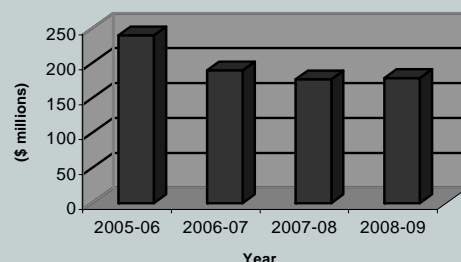
Forecasted Savings for Procurement Transformation ($ Millions)						
Savings	**2005-06**	**2006-07**	**2007-08**	**2008-09**	**2009-10**	**Total**
Acquisition Business Transformation	59	184	505	688	717	2,153
Government of Canada Marketplace			8	23	31	62
Shared Travel Services Initiative*		20	85	130	140	375
Total Procurement Transformation Savings	59	204	598	841	888	2,590
Investments	(12)	(38)	(26)	(8)	(6)	(90)
Net Savings	47	166	572	833	882	2,500
Shared Travel Services Initiative is managed by the Information Technology Services Branch.						

PWGSC achieved savings almost immediately. For example, by making the use of standing offers mandatory for certain commodities and leveraging volume discounts, immediate savings were generated, in some cases, as high as 30%. Building upon this early momentum, the department established several initiatives, as identified below, designed to secure the long-term goals of the transformation agenda.

In addition to transformation, PWGSC will continue to support its clients' ongoing and special needs, e.g., support for the government's recent commitment to invest approximately $17 billion in military equipment and related services. As in all its procurement activities, PWGSC will follow processes that are fair, open and transparent.

Commodity Management

One of our key strategies involves taking steps in 2006-07 to embed our Commodity Management practices into our daily operations. Led by PWGSC, Commodity Management is a government-wide framework used to plan and manage the life cycle of various goods and services. It is aimed at establishing government-wide efficiencies and savings for reallocation. Using the *Annual Government-Wide Plan for Commodity Management*, approved in Winter 2005-06, we will support client departments as they manage their procurement requirements.

Under the direction of the interdepartmental Assistant Deputy Minister Steering Committee and also Commodity Councils (comprised of high-level client department representatives, industry representatives and, depending on the commodity, representatives from Small and Medium Enterprises), we will establish commodity plans. The plans will identify:

- Which contracting instruments are to be used;
- Opportunities for strategic sourcing for goods and services (e.g., travel services);
- Opportunities to reduce costs and buy smarter;
- Ways to manage relationships with vendors and how to better monitor their performance;
- How government material and assets are managed; and
- How the government disposes of its assets.

Commodity Councils will set savings targets for each commodity and monitor overall efficiency. In 2006-07, the government-wide savings target is $204 million. To reach the targets for 2006-07 and future years, we will:

- Complete and seek endorsement of 30 to 40 commodity plans by Fall 2006;
- Implement between 30 to 40 consolidated procurement instruments by March 2007; and
- Begin strategic sourcing for additional commodities by March 2007.

The successful generation of some of the savings is dependent upon implementation of new

authorities accorded to the Minister of Public Works and Government Services identified in the *Budget Implementation Act, 2005.* PWGSC will continue to work with TBS to establish the necessary conditions to bring these authorities into force.

New processes, some of which we have begun to use in the development of our plans, will include analysis of commodity supply and utilization, market assessments and determination of life cycle costs. As part of our transformation agenda, we will continue to embed new processes into our current practices of delivering fundamental acquisition services to our clients.

We will also improve our consultation practices with respect to procurement transformation with Industry (including SMEs) and clients.

Government-wide savings, realized at the client department level, cannot be measured accurately without a reliable baseline to measure progress over time. To this end, we will continue to develop the Performance Measurement Framework, a cornerstone to solid performance management, to guide our clients' understanding of potential benefits obtained from *The Way Forward.* In the coming year, in addition to reporting on savings, we will report on progress on initiatives such as Small and Medium Enterprises, Green Procurement and vendor performance. We will also be using complex diagnostic tools to better enable the reporting of savings for custom procurements.

Client departments expect to achieve real dollar savings. These savings are projected to accelerate in later years. To mitigate possible impacts of savings shortfalls, PWGSC and Commodity Councils will monitor monthly savings achieved against targets. This governance will support continuous improvement and ensure early detection of problem areas, allowing PWGSC and client departments to take necessary corrective measures.

For more information on our transformation efforts, please visit:
http://www.pwgsc.gc.ca/b2k5/text/public/staging_pp/rc-1-e.html.

E-Procurement

The Government of Canada Marketplace (GoCM), a key enabler of the transformation agenda, will help generate savings by delivering volume price discounts, consolidating procurement instruments such as standing offers, and improving and simplifying purchasing processes. PWGSC will continue to build upon progress it has already made to ensure effective and timely rollout. The GoCM, which received effective project approval from the Treasury Board in June 2006, seeks to make its services available to all government departments and agencies. It will include the ability to track and report on compliance on the use of mandatory supply arrangements, achieving savings objectives for government as a whole or as individual departments. In doing so, it will also support the government's efforts to improve accountability by: enhancing transparency into what the government is buying; standardizing processes for low dollar purchases; and establishing audit trails for what has been purchased, for whom, and for what price. Refer to Table 14 in Section III of this report for more information on the GoCM project.

Client Engagement

Focusing on procurement savings opportunities, the client consultancy team is driving towards tangible procurement transformation results such as comprehensive departmental procurement strategies and service level agreements. This is achieved through iterative review sessions, workshops, as well as departmental senior management involvement, including the Deputy Minister level in some instances. The work to date shows that the strategies and approaches developed by PWGSC, and deployed in client departments, can achieve the savings targets.

We have had initial review sessions with seventeen departments and are planning additional sessions with another seven departments. During these sessions, a Procurement Savings Opportunity Report (PSOR) is presented to client departments.

Follow-on in-depth sessions and workshops will be ongoing with targeted departments to refine the engagement process. From this early work, PWGSC has begun developing and implementing engagement strategies to establish procurement savings strategies and service level agreements for all departments.

Military Procurement

In support of the government's recent commitment to invest approximately $17 billion in military equipment and related support services, the department will work closely with the Department of National Defence to ensure timely contract awards, and delivery of equipment and services which satisfy the needs of the men and women in the Canadian Forces while ensuring best value for Canadians.

As in all its procurement activities, the procurement of military equipment for Canada's armed forces will be fair, open and transparent, in line with the Government's commitment under the Federal Accountability Act. In addition, rigorous requirements for each procurement process have been put in place to ensure openness and transparency while also enabling the government to meet the urgent operational requirements of Canada's armed forces.

Potential suppliers will have to demonstrate their ability to meet mandatory high level performance criteria. PWGSC will ensure that proposed suppliers, for each of the procurements, put in place the best possible package of industrial benefits for Canada.

Small and Medium Enterprises

The Office of Small and Medium Enterprises (OSME) plays a key role in the departmental transformation initiatives. The mission of the OSME is to help ensure that Small and Medium Enterprises (SME) continue to have opportunities to compete for government business.

OSME will work to ensure that SME interests are considered in all aspects of the department's business. To this end, OSME will:

- Engage the SME community and assist SME suppliers in navigating the government supply system;
- Review government supply policies for opportunities for SME participation;
- Work with stakeholders so that federal government supply and related policies consider SME and related socio-economic interests; and.
- Open OSME offices in each region to facilitate fair and equitable access to procurement opportunities across the country.

OSME will hold policy discussions with key industry associations representing SME suppliers as well as information and training seminars to assist SMEs. Their goal is to increase SME participation in our supplier seminars and in procurement competitions. OSME is also developing a plan to establish a strategic approach to train and assist a wide range of suppliers with the goal of increasing SME participation in doing business with the Government of Canada. To ensure that SME concerns and considerations are taken into account, OSME will provide policy and operational recommendations and advice on future procurement approaches and solicitation documents, in order to leverage existing and emerging OSME capabilities.

In the context of the socio-economic impacts of procurement policy, OSME will develop strategic policy recommendations on the participation of SMEs in major crown procurements, and on

industrial and regional issues, innovation and horizontal policy issues such as the contribution of SMEs to green procurement. Quantitative analysis capacity will be expanded within the OSME to support this work and to help address emerging SME issues and challenges.

For further information on OSME, please visit: *http://www.pwgsc.gc.ca/acquisitions/text/sme/osme-e.html*.

Accountability

PWGSC plays a key role in delivering accountability in the day-to-day operations of the government. One of the initiatives in 2006-07 to support accountability is the development of the *Code of Conduct for Procurement*. The Code will provide a comprehensive statement of the government's expectations for suppliers and public service employees related to procurement activities, and will complement integrity provisions that will be made part of solicitations and contracts. It is also aimed at increasing the level of transparency and guiding government dealings with the private sector.

The Code will be complemented by the government-wide promulgation of a revised Vendor Performance Policy (VPP). This policy will include more specific implementation processes, procedures and standards for evaluating performance in various commodity and service lines. It will help identify irregularities, and provide opportunities for more timely corrective measures. The VPP is expected to facilitate the dispute resolution process by seeking early resolution to disputes.

In addition, a Procurement Auditor will be appointed, a position mandated by the *Federal Accountability Act and Action Plan*. It is proposed that the Auditor will be responsible for: reviewing procurement practices across government; reviewing certain complaints; managing an

alternative dispute resolution process; and, tabling an annual report in Parliament.

Employee training will be enhanced to ensure more rigorous contract management. To that end, during 2006-07, PWGSC expects to introduce a suite of customized contract management reporting tools, and offer related training, which will ultimately support accountability in government operations.

The *Federal Accountability Act and Action Plan* is a priority of government. PWGSC fully supports ensuring transparency and fairness of government procurement. Two such measures, which are already in place, include the publication of contract awards on the government electronic tendering system, and the publication of contract history. Please see the following websites for more details: *http://www.contractscanada.gc.ca* and *http://www.merx.com*.

Human Resources

In year one, *The Way Forward* savings were generated using procurement instruments such as existing standing offers. In future years, savings will be derived from more significant changes that are expected to impact the department's human resource capacity. To this end, the Acquisitions Branch will continue to work with the Human Resources Branch (HRB) to develop and implement a longer term Human Resources Plan to establish new business competencies and leadership through appropriate recruitment and retention initiatives. The Plan will also help to increase the department's bilingual capacity.

Green Procurement

PWGSC continues to lead the greening of government operations. One of our goals is to support the integration of environmental performance considerations into buying decisions.

PWGSC will work to ensure consistency of its procurement decisions and the *Policy on Green Procurement* that took effect on April 1, 2006.

PWGSC plans to use a variety of means to facilitate government-wide green procurement practices. These include the provision of tools and programs such as green procurement training, and by hosting outreach sessions in 2006-07 to inform departments on green procurement practices and tools.

For more information, please visit:
http://www.pwgsc.gc.ca/b2k5/text/public/staging_pp/rc-2-e.html.

Management Practices

While our transformation efforts are far reaching, demanding profound changes to the way procurement is conducted, PWGSC continues to deliver on its core business commitments. We serve our clients in a timely fashion, offering a broad base of solutions to bring the best possible value for the procurement dollar. We provide timely and value-added service to our clients, offering our clients the highest quality service.

Activities

PWGSC's Acquisition Services has four activities: the activities of Acquisition Services; Optional Services Revolving Fund; and Defence Production Revolving Fund support our Quality Services strategic outcome; and, Supply Operations Stewardship which supports the Sound Stewardship strategic outcome of the department. The planned spending for these activities is described in the ensuing financial table, followed by the strategic outcomes tables, which provide descriptions, results statements and performance indicators for each activity

Acquisition Planned Spending

(in millions of dollars)

	Forecast Spending 2005-2006	**Planned Spending 2006-2007**	Planned Spending 2007-2008	Planned Spending 2008-2009
Operating and Statutory Votes				
Acquisition Services				
Gross Expenditures	248.3	**195.3**	193.1	194.9
Less: Respendable Revenue	60.0	**40.9**	41.2	41.5
Net Expenditures	188.3	**154.4**	151.9	153.4
Supply Operations Stewardship				
Gross Expenditures	63.7	**47.7**	37.7	39.2
Less: Respendable Revenue	5.7	**8.6**	8.4	8.6
Net Expenditures	58.0	**39.1**	29.3	30.6
Optional Services Revolving Fund				
Gross Expenditures	104.8	**100.4**	100.4	100.4
Less: Respendable Revenue	104.8	**100.4**	100.4	100.4
Net Resources (Provided) Used	-	**-**	-	-
Defence Production Revolving Fund				
Gross Expenditures	-	**-**	-	-
Less: Respendable Revenue	-	**-**	-	-
Net Resources (Provided) Used	-	**-**	-	-
ACQUISITION TOTAL	246.3	**193.5**	181.2	184.0
Gross Expenditures for Acquisitions	416.8	**343.4**	331.2	334.5
Less: Respendable Revenue for Acquisitions	170.5	**149.9**	150.0	150.5
Net Expenditures for Acquisitions	246.3	**193.5**	181.2	184.0

Totals may not add up due to rounding.

(FTEs)

Acquisition Services - Full Time Equivalents (FTEs)	1,785	**1,800**	1,815	1,827
Supply Operations Stewardship - FTEs	332	**339**	327	339
Optional Services Revolving Fund - FTEs	76	**44**	44	44
Defence Production Revolving Fund - FTEs	-	**-**	-	-
Acquisition - Full Time Equivalents Total	2,193	**2,183**	2,186	2,210

The variance in net expenditures for Acquisition between 2005-2006 and future years is due to a decrease in planned spending for Shared Travel Services Initiative, Government of Canada Marketplace project, Business Transformation project and consulting costs.

Strategic Outcome: Quality Services

Acquisition Services

Activity	Results	Performance Indicators
Acquire goods and services on behalf of the federal government. Manage the supply process by assisting clients with the requirements definition, bid solicitation and evaluation, contract negotiation and administration. Manage all procurement-related aspects of major projects (over $100 million). Regional offices carry out PWGSC acquisition activities across Canada. PWGSC also maintains offices in the U.S. and Europe principally to service the needs of the military.	• Timely and cost efficient acquisitions services are provided to other government departments and agencies with enhanced service levels.	• Percentage reduction in cost of goods and services. • Percentage reduction in time for procurement transaction. • Percentage reduction in cost of government purchasing. • Percentage of client departments satisfied with PWGSC services.

Optional Services Revolving Fund

Activity	Results	Performance Indicators
A financial fund, which provides specialized services to client departments, such as marine inspection and technical services, management of seized property, travel management, consensus standards and conformity assessment services. Procurement of vaccines and drugs on behalf of provinces and territories.	• Quality, affordable services are provided to government departments and agencies. Revenues offset the full cost of service delivery.	• Recoveries as a percentage of cost.

Defence Production Revolving Fund

Activity	Results	Performance Indicators
Legacy fund presently unused. Maintained to provide for acquisition services of military supplies in the event of emergency.	• Funding of defence acquisition emergencies on a cost recovery basis.	• Recoveries as a percentage of cost.

Strategic Outcome: Sound Stewardship

Supply Operations Stewardship

Activity	Results	Performance Indicators
Acquisition Policy; Contract Quality Assurance; Professional Development; and Vendor Performance and Review and other management and administrative activities to support program delivery.	• Procurement community satisfaction in regards to policy advice, quality assurance, strategic planning and HR support provided. • Meet corporate goals related to professional development. • Increase federal employees' knowledge of green procurement.	• Percentage of satisfied employees. • Percentage of achieved official language targets. • Percentage of minimum training investment. • Number of outreach sessions provided to Federal employees.

INFORMATION TECHNOLOGY

PWGSC works closely with client departments and agencies to respond to their increasing Information Technology (IT) requirements by delivering reliable, cost-effective and secure IT services and solutions. PWGSC's IT Services business line provides a wide range of services to departments and agencies in the areas of: informatics and telecommunications services; professional training and development services in information and communications technologies; and electronic access to government information and services for Canadians. It brokers and manages: voice and data networks; computers, servers and communications services; application development; and e-Government Knowledge Centre services to federal departments, agencies and Crown corporations. It provides leadership in supporting government-wide initiatives such as Secure Channel, Government of Canada Marketplace, and Shared Travel Service Initiative.

In developing strategies and innovative solutions for the management of the government's telecommunications and informatics requirements, we conduct research and technological evaluations to assess opportunities for the introduction of new and innovative products and services, the application of new technologies and the use of alternative forms of delivery and partnering.

Plans and Initiatives

PWGSC is committed to achieving fundamental improvements in the way the federal government manages its information technology. Using our experience and current client base *as "our foundation"*, ITSB will continue to deliver on its existing services, while working toward establishing an IT Shared Services Organization, to strengthen PWGSC's internal Information Management/Information Technology (IM/IT)

Key Facts

- Enables Canadians to access 130 federal government services on-line.
- Assists in providing citizens and businesses, access to government services in a secure manner.
- Provides effective and efficient technology solutions for other government departments, enabling them to focus on their core programs and service delivery to Canadians.
- Over 1.67 million ePasses have been issued to individuals (ePasses provide individuals with on-line credentials for use in accessing government services in a manner that is secure and ensures that their privacy is respected).
- Prints 73 million cheques and 23 million non-cashable items annually.

capacity and to support the department's business transformation commitments.

Delivering on Existing Commitments

Existing Clients: During the transformation, PWGSC will continue to provide cost-effective management of telecommunications and informatics service requirements to departments and agencies. This will be further improved by: seeking economies of scale in IT infrastructure design and shared services; working with

Planned Net Expenditures
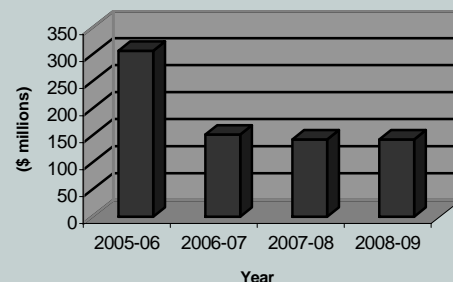
Funding for some initiatives (e.g. Secure Channel) is not reflected in the planned expenditures as they are following the Supplementary Estimates process. Pursuant to TB guidelines, they are not reported in the initial planned expenditures for the fiscal year. Thus, 2005-06 *actuals* appear much higher than 2006-07 *planned* expenditures.

Acquisitions Branch Services on improving the procurement of IM/IT goods and services; rationalizing delivery services; and managing new, competitively priced and innovative business solutions for telecommunications services.

Partnerships: Partnership approaches will be maintained on a number of major multi-year projects such as Government of Canada Marketplace, Travel Modernization, Pension Modernization and Service Canada.

SMIP: A Service Management Improvement Program (SMIP) was established to better position PWGSC's IT capabilities to lead the GoC to the enterprise IT shared services model and to provide more robust IT Service Management processes that support IT services provided to clients. The activities will focus on resources; processes and technology; the relationship between these components; and the ability, as an IT service provider, to support and maintain these activities in an optimum mix of consolidation and efficiencies within the new IT agenda. Architectures and standards frameworks for common IT services will be developed.

Secure Channel: The Secure Channel is at the heart of the transformation agenda for IT. It is part of the government's common IT infrastructure, which provides citizens and businesses with secure and private access to all of government's on-line services. It directly supports the government's goal of client-centric, cross-government service delivery anytime, anywhere, in both official languages. Funding for this project has been approved for 2006-07 and part of 2008, after which time Secure Channel will operate on a full cost recovery basis.

During this planning period, we will focus our efforts on:

- Increasing the government-wide adoption of the Secure Channel;

- Expanding program service offerings (both external and internal to the Government of Canada); and
- Pursuing the Secure Channel's multi-jurisdictional potential.

RDIMS: The Records, Documents, and Information Management System (RDIMS), which was launched as an IT shared service in September 2004, was designed to improve the collection and alignment of high quality information to fully support transparent, timely and informed decision-making. PWGSC's goal is to:

- Achieve significant adoption of the RDIMS solution by client departments so that by the end of 2007, there will be approximately 60,000 active licences and the involvement of more than 50% of departments and agencies.

Forwarding the Change Agenda

ITSB will continue to maintain a high quality of service and fulfill its existing service commitments while embarking on an ambitious change agenda. This change agenda consists of 3 components:

- Growing the IT Shared Services Organization;
- Strengthening Internal IM/IT Practices; and
- Supporting Business Transformation.

Growing the IT Shared Services Organization (IT-SSO)

PWGSC's IT agenda will focus on the promotion of IT Shared Services as part of the government's overall initiative to consolidate IT infrastructure services and facilities. This will complement the ongoing delivery of services currently provided to colleague departments and agencies in the areas of telecommunications, network and computing, application management, and other professional services. Under this approach, departments and agencies will continue to have the flexibility to deliver their programs and services, while the government as a whole will achieve more efficient,

cost-effective operations by taking advantage of economies of scale and standardization. Through collaborative service and stakeholder partnerships, we will treat the Government of Canada as an enterprise with the goal of reducing technical complexity and increasing inter-operability and information exchange.

PWGSC already has begun the process of transforming its IT business into a Shared Services Organization (IT – SSO) within the Government of Canada. This transformation seeks to aggregate the Government of Canada's Information Technology infrastructure demands and resources to ensure effective, efficient and cost-conscious technology solutions for departments and agencies, thus allowing them to focus on their core programs and service delivery to Canadians.

In 2006-07, we will continue to leverage the investment already made in the existing IT services offered to our current client base, obtaining as much value from these services as we can. We will certify existing services for delivery at an enterprise-wide level – ensuring that they are scalable, policy compliant (security, privacy and information management) and respond to the needs of the GoC business community. This will allow for the eventual migration of existing services to the IT-SSO.

New business intake channels are being developed including:

- IQTT (Identify, Qualify, Transition, and Transform) – consolidating GoC IT services, assets, and accountabilities;
- Adoption – providing previously certified enterprise services to new clients; and
- Strategic Partnerships – working with major GoC partners to address critical business needs, while leveraging existing funds.

Strengthening Internal IM/IT Practices

Activities to strengthen internal IM/IT in 2006-07 include:

- *Total Cost of Ownership* – Establish an assets inventory, understand costs of IM/IT assets and functions (acquisition, operation and maintenance) and identify areas for cost reduction. This will provide senior management with a more comprehensive view of the total cost of ownership and activities of the IM/IT within PWGSC, contributing to better IM/IT investment decisions.
- *IM/IT Governance* – Design and implement a comprehensive Governance Framework for IM/IT in PWGSC. This will establish a managed process for prioritizing and monitoring business investment in IM/IT at PWGSC, and improved direction and priority setting.
- *IT Security* – Develop and implement the IT Security components related to the governance of IM/IT and management of the life cycles of systems. This will allow the management of IM/IT security risks and ensure compliance to the government's *IM/IT Security Policy* and standards.
- *Enterprise Architecture* – Provide the framework, processes, and tools to develop and maintain a PWGSC enterprise architecture that presents a whole-of-department view of our business information, supporting technologies and application portfolio. This program will facilitate decision-making when designing and implementing new departmental services and supporting IT systems, facilitate the reuse of existing processes and system components, improve data integrity, lead to reduced complexity and lower the cost of IT products and services.
- *Client Relationship Management* – This initiative will establish processes to define business requirements, develop life-cycle cost estimates, and provide quality of service operations and

solution delivery in response to business requirements. This will contribute to the support of IM/IT planning and governance process.

- *Information Management* – This initiative will outline the overall vision and strategy for the IM program within PWGSC, align all major areas of IM and demonstrate how they relate to the department's business strategies and overall government direction. This will provide clearly defined and supported accountabilities for all stakeholders in the department in the pursuit of managing their information assets.

Supporting Business Transformation

The Shared Travel Services Initiative (STSI) was started by TBS and transferred to PWGSC's Information Technology Services Branch. TBS leads policy (e.g., travel) and the Office of the Comptroller General (OCG) is co-chairing the Senior Project Advisory Committee (SPAC) with PWGSC. STSI provides an end-to-end portfolio of corporate travel management services. It is aimed at achieving significant savings over the next several years on the government's annual expenses of $1.6 billion for travel and hotel accommodation and associated administrative support. STSI will result in a secure e-based travel reservation, expense claim, payment instrument, advisory and technical support service for traveling employees in almost all government departments and agencies.

In 2006-07, PWGSC will:

- Continue providing Travel Call Centre, Travel Card Services, Travel Portal, and On-line Booking Tool Services for government departments and agencies; and
- Roll-out the complete e-Travel Service to all government departments and agencies. This on-line component completes the "circle" of services, adding pre-trip authorizations, expense approvals, automatic workflows, policy compliance checks, and government-wide travel reporting.

Further information on this important Major Crown Project of PWGSC may be found in Section III, Table 11.

The Government of Canada Marketplace (GoCM), an innovative e-procurement service, is a key enabler in ensuring efficient and more simplified buying as well as in delivering cost and procurement related savings across government. The tools, provided as a part of the service, leverage information technology and promote electronic procurement as a faster and more economical way of doing business while ensuring high levels of transparency and accountability.

Over the next few years, we plan to:

- Introduce the GoCM service to more departments and agencies with additional commodities, enabling broader cost and administrative benefits government-wide.

To learn more about the Government of Canada Marketplace, refer to Section III, Table 14.

The Government On-Line (GOL) Initiative sunsets on March 31, 2006; however, certain activities will carry over to 2006-07 to meet legislative and policy requirements (such as Management of Government Information) and to complete appropriate closeout activities. For purposes of budget allocation, the following activities will be carried out in the first quarter of the fiscal year, under the current GOL leadership and management:

- Review and evaluation of Quarter 4 (FY 05-06) Project Status Reports for remaining GOL funded projects;
- Utilization of GOL databases for GOL reporting and analysis purposes;
- Preparation of GOL closeout report;
- Communications activities (final review and update of GOL Internet and Intranet Web sites, presentation of closeout report, and final communications to GOL communities);

- Information Management activities (cleansing, and archival and disposal of GOL-related information including inventory of key documents, filing in EDRM, cleansing, storage and disposal of e-mails, review of files names and renaming according to GOL naming convention to ensure easy retrieval of information, and completion of transfer of information to identified stakeholders);
- Update and report on Action Plan for GOL Audit; and
- Closure and transfer of financial and human resource files, and disposal/distribution of assets.

Competency-based HR Framework Model for the IT Community

To increase the government's ability to develop managers at all levels, improve the mobility of employees, and increase the transparency in staffing within the IT community, the Organizational Readiness Office (ORO) has developed an HR Framework Model based on Competency-based Management. Competencies are observable abilities, skills, knowledge, motivations or traits needed for successful job performance.

While the Organizational Readiness Office (ORO) is part of PWGSC, it takes functional direction from the Chief Information Office Branch of the Treasury Board Secretariat. This model provides a consistent, government-wide approach to optimizing the link between work and resources, and supports the development of Generic Work Descriptions, Competency Dictionaries, focused Learning and Development Programs and Collective Staffing initiatives within the IT Community, and across government.

Activities

Information Technology has three major activities: the activities of IM/IT Services, and the Telecommunications Services Revolving Fund support the Quality Services strategic outcome of

the department; and IM/IT Stewardship supports the Sound Stewardship strategic outcome.

The planned spending for these activities is described in the ensuing financial table, followed by the strategic outcomes tables, which provide descriptions, results statements and performance indicators for each activity.

Information Technology Planned Spending

(in millions of dollars)

	Forecast Spending 2005-2006	**Planned Spending 2006-2007**	Planned Spending 2007-2008	Planned Spending 2008-2009
Operating and Statutory Votes				
IM/IT Services				
Gross Expenditures	514.8	**283.3**	270.7	270.7
Less: Respendable Revenue	218.3	**140.1**	139.2	139.3
Net Expenditures	296.5	**143.2**	131.5	131.4
IM/IT Stewardship				
Gross Expenditures	16.6	**10.4**	13.5	13.5
Less: Respendable Revenue	3.6	**0.6**	0.6	0.6
Net Expenditures	13.0	**9.8**	12.9	12.9
Telecommunications Revolving Fund				
Gross Expenditures	144.9	**135.8**	144.0	144.0
Less: Respendable Revenue	137.9	**135.8**	144.0	144.0
Net Resources (Provided) Used	7.0	**-**	-	-
INFORMATION TECHNOLOGY TOTAL	316.5	**153.0**	144.4	144.3
Gross Expenditures for Information Technology	676.3	**429.5**	428.2	428.2
Less: Respendable Revenue for Information Technology	359.8	**276.5**	283.8	283.9
Net Expenditures for Information Technology	316.5	**153.0**	144.4	144.3
Totals may not add up due to rounding.				
				(FTEs)
IM/IT Services - Full Time Equivalents (FTEs)	1,605	**1,506**	1,494	1,495
IM/IT Stewardship - FTEs	120	**97**	97	97
Telecommunications Revolving Fund - FTEs	221	**194**	194	194
Information Technology - Full Time Equivalents Total	1,946	**1,797**	1,785	1,786

The significant decrease in the vote's net expenditures, as of 2006-2007, is mainly related to projects for Government On-Line (GOL, Secure Channel) and Records, Document and Information Management System (RDIMS) for which funding is approved on an annual basis.

Strategic Outcome: Quality Services

IM/IT Services

Activity	Results	Performance Indicators
IM/IT services provides information management and information technology based solutions to the Government of Canada. It also provides infrastructure, design, and leadership to major government-wide service projects.	Shared services and systems used by GoC clients.	• Number of shared IT services implemented. • Percentage of GoC programs supported directly by PWGSC shared IT services and systems. • Percentage of IT services offered by PWGSC that are shared IT services. • Percentage of PWGSC (IT-SSO) IT spending vs. GoC-wide IT spending.

Telecommunications Services Revolving Fund

Activity	Results	Performance Indicators
Telecommunications services provides network and infrastructure services; voice telecommunications services; satellite services; and managed services. This activity is the only one currently managed through a fully compensatory client-paid Revolving Fund.	Competitively priced and innovative business solutions provided to departments and agencies, leading to GoC cost savings.	• Break-even or surplus in Revolving Fund. • Client engagement levels (market penetration). • New services managed within revolving fund portfolio.

Strategic Outcome: Sound Stewardship

IM/IT Stewardship

Activity	Results	Performance Indicators
IM/IT Stewardship provides IM/IT standards, architecture, engineering, security, client interface/relationship, branch program management, strategy and governance.	Sound leadership of IM/IT resources in GoC.	• Percentage of business cases for enterprise services. • Client engagement in business cases.

RECEIVER GENERAL AND PUBLIC SERVICE COMPENSATION

PWGSC manages the Receiver General (RG) and Public Service Compensation functions of the government.

The organizations supporting the RG function manage the operations of the federal treasury, including payment issue and revenue collection for all government departments, prepare the Public Accounts, and produce the government's Monthly Statements of Financial Operations.

The RG also plays a vital operational role in ensuring the government's financial stability and public confidence through accurate and timely reporting of the government's financial activities and the issuance of payments to Canadians. As a result of the RG's ongoing efforts, the Auditor General has named Canada a world leader in reporting financial information to Parliament and to the public.

As Canada's largest payroll and pension administrator, Public Service Compensation provides payroll, benefits and pension plan administration services for the Public Service of Canada. This includes: for departments and agencies – the administration of payroll, pension and health/disability insurance processes for public service employees and pensioners; for the RCMP – payroll services; for the federal judiciary – pension services; and for current and former Members of Parliament – pay and pension services. Public Service Compensation assists departments and agencies to achieve their objectives through automated compensation services and stronger integration of our central pay system with their human resources systems. This allows them to administer pay and benefits in accordance with collective agreements and compensation policies established by the Treasury Board and certain separate employers, as well as to fulfill the

Key Facts

The Receiver General:
- Issues 230 million payments in almost 200 countries.
- Handles more than $1.3 trillion in cash flows.
- Issues payments on behalf of 7 provinces and 3 territories as part of joint initiatives with federal departments.
- Produces the Public Accounts for 169 departments, agencies and Crown Corporations.
- Since 1995-96, the Receiver General has reduced the annual cost of payment operations by $39 million while volume increased by 22%.

Public Service Compensation:
- Administers centrally the pay accounts of 293,000 public servants and pension accounts of 324,000 pensioners.
- Issues approximately 13 million pay and pension payments a year.

requirements of the *Public Service Superannuation Act* (PSSA).

Through our own initiatives and in partnership with other government departments and agencies, the RG and Public Service Compensation are central functions that contribute significantly to achieving government objectives by:

- Placing the highest priority on the quality of operations; and
- Developing and implementing new approaches to strengthen the integrity and efficiency of operations.

Planned Net Expenditures
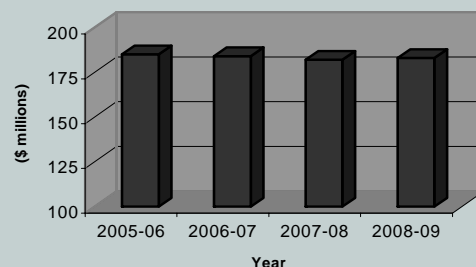
Plans and Initiatives

Business Transformation

Direct Deposit

Direct deposit offers recipients more reliable, convenient and secure service than cheque issue. Direct deposit saved about 43,700 trees in 2004-05 and allowed the Government of Canada to avoid spending $87.1 million. In conjunction with program departments, we have begun to offer direct deposit of RG payments to people outside Canada and the United States. Direct deposit pilot projects launched in 2005-06 in the United Kingdom and Australia have yielded promising returns and advantages to Canadian citizens abroad.

In 2006-07, we will continue the implementation of direct deposit throughout western Europe.

Receiver General Settlement Streamlining

We are working with Canada's financial institutions to eliminate the manual handling of cheques after they have been cashed. Full implementation of cheque imaging, for the Government of Canada, is scheduled for 2008. At the same time, we are taking the opportunity to increase the security in our cheques and to eliminate inefficiencies in their processing. Receiver General Settlement Streamlining improves process controls and data integrity.

In 2006-07, we will introduce a new cheque form, complete development and start testing with the financial institutions.

Improved Reporting to Parliament and to the Public

In 2006-07, PWGSC will continue to explore ways to improve government-wide financial reporting to Parliament and the public.

For example, in keeping with recommendations from the Auditor General, starting in 2005-06, a number of organizations will be consolidated within the government reporting entity. The financial statements of the Government of Canada will now reflect the assets, liabilities, expenses and revenues of these organizations. This represents a change in accounting policy, the government's financial statements of prior periods will be restated to give retroactive effect to this change in accounting treatment.

As well, the RG system used for the preparation of Monthly Statements of Financial Operations will support the new requirement of the Department of Finance to provide data on a gross basis for inclusion in its Fiscal Monitor and for the 2005-06 Annual Financial Report.

Thirdly, the RG will work closely with the Treasury Board Secretariat and the Department of Finance to support the information requirements of the new Parliamentary Budget Office.

Modernizing Compensation Systems and Processes

The need to replace our 40-year old pay and pension systems has also created the opportunity to modernize PWGSC's compensation function. The current systems use outdated technology and rely on the expertise of staff due to retire in the next few years. The systems are expensive to maintain and limit our ability to provide modernized services to customer departments and agencies, employees and managers. Replacement of the systems will, in turn, modernize the functions and processes that will be heavily geared toward self-service and call centres. This will facilitate implementation of the shared systems and services across government.

Pay Modernization Project

The Pay Modernization Project is focused on the renewal of payroll services. Of highest importance, PWGSC must sustain the long-term requirements for pay administration and operation services for the Government of Canada.

The Regional Pay System (RPS), the core component of the current payroll system, which is more than 40 years old, utilizes traditional technologies. The maintenance of the system is dependent on the specialized knowledge, skills and experience of employees, many of whom are due to retire within the next three to five years.

In addition to the risk of not being able to sustain the pay administration function, the capability of the legacy pay system and business processes is not sufficient to meet increasing employee and client demands for greater variety in service options. Employees and employers are demanding more flexibility in services, greater access to information and quicker access to expert representatives who can provide immediate assistance. They have become accustomed to 24/7 services available through web channels and call centres from other institutions, and expect comparable service from government.

Recognizing the intrinsic relationship between compensation and human resource management services, the Pay Modernization Project will align its services with industry best practices.

With an emphasis on providing increased services directly to employees and managers, the Pay Modernization Project will considerably broaden the existing payroll services currently offered to departments and agencies, generating significant government-wide operational savings from employee and manager self-service capabilities.

Pension Modernization Project

The objective of the Pension Modernization Project (which has received preliminary project approval) is to address the increasing risk to PWGSC's pension administration as a result of the loss of technical and functional experts, many of whom will retire in the next few years, and the limitations of its more than 40-year-old technology. Over an eight-year period, from 2005 to 2012, the intent is to implement a multi-plan solution that will replace outdated

systems and business processes and enable PWGSC to provide best practice pension services to both active and retired plan members. Initially, the solution would be used for the PSSA administration. Other pension plans, such as those administered under the *Canadian Forces Superannuation Act* and the *RCMP Superannuation Act*, would be integrated once the implementation of the new system and business processes for the PSSA is completed. As well, the new pension solution would provide the critical modern technology and tools required to support the centralization of pension services to one organization, allowing services to be delivered more efficiently, cost effectively and consistently to all plan members from a single, central organization. The project achieved a major milestone in the Fall of 2005 with the award of a contract to develop and implement business process transformation and to implement a Commercial-Off-The-Shelf (COTS) software solution, thereby ensuring that the solution obtained for the Government of Canada is a readily available, proven solution that has already been used successfully for pension administration by other, similar organizations.

Enhancement of Current Pay Systems

Given the length of time it will take to modernize the systems and transform the business, improvements to the current infrastructure and processes will be ongoing. For example, our future web-based initiatives will allow all government employees to view their Statement of Pension and Group Benefit Plans and their pay stubs on-line. Employees will also be allowed to start, amend or stop deductions from their pay, such as certain credit union deductions.

Public Service Compensation is also taking advantage of current technology to give compensation advisors in departments across government access, via the Web, to certain reports. This means quicker access to pay verification information, which, in turn, enables the increased use of direct deposit in the future for supplementary payments, including overtime and retroactive

payments. Additionally, it greatly reduces our paper usage contributing, directly to greening government operations.

Centralization of Pension Services

If approved, the centralization of the pension services, which are currently provided by compensation advisors in over 100 departments and agencies, would provide cost savings and administrative efficiencies, as well as consistent and improved services to PSSA contributors. In addition, centralization would help address the significant impacts of the attrition of compensation expertise across the government as approximately 42% of the compensation community reaches retirement age over the next few years. By leveraging the rich functionality of the new pension administration systems and business processes implemented by the Pension Modernization Project, centralized pension service delivery would be able to provide more consistent, efficient, and cost effective services to active and retired plan members.

Centralized pension services would be located in Shediac, New Brunswick. Following the transfer of some initial services in 2005-06, responsibility for the administration and quality of the delivery of Public Service Pension Plan Retirement Planning Information Sessions and the responsibility for the Service Purchase Services would be centralized in 2006-07.

New Services

We are exploring opportunities to provide new cost-effective services to government departments in Matane, Quebec, notably intelligent character recognition and document imaging solutions.

Sound Management

We contribute to enhanced accountability, integrity and transparency by maintaining the integrity and reliability of the government-wide, mission-critical, functions for which we are responsible. In the process, we generate significant savings for

Canadian taxpayers, departments and for the government as a whole. The RG operation protects the integrity of the Consolidated Revenue Fund and the Accounts of Canada through the degree of control it provides. We increase the transparency of the government's financial statements by ensuring that all financial information is reported in the same way and that all Canadians have access to standard payment and banking services. We use our purchasing power to achieve the best available banking services at the lowest rates. Similarly, Public Service Compensation's central pay and pension administration provides the necessary checks and balances to ensure ongoing payment accuracy and timeliness. Together, these measures contribute to the continued confidence of Canadians in the government's ability to maintain the country's financial stability.

Our central systems and government-wide functions eliminate the duplication of efforts, systems and infrastructure across government. Public Service Compensation administers centrally, the pay accounts of 293,000 public servants in 104 departments and agencies, and pension accounts of 324,000 pensioners. This function provides an invaluable service to government as a whole, in terms of savings in salary dollars and work effort. The RG is a key operational arm of the Department of Finance and the Treasury Board Secretariat in the context of debt management and financial policy controls. The RG adds value by consolidating the management of the government's payments and revenue collection to achieve the most competitive rates for services available from Canada's financial industry.

The Receiver General and Public Service Compensation are playing an important role in helping to transform the government into a network of interconnected agencies. This transformation will allow individual organizations to retain their autonomy while operating under a single-enterprise vision of government.

Activities

RG and Public Service Compensation have five program activities: the activities of RG Services and Public Service Compensation support the Quality Services strategic outcome; and RG Stewardship, Public Service Pay Stewardship and

Public Service Pension Stewardship support the Sound Stewardship strategic outcome of the department. The planned spending for these activities is described in the ensuing financial table, followed by the strategic outcomes tables, which provide descriptions, results statements and performance indicators for each activity.

Receiver General and Compensation Planned Spending

(in millions of dollars)

	Forecast Spending 2005-2006	Planned Spending 2006-2007	Planned Spending 2007-2008	Planned Spending 2008-2009
Operating (including Special Purpose Allotment) and Statutory Votes				
Receiver General Services				
Gross Expenditures	11.7	**11.2**	11.5	11.5
Less: Respendable Revenue	3.7	**2.4**	2.4	2.4
Net Expenditures	8.0	**8.8**	9.1	9.1
Receiver General Stewardship				
Gross Expenditures	133.6	**148.2**	147.7	152.0
Less: Respendable Revenue	16.4	**21.3**	21.2	21.3
Net Expenditures	117.2	**126.9**	126.5	130.7
Public Service Compensation				
Gross Expenditures	4.4	**3.6**	3.7	3.7
Less: Respendable Revenue	2.8	**1.9**	1.9	1.9
Net Expenditures	1.6	**1.7**	1.8	1.8
Public Service Pay Stewardship				
Gross Expenditures	38.2	**31.3**	31.6	31.6
Less: Respendable Revenue	7.3	**3.6**	3.8	3.8
Net Expenditures	30.9	**27.7**	27.8	27.8
Public Service Pension Stewardship				
Gross Expenditures	76.6	**64.3**	51.8	44.5
Less: Respendable Revenue	54.8	**44.1**	32.7	29.3
Net Expenditures	21.8	**20.2**	19.1	15.2
RECEIVER GENERAL AND PUBLIC SERVICE COMPENSATION TOTAL	179.5	**185.3**	184.3	184.6
Gross Expenditures for Receiver General and Public Service Compensation	264.5	**258.6**	246.3	243.3
Less: Respendable Revenue for Receiver General and Public Service Compensation	85.0	**73.3**	62.0	58.7
Net Expenditures for Receiver General and Public Service Compensation	179.5	**185.3**	184.3	184.6
Totals may not add up due to rounding.				
				(FTEs)
Receiver General Services - Full Time Equivalents (FTEs)	50	**52**	52	52
Receiver General Stewardship - FTEs	470	**520**	521	521
Public Service Compensation - FTEs	52	**50**	50	50
Public Service Pay Stewardship - FTEs	384	**379**	390	390
Public Service Pension Stewardship - FTEs	808	**679**	589	563
Receiver General and Public Service Compensation - Full Time Equivalents Total	1,764	**1,680**	1,602	1,576

Receiver General :
The Receiver General net expenditures increase in 2006-2007 is due to higher price and volume changes for postage, cheque and envelopes, banking fees, and infrastructure costs for cheque imaging.

Public Service - Compensation, Pay and Pension :
The net expenditures variance between 2005-2006 and 2006-2007 is mainly due to the progressive reduction of activities related to the Public Service Modernization Act, and the internal funding reallocation in support of Strategic Investments and other initiatives. Starting in 2006-2007, the net expenditures decrease is due to Public Service Superannuation Act (PSSA) administration costs not yet approved, and to the winding down of Pension Data Correction and Pension Modernization initiatives.

Strategic Outcome: Quality Services

Receiver General Services

Activity	Results	Performance Indicators
Maintains operations for the Departmental Financial Management System (DFMS). Provides optional document-imaging services for departments. Provides optional payment-related printing such as tax information statements and pay statements.	Receiver General Services are timely, efficient and delivered within defined service standards. Business development based on leveraging of growing imaging expertise	Departmental Financial Management System: • Percentage of system availability of monthly prime time hours. • Percentage of transactions with average response times less than 5 seconds. Payment-related printing: • Percentage of items released according to schedule. • Maintaining level of service as per MOU with departments.

Public Service Compensation

Activity	Results	Performance Indicators
Administration of payroll, pension and health/disability insurance processes for public service employees and pensioners. Provision of pension services to the Department of National Defence.	Timely provision of communications to Public Service employees and pensioners via pay envelope inserts. Administration of pensions for Canadian Forces annuitants.	• Percentage of time inserts distributed in accordance with sponsor's requirement. • Percentage of time pension actions processed within service level standards.

Strategic Outcome: Sound Stewardship

Receiver General Stewardship

Activity	Results	Performance Indicators
Maintains high-quality support for the Consolidated Revenue Fund and the Accounts of Canada (revenue collection, cash management operations, payment services, Public Accounts, Monthly Statement of Financial Operations, Central Accounts).	Preservation of the integrity of the Consolidated Revenue Fund and the Accounts of Canada. Effective execution of functions essential to the financial safety and security of the Canadian public.	• Monthly statements produced within an annual average of 25 working days of month end. • Timely production of public accounts as per defined schedule. • Percentage of payments issued according to standard. • Percentage of daily authorization to the Bank of Canada for all outflows from the Consolidated Revenue Fund (CRF) according to schedule. • Percentage of reconciliation of deposits to the credit of the RG within two business days. • Percentage of cheque reconciliation performed within 24 hours.

Public Service Pay Stewardship

Activity	Results	Performance Indicators
Administration of payroll and health/disability insurance processes for public service employees and pensioners.	Assurance of the integrity of pay and benefits administration.	• Timely updating of government payroll records. • Assurance of systems' reliability. • Accuracy of implementation of collective agreements and policy changes. • Assurance of integrity of Canada Revenue Agency payroll delivery model on SAP platform.

Public Service Pension Stewardship

Activity	Results	Performance Indicators
Administration of pension processes for public service pensioners.	Assurance of the integrity of pension administration.	• Quality rate of initial payments monitored. • Assurance of systems' reliability. • Accuracy of implementation of policy changes.

GOVERNMENT INFORMATION AND CONSULTING

PWGSC's Government Information Services Branch's (GISB) programs and services aim to enhance government communications and public sector management of key communications activities such as advertising and public opinion research. Established on April 1, 2004, GISB encompasses most of the programs and services transferred to PWGSC from the former Communication Canada. Since then, the Public Access Programs Sector was transferred to Service Canada, including 1 800 O-Canada, the Canada Site (Canada.gc.ca Internet site), Gateways and Clusters, and Publiservice (the Government of Canada Intranet).

Finally, in October 2005, the Treasury Board announced the realignment of Consulting and Audit Canada's (CAC) services to reinforce the internal audit function within government to ensure appropriate levels of segregation between the two services. CAC's Government Consulting Services were transferred to GISB, while Audit Services remained with CAC.

In February 2006, the Deputy Minister announced further organizational changes. These included the transfer of the Industrial Security Sector and the Shared Services Integration Sector (SSIS) to GISB. This change fits well within GISB's client-oriented service offerings.

The structural changes have already been implemented at an operational level. However, to conform to the TB-approved Program Activity Architecture reporting structure, this report outlines plans and initiatives for GISB's original functions. It also outlines GISB's expected transformation, which integrates elements of the former CAC and transfers the Public Access Programs to Service Canada (HRSDC). Priorities related to the Industrial Security and Shared Services Integration

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Key Facts

- Readers in 167 countries consult the *Canada Gazette*.
- GISB develops advertising and public opinion research management tools for client departments.
- Close to one million items are distributed to Canadians by the Publishing and Depository Services Program.
- Government Consulting Services has been transferred to GISB.
- Common points of service provide economy of scale efficiencies for several communications activities.
- GISB assists government departments in fulfilling their obligations under the *Communications Policy of the Government of Canada*.

Sectors will be outlined in detail in Business Integration's section of this report. It is anticipated that the PAA structure and the related funding mechanism will be modified to reflect these changes in future years.

Plans and Initiatives

To support the Government's transformation agenda and government-wide service delivery structure, GISB will support the transition of the Public Access Programs to Service Canada (HRSDC), while integrating the former CAC's Government Consulting Services, and Industrial

Planned Net Expenditures
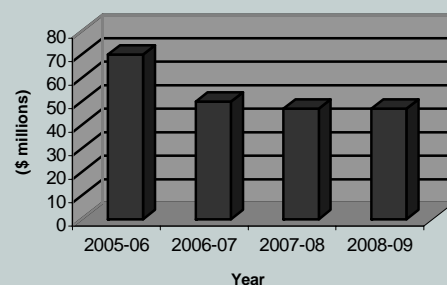
Security and Shared Services Integration Sectors into its organization. During this transition, we will continue to support PWGSC's strategic objectives, including delivering consistently high quality services to Canadians and client departments and agencies.

We will support PWGSC's business transformation agenda (*The Way Forward*) on two fronts: by working to achieve procurement efficiencies; and by assisting client organizations to implement business transformation. In addition, we will act as the technical coordinating authority for government-wide communications programs and value-added assistance to clients of Government Consulting Services.

GISB intends to create internal efficiencies that will:

- Demonstrate sound management, including support to the *Federal Accountability Act and Action Plan*;
- Promote accountability and transparency; and
- Increase the quality of services across government by sharing expertise and by maintaining frameworks, guidelines and best practices in government communications programs and services.

We will assist departments and agencies in delivering quality advice and strengthening management controls, while improving our management control framework in 2006-07.

Government Information Services

Government Information Services supports the government-wide approach to service delivery, with services for Canadians such as the *Canada Gazette,* Exhibitions Program, and the Publishing and Depository Services program. Other services for government include electronic media monitoring and technical coordinating authority for advertising and public opinion research.

The purpose of Government Information Services is to deliver programs that promote well-integrated,

cost-effective government communications to Canadians. These services are provided based on the authority defined in the *Communications Policy of the Government of Canada* and include:

- Carrying out the role of the coordinating and technical authority for the government's advertising and public opinion research activities;
- Providing advice, best practices and information sessions to government public opinion researchers and communicators to enhance knowledge;
- Contributing to transparency of government operations by tracking and reporting on activities and expenditures through electronic monitoring tools and by publishing annual reports on public opinion research and advertising;
- Serving official notice to Canadians of new and proposed federal laws and regulations by publishing the *Canada Gazette;*
- Managing communications activities such as the Exhibitions, Publishing and Depository programs; and
- Providing Government of Canada institutions with access to electronic versions of Canadian news sources.

While delivering on our legislated and mandatory policy responsibilities, we will pursue the following priorities for Government Information Services during the 2006-07 fiscal year:

- Advance quality information services to the Government of Canada; and
- Practice sound stewardship through shared knowledge and expertise.

Advance Quality Information Services to the Government of Canada

GISB's programs supporting the delivery of quality information services to the Government of Canada include Publishing and Depository Services, the *Canada Gazette*, and the Canada Exhibitions program. These programs ensure that the government fulfills its responsibilities of informing Canadians of decisions affecting their daily lives,

as well as informing them of programs and services offered by various departments and agencies and how to access them.

In 2006-07, GISB will:

- Continue to deliver communications programs that promote well-integrated, cost-effective government communications to Canadians by implementing service enhancement initiatives. For example, the *Canada Gazette* will launch an interactive on-line tool to enable students to further their knowledge of the democratic process.
- Consult clients and stakeholders to identify and address ongoing improvements for communications services. We will begin implementing a system to measure GISB performance in terms of client satisfaction to identify opportunities for improvement.
- Focus on stabilizing the organization, including retaining current expertise and strengthening capacity in key areas.
- Review business and service delivery models employed by Publishing Services to adapt the business line to new trends on how Canadians access information. Increased emphasis on electronic publishing and information dissemination through the internet will allow Publishing Services to improve the efficiency and effectiveness of its services to Canadians. And,
- Continue to deliver communications programs providing common services to other government departments. For programs such as the Canada Exhibitions Program, Electronic Media Monitoring and Depository Services, generate efficiencies for other government departments by:
  − creating economies of scale;
  − ensuring a common look and feel for messages from the Government of Canada; and
  − promoting a consistent government-wide management approach.

Sound Stewardship through Shared Knowledge and Expertise

Sound stewardship includes support for sound management practices, enhanced accountability and improved integrity across government. As a key element of sound stewardship, PWGSC will fully support the *Federal Accountability Act and Action Plan*.

In 2006-07, GISB will:

- Continue assisting departments and agencies to build their capacity by providing advice, information on best practices and information sessions to government public opinion researchers and communicators and by supporting the communications community of practice;
- Implement Public Opinion Research's management response to the Auditor General's audit on the quality of surveys (see http://www.oag-bvg.gc.ca/domino/reports.nsf/html/20051102ce.html) by:
  − Establishing an expert technical advisory panel that will involve participation from Statistics Canada;
  − Conducting a study of best practices to provide advice and information to departments on improving the quality of public opinion research in government; and
  − Providing contracting process tools that will be developed and made available to departments for the procurement of public opinion research.
- Launch an independent review of Public Opinion Research's practices in government to ensure that issues raised by the Auditor General's report of November 2003 have been addressed (see: http://www.oag-bvg.gc.ca/domino/reports.nsf/html/20031103me.html);
- Provide ongoing advertising coordination including advice and guidance to government

departments and agencies on the consistent application of the Communications Policy of the Government of Canada; and

- Continue dialogue with official minority and ethnic media representatives to promote cost-effective use of these media in government advertising.

Public Access Programs

The control and supervision of PWGSC's Public Access Programs Sector (PAPS) were transferred to the Minister of Human Resources and Skills Development Canada (HRSDC), the Minister responsible for Service Canada. PWGSC is working with Service Canada (HRSDC) to transfer Public Access Programs spending authority to Service Canada.

During 2006-07, Public Access Programs Sector will pursue the following priorities:

- Ensure a smooth transition from PWGSC to Service Canada (HRSDC); and
- Deliver quality services to Canadians and the Government of Canada.

Ensure a Smooth Transition to Service Canada

To ensure a smooth transition, PAPS will continue to maintain its open lines of communication with employees and stakeholders on the progress of the transition, meet regularly with officials from both PWGSC and Service Canada (HRSDC) on the details and documentation related to the transfer, and work closely with Service Canada (HRSDC) colleagues for a seamless integration of these services into their corporate structure and service vision.

Deliver Quality Services to Canadians and to the Government of Canada

As part of the new Service Canada (HRSDC) organization, PAPS will take a government-wide approach to identify opportunities to create

efficiencies and support the continued delivery of quality services across government.

Government Consulting Services

Specific priorities for Government Consulting Services are outlined in the Special Operating Agency section of this report. However, GISB has identified two broad objectives for Government Consulting Services for 2006-07:

- Ensure a smooth transition from the former CAC to the new GISB organization; and
- Refocus Government Consulting Services.

Ensure a Smooth Transition from the Former CAC to the New Organization

In 2006-2007, GISB will:

- Continue to integrate the Government Consulting Services into the branch, forming a new organization; and
- Ensure smooth transfer of services from CAC by:
  - maintaining communications with clients and staff on progress on the transition;
  - engaging stakeholders in the transition planning; and
  - monitoring progress made on integrating these services into the new organization.

Refocus Government Consulting Services

Government Consulting Services provides added value by offering specialized advice and solutions to improve public sector management and operations.

In 2006-07, GISB will:

- Align its Government Consulting Services to meet the Government of Canada's priorities and management agenda. This will ensure that services are relevant to clients and are focused on priority areas for the federal public service.
- Support the department's business transformation agenda (*The Way Forward*) by

creating capacity and expertise internally to assist clients in implementing this initiative. And,

- Strengthen the quality assurance process for Government Consulting Services.

Refocusing Government Consulting Services service lines will support the department's transformation agenda by ensuring that its service offering is efficient and that private sector expertise is leveraged effectively.

The New GISB Organization

GISB is a significantly changed organization now, comprised of the following four business lines: Government Consulting Services; Industrial Security; Shared Services Integration Sector; and Communications Program Management.

In 2006-07, GISB will re-structure its organization by reviewing its business model and funding mechanisms to determine the sustainability of its programs and services in the long term. This review will assess existing services to identify appropriate levels for corporate services support, and assess funding options for service delivery.

Corporate services for CAC and GISB will be combined and reviewed in the context of the new service delivery mechanisms. GISB corporate service will continue to offer support to Consulting and Audit Canada (Audit Services) pursuant to a Service Level Agreement outlining service levels and their costs and this will be renegotiated as required. GISB will focus on implementing these changes while continuing to provide seamless, high quality, value-added services to both client departments and Canadian citizens.

Activities

PWGSC's Government Information Services encompasses two activities: the Government Information Services activity supporting the Quality Services strategic outcome; and Government Information Stewardship supporting the Sound Stewardship strategic outcome. Planned spending

for these activities is described in the ensuing financial table. This is followed by the strategic outcomes table, which provides descriptions, results statements and performance indicators for each activity.

Information about the Consulting and Audit Canada Revolving Fund program activity that includes Government Consulting Services is presented in the section on Special Operating Agencies of this report. Information on Industrial Security Sector and Shared Services Integration Sector is presented in the section on Business Integration of this document.

Government Information and Consulting Planned Spending

(in millions of dollars)

	Forecast Spending 2005-2006	**Planned Spending 2006-2007**	Planned Spending 2007-2008	Planned Spending 2008-2009
Operating, Grants and Contributions and Statutory Votes				
Government Information Services				
Gross Expenditures	70.3	**43.6**	39.3	39.3
Less: Respendable Revenue	14.1	**11.3**	11.3	11.3
Net Expenditures	56.2	**32.3**	28.0	28.0
Government Information Stewardship				
Gross Expenditures	7.9	**18.2**	18.7	18.7
Less: Respendable Revenue	1.5	**0.1**	0.1	0.1
Net Expenditures	6.4	**18.1**	18.6	18.6
GOVERNMENT INFORMATION AND CONSULTING TOTAL	62.6	**50.4**	46.6	46.6
Gross Expenditures for Government Information and Consulting	78.2	**61.8**	58.0	58.0
Less: Respendable Revenue for Government Information and Consulting	15.6	**11.4**	11.4	11.4
Net Expenditures for Government Information and Consulting	62.6	**50.4**	46.6	46.6
Totals may not add up due to rounding.				
				(FTEs)
Government Information Services - Full Time Equivalents (FTEs)	298	**201**	201	201
Government Information Stewardship - FTEs	80	**64**	64	64
Government Information and Consulting - Full Time Equivalents Total	378	**265**	265	265

Government Information Services (GIS) total spending authority is derived from resources appropriated from Parliament to PWGSC and from resources recovered from other departments and agencies and from external to government clients. The decrease in the gross expenditures, starting in 2006-07, is due to Expenditure Review Committee (ERC) reductions, to Procurement savings and to the sunsetting of funding which ends March 31, 2006, including Government On-Line. Government of Canada Exhibitions Program funding will sunset March 31, 2007. There has been some realignment of resources between program activities and the FTEs have been adjusted to reflect the current GIS organization. Planned spending for the Consulting and Audit Canada Revolving Fund program activity that includes Government Consulting Services is presented in the section on Special Operating Agencies of this report. Planned spending for the Industrial Security Sector and Shared Services Integration Sector is presented in the section on Business Integration of this document.

Strategic Outcome: Quality Services

Government Information Services

Activity	Results	Performance Indicators
Management of the Government of Canada's communication platform by providing multi-channel access to information on government programs and services (via 1 800 O-Canada toll free line, canada.gc.ca web site, *Canada Gazette*, and publications.gc.ca web site), by promoting government programs and services.	The effective, cost efficient provision of information about Government of Canada programs and services using a broad range of communications channels and services that are fairly and transparently obtained.	• Percentage of surveyed Canadians expressing government information as "easy to find."

Strategic Outcome: Sound Stewardship

Government Information Stewardship

Activity	Results	Performance Indicators
Government Information Stewardship activities provide government-wide strategic management, coordination and monitoring in the areas of advertising, public opinion research, and electronic media monitoring. These activities are detailed in the TB *Communications Policy* and its associated procedures.	Sound internal financial management (within the Branch), transparency and accountability with respect to government information services provided from a whole-of-government perspective.	• Percentage of surveyed public servants expressing awareness of central function and of policies and procedures related to communication of government information. • Annual reports on advertising and public opinion research are published in a timely fashion.

GREENING GOVERNMENT OPERATIONS

PWGSC is committed to leading the government in the greening of its operations. The Office of Greening Government Operations (OGGO) was created to lead and facilitate a government-wide approach to this agenda.

OGGO's mandate is to accelerate the greening of the government's operations by working closely with other federal departments and agencies, particularly, Treasury Board Secretariat and Environment Canada.

Greening of government operations is an opportunity to establish government-wide priorities, accountabilities, targets, timelines and reporting requirements to assist the government in becoming a model of environmental excellence in its own operations.

PWGSC is committed to ensuring that the principles of sustainable development are reflected in all aspects of its role as a landlord for public servants and custodian of real property, as the primary purchaser of goods and services on behalf of government departments and agencies, and within its own internal operations.

By being recognized as a model of environmentally and economically sustainable government operations, the Government of Canada will have the credibility to lead Canada to a long-term competitive advantage, based on environmental sustainability.

OGGO is the main source of advice and functional guidance for government departments and agencies regarding the greening of their operations. It is strongly committed to upholding the highest ethical standards, based on excellence, transparency, integrity, respect and accountability.

Key Facts

- Provides leadership on the greening of government operations and is the Government of Canada's centre of expertise for greening government operations initiatives.
- Provides a range of environmental services to government departments and agencies, including PWGSC.
- Develops greening of operations guidance for other departments/agencies.
- Drafts PWGSC's Sustainable Development Strategies (SDS).
- Monitors performance and drafts the department's annual Sustainable Development Performance Report (SDPR).

Plans and Initiatives

OGGO is continuing to align resources to meet Government of Canada priorities, goals, and needs in the area of greening government operations. OGGO will provide high-quality, affordable and timely environmental services to federal departments and agencies. The following components will be the main focal points of the strategy for OGGO in the short and mid-term:

Leadership and Centre of Expertise – Provides government-wide leadership, guidance and services with regard to greening government operations and sustainable development, while developing enabling policies, tools and a management framework.

Planned Net Expenditures
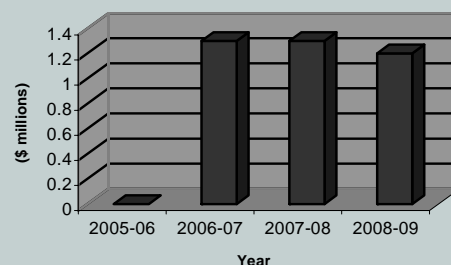
Improving the Government of Canada's Internal Environmental Performance –Leads the Government of Canada's improvement of its internal environmental performance in key priority areas:

- Resource consumption and air pollution emissions;
- Green procurement;
- Management and remediation of contaminated sites;
- Environmental regulatory compliance; and
- Green stewardship.

Sustainable Development Strategy (SDS) – Identifies government-wide greening of government operations priorities and develops and provides related guidance to the whole of the federal government. Plans and develops PWGSC's fourth SDS and leads the coordination, implementation, and maintenance of appropriate supporting tools and management framework within the organization.

Partnerships –Works horizontally to increase awareness and visibility of government-wide initiatives with key stakeholders.

Aligning Resources –Continues to consolidate and strengthen the human and financial resources capacity of OGGO to deliver on commitments and take advantage of opportunities to advance the greening of government agenda, while ensuring the development and support of a sustainable, efficient and professional organization.

Delivering on each of these components of the overall strategy will enable the government to realize rapid progress in the greening of government operations. Each component is described in more detail as follows.

Leadership and Centre of Expertise

OGGO is mandated to be the centre of expertise for greening operations in the Government of Canada through the provision and demonstration

of leadership. In 2006-07, OGGO will demonstrate this through the following initiatives:

- Lead interdepartmental steering groups to address and manage key operational areas (e.g., energy efficient buildings and vehicle fleet, and green procurement);
- Partner with TBS to further refine the government-wide performance management framework for greening government operations; and
- Support and monitor the implementation of government-wide policies on greening of operations, such as the *TB Policy on Green Procurement.*

As a centre of expertise, OGGO will establish management tools and provide guidance for greening government operations initiatives. It will also facilitate the management and reporting of cross-government initiatives.

We will continue to provide high quality, affordable and timely environmental services to PWGSC and other departments and agencies in the areas of environmental regulatory compliance, contaminated sites remediation and management, hazardous materials management and storage tank management.

Improving the Government of Canada's Internal Environmental Performance

Resource Consumption and Air Pollution Emissions

We are focused on the reduction of energy consumption, and related air pollutants, including greenhouse gases (GHG), from government real property and vehicle usage.

Buildings

As one of the largest landlords in the country, the Government of Canada is working to reduce the

environmental footprint of its operations related to real property.

In 2006-07, OGGO will:

- Develop specific guidance to assist departments in ensuring that all new government office buildings and long-term leases meet Canada Green Building Council's Leadership in Energy and Environmental Design (LEED – Canada) Gold level;
- Assist Real Property (RP) in implementing the Building Owners and Managers Association (BOMA) Go Green Plus (system for operating and managing buildings in an environmentally sustainable manner) for its Crown-owned buildings;
- Develop a guidance document to provide direction and encourage the appropriate application of the green lease; and
- Support RP in seeking innovative means of modernizing the central heating and cooling plants.

Vehicle Fleet

The Government of Canada is the largest vehicle fleet owner and manager in Canada. Its fleet consists of approximately 26,000 vehicles and includes an executive fleet of over 70 vehicles. PWGSC is part of a government-wide effort to reduce fleet emissions and improve management practices and fiscal responsibility. In collaboration with partners such as TBS and NRCan, OGGO provides advice and guidance to departments and agencies to make significant progress to further green their fleets.

During 2006-07, OGGO will:

- Develop guidance and share best practices and tools to help departments and agencies continue to improve their fleet management practices and reduce GHG emissions through methods such as fleet rationalization/audit/review tools, fleet management review processes, fleet performance report cards; and

- Investigate and pursue new opportunities with key stakeholders and departments with large fleets to further green the overall fleet.

Green Procurement

The Government of Canada is committed to systematically embedding sustainable development considerations in its operations. A major step in achieving this objective was the approval of the *Policy on Green Procurement*, which came into effect on April 1, 2006. The policy objective is to support sustainable development by integrating environmental performance considerations into the procurement decision-making process. Application of the policy is expected to result in many benefits, one of which is the promotion of the competitiveness of Canadian businesses through the demand for greener goods and services.

During 2006-07, OGGO will support the Acquisitions Branch in the ongoing implementation of the *Policy on Green Procurement*. OGGO will also work within PWGSC and with partners externally, so that environmental considerations are embedded in the commodity management plans for those commodities being considered under *The Way Forward* for 2006-07.

Management and Remediation of Contaminated Sites

The Government of Canada is actively involved in environmental management and remediation of contaminated sites across Canada. The recently established Federal Contaminated Sites Action Plan includes major long-term funding commitments for the remediation of federal contaminated sites and shared responsibility sites. PWGSC, which is the custodian of some 230 contaminated sites, has an oversight role in the implementation of the $400 million Sydney Tar Ponds remediation project and is working with Indian and Northern Affairs Canada to provide support for the cleanup of several abandoned gold

mines in the Northwest Territories and former military sites in Nunavut.

Environmental Regulatory Compliance

OGGO will provide assistance to federal government departments in meeting their environmental regulatory requirements. This includes the provision of training and advice to operational managers in the areas of storage tanks, hazardous materials, ozone-depleting substances, air emissions, solid waste, effluents and more.

Green Stewardship

The government's *Code of Environmental Stewardship* commits all federal employees to be more environmentally responsible during their workday. OGGO will inspire and support employees to be proactive stewards of the environment by improving their awareness of the environmental risks and impacts of daily government operations, and encouraging and supporting them to reduce consumption (energy, water, materials, goods and services) in the workplace.

Sustainable Development Strategy

Every three years, a number of departments and agencies are required to prepare and table their Sustainable Development Strategies (SDS) in Parliament, subject to the *Auditor General Act*. OGGO will identify government-wide greening of government operations priorities and will develop related guidance and enabling tools for other government departments and agencies to ensure that the Government of Canada makes a concerted effort and achieves significant results in priority areas.

OGGO is also responsible for the development of PWGSC's next SDS, which will be tabled in Parliament in December 2006. As well, OGGO will monitor and report on the status of PWGSC's SDS commitments (past and current) to Parliament

through the Sustainable Development Performance Report.

We are putting in place measurement strategies to assess the progress and to quantify the impact of these initiatives.

Partnerships

OGGO will act as a beacon of greening government operations by working government-wide to increase awareness and visibility of its initiatives. It will also work in other jurisdictions and within the private sector to increase the sharing of knowledge and best practices.

In 2006-07, OGGO will continue to build upon its relationships with its valued partners by engaging and coordinating with: federal departments and agencies; provincial, territorial and municipal governments; and other key stakeholders.

Aligning Resources

OGGO, which was created by consolidating existing environmental experts and activities within PWGSC, is primarily funded from existing internal resources. OGGO is currently aligning resources to deliver on commitments and its new mandate of government-wide leadership. Throughout 2006-07, OGGO will continue to increase its capacity and capabilities, and develop a professional, efficient and sustainable team of highly qualified individuals.

Activities

There are two OGGO activities: Services and Stewardship. The OGGO Services activity supports PWGSC's Quality Services strategic outcome; while the OGGO Stewardship activity supports the Sound Stewardship strategic outcome. The planned spending for these activities is described in the ensuing financial table, followed by the tables for strategic outcomes, which provide descriptions, results statements and performance indicators for each activity.

Office of Greening Government Operations Planned Spending

(in millions of dollars)

	Forecast Spending 2005-2006	**Planned Spending 2006-2007**	Planned Spending 2007-2008	Planned Spending 2008-2009
Operating and Statutory Votes				
Office of Green Government Operations Services				
Gross Expenditures	-	**-**	-	-
Less: Respendable Revenue	-	**-**	-	-
Net Expenditures	-	**-**	-	-
Office of Green Government Operations Stewardship				
Gross Expenditures	-	**1.3**	1.3	1.2
Less: Respendable Revenue	-	**-**	-	-
Net Expenditures	-	**1.3**	1.3	1.2
OFFICE OF GREEN GOVERNMENT OPERATIONS TOTAL	-	**1.3**	1.3	1.2

Totals may not add up due to rounding.

(FTEs)

Office of Green Government Operations - Full Time Equivalents (FTEs)	-	**3**	3	3

The Office of Green Government Operations (OGGO) was created in April 2005. Accordingly, the associated funding and full-time equivalent (FTE) employees were transferred throughout the year from various organizations within PWGSC. In addition to the resources presented in the planned spending years, OGGO will be adding new FTEs and funding from existing internal resources.

Strategic Outcome: Quality Services

Office of Green Government Operation services

Activity	Results	Performance Indicators
Provision of environmental services at the established service standards, to federal departments and agencies.	• High-quality, affordable and timely services are provided to government departments and agencies.	• Percentage of projects delivered in accordance with the satisfaction targets and the established and agreed upon service standards.

Strategic Outcome: Sound Stewardship

Office of Green Government Operation stewardship

Activity	Results	Performance Indicators
Provision of government-wide leadership and expertise on the greening of government operations (GGO).	• Leadership and guidance in achieving on the greening of government operations is provided to other federal departments and agencies.	• Number of government-wide policy instruments (guidelines, management tools, best practices, and frameworks, etc.) being developed, reviewed and/or enabled.
	• The whole-of-government ability and capacity to reduce the environmental impact of its operations is increased, and improvement of its overall performance for key priority areas is achieved.	• Government-wide environmental performance improvement as described in the Performance Management Framework (PMF).
	• Excellence in the development and implementation of PWGSC's Sustainable Development Strategy (SDS) and the governance of Environmental Management Frameworks.	• Performance improvement as included in the performance report on SDS implementation and on Environmental Management System (EMS).

BUSINESS INTEGRATION

Service Integration Branch (SIB) is being realigned into other branches for 2006-07 but the strategic plans and initiatives outlined here are retained.

> ### *Re-alignment of Branch Activities*
>
> In order to advance business transformation goals and to directly support our client needs, PWGSC required expert and client knowledgeable service consulting teams in Real Property, Acquisitions, and, Information Technology. As a result, on February 20, 2006, functions in the Service Integration Branch (SIB) were reassigned to various PWGSC business lines so that SIB account executives could more effectively support the department's transformation efforts and to better respond to the needs of client departments and agencies.

Customer Relationship Management and Engagement

Gaining an in-depth knowledge of customer requirements and developing a repository of customer intelligence are critical to driving PWGSC's corporate and operational business planning as well as improving service delivery.

During the course of the next three years, PWGSC will apply new and improved customer relationship management (CRM) tools, to provide dynamic intelligence on our clients' business requirements. This information will help us to better identify opportunities to significantly improve customer satisfaction.

We will also continue to build and integrate sound performance measurement systems into our operational activities and service delivery frameworks to support PWGSC's accountability,

transparency, integrity and reporting on return on investment.

Standardized Service Menus and Fees

Standardized service menus and fees will support delivery of goods and services in the right quantity, quality and price and at the right time.

As part of their ongoing service delivery operations, branches will:

- Help to educate our stakeholders and build a constituency of client support with respect to our service offerings;
- Continue to shape customer expectations, increase the usage of PWGSC services and reduce government duplication of effort;
- Provide tangible tools, service definitions, service standards and benchmarks by which business lines can define service components, improve performance measures and track progress; and
- Provide the department with a mechanism to compare our service offerings with those of other jurisdictions to ensure that PWGSC is a competitive and cost effective provider of common and shared government services.

Planned Net Expenditures
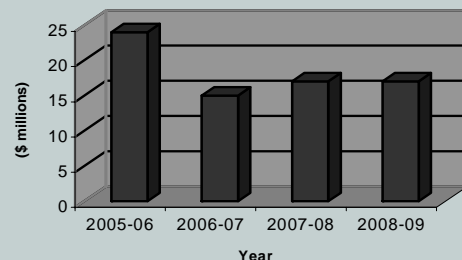
Industrial Security

SIB's industrial security programs and services have been transferred to Government Information Services Branch (GISB) as of February 2006. Industrial security programs and services support a key accountability of PWGSC under the *National Security Policy* and help to advance *The Way Forward*. They will continue to play a vital role to:

- Safeguard federal government's classified and protected information and assets entrusted to Canadian and international private sector organizations; and
- Support Canada's anti-proliferation, public safety, security and global security priorities by safeguarding the possession, transfer and disposition of controlled goods from unauthorized access.

In addition to ensuring a smooth transition to GISB, priorities for industrial security programs and services will focus on increasing productivity by modernizing and streamlining operational activities. Short-and medium-term action plans will be initiated to achieve faster and more accurate customer services, based on recommendations from a March 2006 business transformation study. This should result in measures to eliminate duplication and error rates, and to remove activities that are no longer needed. Internally, activities will directly support the efficient and timely delivery of Acquisition and Real Property Services by reducing processing times.

Externally, our efforts will continue to focus on supporting the *National Security Policy*, to enable industry to safely and rapidly serve the needs of the government and its citizens, while contributing to the overall safety and security of Canadian citizens at home and abroad. Improvements implemented as a result of the business transformation study will lead to more timely industry registration and inspections, contributing, in turn, to the government's ability to adequately

protect Canadian and foreign sensitive information, assets and controlled goods.

The end result is to protect the government and Canadians against potential malicious acts of espionage, theft and terrorist activities, and to support the competitiveness of Canadian industry.

Shared Services Integration Sector

Shared Services Integration Sector (SSIS) has been transferred to GISB as of February 2006. These shared services are provided to departments and agencies through integrated program support and management on a full cost recovery basis. From a strategic and operational perspective, SSIS supports the Corporate Administrative Shared Services initiative within government and contributes to achieving efficiencies through economies of scale.

In addition, SSIS offers fully cost recovered transactional, shared human resource (HR) services. The intention, over the course of the next year, is to transition HR services to a cluster model so that customers can take advantage of economies of scale and function, and to ensure a smooth and seamless transition of these services to GISB.

Activities

Business Integration is composed of three activities: Business Integration Services supports the Quality Services strategic outcome; Business Integration – Performance Management supports the Sound Stewardship strategic outcome. The costs of Business Integration – Client Relations Management have been re-allocated and are reflected in the other departmental program activities. Therefore, this activity is not shown in the financial table. The planned spending for these activities is described in the ensuing financial table, followed by the strategic outcomes tables, which provide descriptions, results statements and performance indicators for each activity.

Business Integration Planned Spending

(in millions of dollars)

	Forecast Spending 2005-2006	**Planned Spending 2006-2007**	Planned Spending 2007-2008	Planned Spending 2008-2009
Operating and Statutory Votes				
Business Integration Services				
Gross Expenditures	35.4	**22.2**	24.0	24.1
Less: Respendable Revenue	15.9	**12.2**	12.5	12.5
Net Expenditures	19.5	**10.0**	11.5	11.6
Business Integration Performance Management [(Note 1)]				
Gross Expenditures	43.7	**43.9**	43.9	43.9
Less: Respendable Revenue	37.6	**38.5**	38.5	38.5
Net Expenditures	6.1	**5.4**	5.4	5.4
BUSINESS INTEGRATION TOTAL	25.6	**15.4**	16.9	17.0
Gross Expenditures for Business Integration	79.1	**66.1**	67.9	68.0
Less: Respendable Revenue for Business Integration	53.5	**50.7**	51.0	51.0
Net Expenditures for Business Integration	25.6	**15.4**	16.9	17.0
Totals may not add up due to rounding.				
				(FTEs)
Business Integration Services - Full Time Equivalents (FTEs)	133	**133**	145	145
Business Integration Performance Management - FTEs	-	**-**	-	-
Business Integration Services - Full Time Equivalents Total	133	**133**	145	145

Note 1: Figure reflects the Internal Recoveries that cannot be charged to other program activities.

Business Integration Services total spending authority is derived from resources appropriated by Parliament to PWGSC and from resources recovered mainly from other departments and agencies for services rendered. The latter represents approximately 52% of the activity's total spending authority coming from fee-for-service arrangements. Most of the revenue is derived from the Shared Services Initiatives. The main reason for the Net Expenditures variances over the years is due to part of Industrial Security Sector being partially funded by PWGSC in 2005-2006.

Strategic Outcome: Quality Services

Business Integration Services

Activity	Results	Performance Indicators
The identification and development of strategic business and process opportunities to integrate services provided by PWGSC as well as to take advantage of economies of scale with colleague departments, the Government of Canada and all other inter-jurisdictional agencies and organizations, including regions.	An organization that fosters: • A harmonized environment. • Improved access to PWGSC services. • Improved communication with colleagues and OGD's. • Increased horizontal initiatives. • Added value for resources expended.	• Number of access points for services. • Cost efficiencies/$dollar savings from internal initiatives. • Cost efficiencies/$ dollar savings from external initiatives.

Strategic Outcome: Sound Stewardship

Business Integration – Performance Management

Activity	Results	Performance Indicators
Establishes client service expectations and monitors overall service performance of PWGSC. This will include ensuring that customer satisfaction is effectively measured, and contribute to the thought process for Branch/SOA initiatives on strategic level process improvements.	An organization that: • Has a sound results-oriented framework utilizing MAF. • Acts in the best interests of the department, its Program Branches, colleague departments and Canadians. • Has integrated quality assurance framework and processes. • Ensures that all services are timely and cost effective for Canadians.	• Customer satisfaction levels. • Percentage of service menus developed with supporting fee schedules and performance measures. • Percentage of MAF elements showing compliance. • Percentage of fee schedules developed.

SPECIAL OPERATING AGENCIES

PWGSC has two Special Operating Agencies (SOAs): Consulting and Audit Canada and the Translation Bureau. An SOA is one of several potential options for improving the delivery of government services within the broader context of alternative service delivery efforts. Since their mandates are derived from the *Department of Public Works and Government Services Act (1996, c.16)*, they are not independent legal entities. The SOAs remain part of the departmental organization. Unlike other departmental units, SOAs operate under tailor-made, written understandings with the department. These understandings (consisting of a framework agreement and a business plan) cover results and service levels expected, the flexibilities granted and resources made available to do the job.

The SOA concept is designed to achieve a balance between the notion of strong internal oversight (and risk avoidance) and encouragement of innovation and initiative. In essence, the SOA structure gives service delivery units increased management flexibility in return for agreed-upon levels of performance and results.

CONSULTING AND AUDIT CANADA

Consulting and Audit Canada's (CAC) mission is to contribute to public sector management and operations and achievement of the Government of Canada's priorities by providing consulting, audit and assurance services to public sector managers in Canada and abroad. CAC clients include central agencies, federal departments and agencies, as well as Aboriginal and international governments.

The Government of Canada announced a realignment of CAC's functions to strengthen internal audit capacity across government. As a result, CAC will continue to provide Audit Services, while

Key Facts

- Consulting and Audit Canada historically offered both consulting and audit services to government clients.
- As of October 21, 2005, CAC's services were realigned. The Agency now exclusively provides audit and assurance services, while government consulting and corporate services were transferred to the Government Information Services Branch.
- The Agency now provides specialist audit services for public servants, by public servants.
- 80% of Audit Services staff has professional accounting/ audit designations.
- Audit Services has 150 professionals, including a strong regional presence of 100 professionals
- CAC is responding to a series of audits to improve its operations and controls and will be subject to an audit of the CAC Revolving Fund in 2006-07.
- CAC provides audit services in the NCR and in the regions.

Government Consulting, International and Corporate Services were transferred to the Government Information Services Branch (GISB), as previously discussed in that section of this report. This change requires the refocusing of Government Consulting, International and Corporate Services business lines towards those services that are most relevant to the government. It will also require changes to its funding and service delivery models and corporate support arrangements.

Notwithstanding the realignment of functions, both CAC's Audit Services and Government Consulting Services are addressed in the SOA portion of this report.

CAC supports the "government-wide approach" to service delivery by providing audit (and formerly, consulting) services to government departments and agencies so that they may improve their service to Canadians, provide better value for money to the Crown, and support and achieve the priorities and the management agenda of the government.

Plans and Initiatives

The transition to the new organizational structure will continue into 2006-07. CAC Audit Services will support the implementation of the *TB Policy on Internal Audit.* It will support the audit and assurance obligations of PWGSC and other client departments and agencies. CAC's Audit Services will also focus on developing a new business model and will continue to operate on an optional, fee-for-service basis.

CAC's Audit Services

By providing consistent audit practices and standards across government, CAC Audit Services helps client departments to more effectively achieve departmental and government-wide objectives, and contributes to ensuring that public funds are managed in accordance with the *Financial Administration Act* and associated policies and regulations.

In the context of the *TB Policy on Internal Audit*, CAC Audit Services will build a strategic partnership with the Office of the Comptroller General (OCG). This will enable CAC Audit Services to give strong support to the OCG in exercising its authority for the internal audit function in each government department and agency, as outlined in the proposed *Federal Accountability Act and Action Plan*. Concurrently, it will work with PWGSC to strengthen risk management for PWGSC procurement activities.

Support for Implementation of the New Policy on Internal Audit

CAC's Audit Services will work closely with and provide strong support to the OCG to implement the *TB Policy on Internal Audit* by providing audit, assurance and audit-related services.

Specifically, in 2006-07, CAC will:

- Increase its internal audit capacity by recruiting, and training and developing new auditors through the Audit Professional Development Program;

- Target hiring and training to maintain a critical mass of accredited auditors within the organization;
- Ensure adherence to stringent professional standards so that CAC Audit Services remains a service provider of choice; and
- Focus on improving morale and team-building within the new organization.

Quality Assurance

CAC Audit Services will:

- Develop, in partnership with the OCG, standard audit methodologies; and
- Implement a robust agency-wide quality assurance process, which will include peer reviews of work.

These measures will reassure clients that audit products they receive conform to the requirements of the *TB Policy on Internal Audit* and other applicable professional auditing standards.

Internal, Cost and Contribution Audit Services

In 2006-07, CAC Audit Services will:

- Continue to assist departments and agencies with limited capacity to meet the requirements of the *TB Policy on Internal Audit,* support larger departments and agencies to supplement their internal capacity to implement the new policy, and support the OCG in horizontal audits, where required;
- Continue to provide services to its clients as they relate to cost audits, and continue to grow its contribution audit service line, as these two services have historically represented over two-thirds of CAC Audit Services' overall business.(in doing so, and in continuing to grow its internal audit business line, CAC Audit Services will contribute to enhancing accountability, integrity and transparency);
- Continue to support the departmental ethics program and promote its own *Code of Ethics and Professional Conduct* to its employees and clients; and,

- Provide targeted audit services to clients in support of the proposed *Federal Accountability Act and Action Plan.*

Transition to New Structure and Charter

CAC Audit Services will complete the transition to its new structure and will develop a new charter to realign the organization's functions. It will also continue to define its new financial model, making sound investments to increase the efficiency and effectiveness of the organization while maintaining a strong regional delivery network.

Government Consulting Services

Government Consulting Services will continue to support PWGSC's strategic objective of providing quality services to improve management in the Canadian government and abroad.

In 2006-07, the focus will be on:

- Completing the transition of these services to the GISB;
- Completing a review to refocus government consulting services on specialized advice and solutions to improve public sector management and operations; and
- Developing a strategy to use private sector expertise, primarily Small and Medium Enterprises, to supplement government consulting teams.

In addition, during 2006-07, Government Consulting Services will:

- Develop quality assurance processes (e.g., documented methodologies and professional accreditations) to enhance management controls;
- Support the Consulting Professional Development Program to maintain a critical mass of skilled and knowledgeable consultants;
- Continue to foster an environment that will promote high ethical standards by supporting the ethics officer and providing training to staff on the *Code of Ethics and Professional Conduct;* and

- Continue to support the government-wide objectives related to official languages and diversity.

Initiatives related to transition are described in the Government Information and Consulting section of this report.

Activities

CAC's Program Activity Architecture (PAA) reporting structure currently has one activity: the Consulting and Audit Canada Revolving Fund. This activity supports PWGSC's Quality Services strategic outcome. The approved planned spending for 2006-07 is described in the ensuing table.

Consulting and Audit Canada Revolving Fund Planned Spending

(in millions of dollars)

	Forecast Spending 2005-2006	**Planned Spending 2006-2007**	Planned Spending 2007-2008	Planned Spending 2008-2009
Operating and Statutory Votes				
Consulting and Audit Canada Revolving Fund				
Gross Expenditures	122.3	**98.7**	99.7	100.6
Less: Respendable Revenue	122.7	**99.2**	100.2	101.1
Net Resources (Provided) Used	(0.4)	**(0.5)**	(0.5)	(0.5)
CONSULTING AND AUDIT CANADA TOTAL	(0.4)	**(0.5)**	(0.5)	(0.5)
Totals may not add up due to rounding.				
				(FTEs)
Consulting and Audit Canada Revolving Fund - Full Time Equivalents (FTEs)	400	**390**	390	390

The majority of the business line's revenue is derived from services rendered to other departments and agencies. Of the respendable revenue of $99.2 million, approximately $14 million represents services provided to PWGSC by CAC. A surplus of $0.5 million is projected for 2006-2007 and future years.

Strategic Outcome: Quality Services

Consulting and Audit Canada Revolving Fund

Activity	Results	Performance Indicators
Provides, on an optional and fee-for-service basis, consulting and audit services to federal departments and agencies and upon request, to provincial, territorial, municipal and Aboriginal governments in Canada and to foreign governments and international organizations.	**General** • Improved public sector management and operations. • High-quality and professional services. • Cost-effective delivery of services. • Knowledgeable and sustainable workforce. **Consulting** • Improved public service management and operations. • High quality professional services. • Cost-effective delivery of services. • Knowledgeable and sustainable workforce. **Audit** • High quality professional services. • Knowledgeable and sustainable workforce. • Improved internal audit capacity within the federal government while maintaining core resources to meet cost and contribution audit needs of PS managers. • Cost-effective delivery of services.	• Overall Satisfaction Rate. • Net Cash. • Average years of experience in Public Service. • Training days per FTE. **Consulting** • Client feedback on improvement of management and operations. • Overall level of satisfaction. • Utilization rate of staff. • Training days per FTE. **Audit** • Overall client satisfaction rate. • Number of auditors with Professional Designation. • Number of FTEs in the professional development program. • Projects with and on behalf of the Office of the Comptroller General. • Implementation of a funding model that will allow CAC to attain its financial goals.

TRANSLATION BUREAU

The Translation Bureau is a key component of the government's service delivery infrastructure. It helps the government serve Canadians and communicate with them in the official language of their choice by: using standardized terminology within the public service; and providing translation, editing, interpretation, terminology and technolinguistic services for Parliament, the judiciary, and federal departments and agencies.

The Bureau ensures that a critical mass of skilled language professionals – employees and suppliers – is available, enabling the government to operate smoothly, meet its official languages obligations and promote the values of linguistic duality and multiculturalism that make up the Canadian identity. The Bureau also provides services in more than 100 languages to support the government in its international relations, and to communicate with those Canadians who have difficulty communicating effectively in either official language.

Plans and Initiatives

The Bureau will continue to deliver high-quality services at a fair price and reposition itself to allow the government to leverage its unique expertise. This will strengthen Canada's presence in the language arena and secure a quality supply of translation and interpretation services.

Providing High-Quality Services

Over the next few years, the Translation Bureau will continue to move from a transaction-based management approach to a value-added strategic management approach. It will focus its in-house professional resources on translating core and

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Key Facts

- Acts as the linguistic and terminology standardization authority of the federal public service.
- Manages TERMIUM®, the government's terminology and linguistic data bank.
- Offers translation services 24 hours a day, 7 days a week.
- Provides over 3,000 small and medium-sized linguistic services firms with access to government contracts.

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public interest documents and on revision and quality assurance.

The Bureau will:

- Speed up the implementation of its new business model, which aims to improve quality, customize service and provide optimal response to clients' needs by assigning or dedicating translators to clients or relocating them to work on site with the client in "translation boutiques";
- Explore a new risk-based demand management approach and launch a certification program to ensure that core documents, those that are critical to the government's decision-making process and those for use by the public are of the highest quality; and
- In addition to its 24/7 service, it will set up a Quick Response Team that will provide uninterrupted access to its services and an immediate response to national emergencies affecting Canadians' health and safety.

Planned Net Expenditures
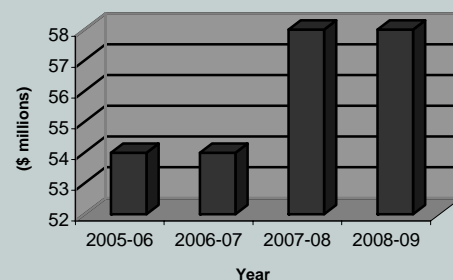
For continued service to Parliament and the government, the Bureau will:

- Pursue its workforce renewal programs in interpretation, terminology and translation in specialized and critical sectors; and
- Strengthen its multilingual capacity in order to meet the growing demand for translation from Aboriginal and foreign languages into English and French.

The Bureau will work in partnership with central agencies and client departments to establish a comprehensive procurement and quality assurance framework to ensure that translations for the government are of the highest quality (in order to make up for the current lack of common standards and guidelines governing the procurement of translation services within the government).

In collaboration with Parliament, the Bureau will set up a debates captioning program that will allow more Canadians to experience the work of their democratic institutions in the language of their choice.

In addition, the Bureau will:

- Review its financial model in order to simplify access to its services and adopt new management and reporting tools that will allow clients and the government to better see the value of its services; and
- Continue streamlining its costs and its operational optimization program by implementing new technolinguistic tools, reducing its accommodation costs even further and rationalizing its asset purchases (as of April 2006, the savings are being passed on to clients in the form of a 17% rate reduction for administrative work).

Standardizing Terminology to Benefit the Government and Canada

The Translation Bureau helps the government maintain the quality and effectiveness of its communications by standardizing terminology. It also helps to maintain an exemplary public service by providing government employees with tools to help them work in both official languages.

To optimally manage the Government of Canada's terminology expertise, strengthen the federal government's role in the language field on the national and international scenes, and showcase Canada's collective wealth of linguistic and terminological knowledge, the Bureau will:

- Actively represent Canada at national and international language fora and in standardization networks and committees such as the International Organization for Standardization (ISO);
- Strengthen the Bureau's multilingual capacity in terminology to address the increasing demand in translation in Aboriginal and foreign languages and better support Canadian business products and services exports;
- Ensure close alignment of its terminology program with the government's strategic priorities;
- Continue working on a project that will allow all Canadians to benefit from the terminological and linguistic resources developed by public institutions in Canada;
- Offer international organizations the possibility of using TERMIUM; and
- Launch a new version of TERMIUM designed to enable client departments and agencies to store, standardize and update terminology specific to them.

Providing the Government and Canada with a Secure Supply of Translation Services

As a bilingual nation whose prosperity is closely linked with international trade, Canada requires a reliable, efficient, high-quality supply of translation and linguistic services.

The security of supply in translation is at risk because of industry fragmentation, an aging population of translators and a decline in enrolment in translation schools. This situation threatens Canada's ability to function as a bilingual country and hinders access of Canadian businesses to foreign markets, since they must rely on external sources for their translation needs.

To address this issue, the Bureau plans to:

- Use its expertise, reputation and knowledge of the language industry to the government's advantage and propose a comprehensive strategy to develop and maintain the bilingual and multilingual translation capacity that the government and Canada require to support the country's social, economic and international objectives;
- Collaborate with other levels of government, universities, professional associations and regional economic development organizations to put in place initiatives aimed at creating jobs in the linguistic field for immigrants and young Canadians;
- Work with the department and other federal partners to implement initiatives that will attract more youth to the language professions, train them and prepare them for the job market more quickly, while helping the translation industry enhance its professional standards and restructure itself so that it can grow and compete with foreign suppliers;
- Ensure that its own buying power and that of other federal agencies in the area of translation is managed in a way that ensures the quality of

the services delivered to the government and promotes restructuring of the industry through the creation of larger, economically viable translation firms that are able to train and maintain their workforces. Accordingly, by March 2009, the Bureau plans to increase the number of its high dollar value contracts to over 50% of the total value of contracts awarded;

- Continue its current partnership programs with universities to develop a skilled capacity for the government and for Canada, programs that have largely benefited the translation industry to date; and
- Pursue its objective to build, in partnership with the industry, a shared infrastructure for professional development, which will leverage the language resources of Canada's official language minority and multicultural communities to create a high-calibre bilingual and multilingual translation capacity while creating jobs within these communities.

Activities

The Translation Bureau supports the department's Quality Service strategic outcome through three major activities: Translation and Interpretation for Parliament; Conference Interpretation and Terminology; and Translation for departments and agencies (Translation Bureau Revolving Fund). With respect to the Sound Stewardship strategic outcome, the Translation Bureau is responsible for the Translation Stewardship activity, which comprises initiatives to build translation capacity for the government and Canada. The planned spending on these activities is described in the financial table below. This table is followed by strategic outcome tables, which contain a description of each activity, as well as the associated results statements and performance indicators.

Translation Bureau Planned Spending

(in millions of dollars)

	Forecast Spending 2005-2006	**Planned Spending 2006-2007**	Planned Spending 2007-2008	Planned Spending 2008-2009
Operating and Statutory Votes				
Translation and Interpretation to Parliament, Conference Interpretation, Terminology				
Gross Expenditures	51.3	**51.9**	55.1	55.1
Less: Respendable Revenue	-	**-**	-	-
Net Expenditures	51.3	**51.9**	55.1	55.1
Translation Stewardship				
Gross Expenditures	2.5	**2.5**	2.5	2.5
Less: Respendable Revenue	-	**-**	-	-
Net Expenditures	2.5	**2.5**	2.5	2.5
Translation Bureau Revolving Fund				
Gross Expenditures	211.5	**205.9**	208.4	209.4
Less: Respendable Revenue	211.5	**205.9**	208.4	209.4
Net Resources (Provided) Used	-	**-**	-	-
TRANSLATION BUREAU TOTAL	53.8	**54.4**	57.6	57.6
Totals may not add up due to rounding.				
				(FTEs)
Translation and Interpretation to Parliament, Conference Interpretation, Terminology - Full Time Equivalents (FTEs)	-	**-**	-	-
Translation Stewardship - FTEs	-	**-**	-	-
Translation Bureau Revolving Fund - FTEs	1,684	**1,684**	1,634	1,584
Translation Bureau - Full Time Equivalents Total	1,684	**1,684**	1,634	1,584

The Bureau's revolving fund provides services to Parliament and collects the related revenues from its own operating vote. Accordingly, the revolving fund's gross expenditures and respendable revenue include the net expenditures reported in Translation and Interpretation to Parliament, Conference Interpretation, Terminology and Translation Stewardship Program Activities.

The 2005-2006 Forecast Spending in the Revolving Fund has been subsequently adjusted to $205.6M to reflect a decrease in business volume. This trend is reflected in future years.

Strategic Outcome: Quality Services

Translation and Interpretation to Parliament, Conference Interpretation, Terminology

Activity	Results	Performance Indicators
Provision of translation and interpretation services to Parliament, conference interpretation and terminology services.	Best value service to Parliament, the judiciary and other government organizations to ensure the government's ability to function in both official languages and other languages as required.	• Percentage of sessions of both Houses of Parliament covered. • Percentage of clients satisfied with service. • Number of hits on Translation Bureau's Terminology site (TERMIUM).

Translation Bureau Revolving Fund

Activity	Results	Performance Indicators
Provision of translation, technolinguistic and other linguistic services to the judiciary and federal departments and agencies on a cost recovery basis. Upon request, provision of translation, technolinguistic and other linguistic services to other governments in Canada and international organizations on a cost recovery basis.	Financially viable organization offering best value service to the judiciary and other government organizations to ensure the government's ability to function in both official languages, and other languages as required.	• Percentage of revenue objectives met. • Percentage of clients satisfied with service.

Strategic Outcome: Sound Stewardship

Translation Stewardship

Activity	Results	Performance Indicators
Program management, strategy, governance, monitoring and support activities. Also encompasses activities that are necessary to: • Ensure the security of supply of linguistic services to Parliament, the judiciary and the federal government. • Foster the development and growth of the Canadian language industry. • Ensure the development and dissemination of translation, terminology and technolinguistic standards in Canada. • Exercise the role of functional specialist in the translation, terminology, interpretation, linguistic and technolinguistic domains for the other departments and agencies.	Capacity to effectively manage and deliver the translation and terminology functions and ensure Canada's representation and leadership at national and international levels.	• Number of outreach activities that enhance leadership role in the industry, professional associations and universities. • Number of students in training and development programs (partnership with universities, COOP, FSWEP). • Number of national and federal terminology standardization committees and international fora at which the Bureau participates.

CORPORATE MANAGEMENT

Corporate Management provides support to all of PWGSC's branches and special-operating agencies. The Corporate Management function includes the following: Corporate Services, Policy, Communications, Human Resources, Finance, Strategic Transformation, Information Technology Services, the Office of the Chief Risk Officer and the regional offices.

Due to a reorganization of the department's governance structure during 2005-2006, the following branches are now responsible for providing the Corporate Management function: Corporate Services, Policy and Communications (CSPC), Human Resources (HR), Strategic Transformation (ST), and Information Technology Services (ITS).

Additionally, the following PWGSC entities contribute to the Corporate Management function: Office of the Chief Risk Officer (OCRO), Audit and Evaluation (AE), Finance (FIN), Legal Services, Pacific Region, Western Region, Ontario Region, Quebec Region, and Atlantic Region.

Plans and Initiatives

The key Corporate Management priorities for 2006-2007 are:

- Coordinating and monitoring the implementation of the Business Transformation Agenda;
- Improving the delivery of corporate services, including human resources and communications;
- Monitoring and assessing the implementation of the Management Accountability Framework (MAF) – a management tool that sets indicators and measures;
- Liaising with Central Agencies;
- Providing corporate leadership and alignment with the government's key policy areas; and
- Developing and implementing an integrated management framework.

During 2006-07, PWGSC will support major government initiatives (e.g., the *Federal Accountability Act and Action Plan*) and will continue integrating the MAF into its internal business planning and accountability processes to ensure the highest standards in management practices. We will continue to collaborate with provinces and territories to develop standards, shared services and best practices in the areas of real property, procurement, and sustainable development.

Financial Services – Advice will continue to be provided to the Minister and senior government officials on financial management based on the department's Financial Management Framework. To improve sound stewardship, Corporate Management will fully implement the Chief Financial Officer (CFO) function. The CFO is responsible for: overall financial management and control; enhanced management practices; provision of advice for effective use of resources; and, sound policy implementation. The capacity of the financial management framework and related services will be enhanced due to a planned financial system upgrade, improvements to PWGSC's costing processes, and an update of its financial reporting tools. These enhancements will improve financial accountability and risk management. Corporate Management will also assist with the integration of PWGSC's *Way Forward* and ongoing priorities.

Corporate Information – Corporate Management will fully implement a Chief Information Officer function to improve PWGSC's strategic decision-making processes related to information management/information technology (IM/IT) investment.

Information Technology – PWGSC, in meeting its internal IT requirements, will seek cost-effective IT

solutions, including supporting the evolving role of ITSB and related shared service initiatives.

Communications – PWGSC will continue to embrace a proactive communications approach with Canadians and Parliamentarians. We will provide more information about the value-added services that PWGSC brings to the Government of Canada and Canadians. PWGSC will continue supporting effective, communication of *The Way Forward* business transformation agenda.

Human Resources (HR) – In the coming years, PWGSC will continue to build on and improve HR management to meet our business transformation needs, and be consistent with the spirit of the *Public Service Modernization Act* (PSMA). PWGSC will:

- Focus on creating a work force that is representative of the Canadian population, placing emphasis on increasing the representation of visible minorities and implementing the department's official languages strategic action plan;
- Respond to the concerns of the Commissioner of Official Languages and take on a leadership role in the application of the *Official Languages Act*;
- Improve integrated, business-based HR planning and support the development and implementation of strategies to address HR management gaps, including succession planning and knowledge transfer;
- Consult meaningfully and work together with the unions;
- Focus on the department's core learning agenda which includes ethics and ethical decision-making and management accountabilities under the PSMA; and
- Conduct fair, transparent and effective staffing.

PWGSC will continue to make improving the delivery of core HR services a key priority.

Health and Safety – PWGSC will continue to ensure that its employees are safe and secure, and

that it can respond rapidly to any emergencies and, within PWGSC' mandate, those of other government departments and Canadians.

Business Transformation Agenda

The Transformation Agenda is a high priority for PWGSC. It focuses on improving the way that PWGSC, and the government as a whole, does business by finding innovative ways to deliver services smarter, faster and at a reduced cost in the areas of real property, acquisitions, and information technology. There are two fundamental, interrelated objectives at the core of the Transformation Agenda:

- Saving money by maximizing efficiencies and taking advantage of economies of scale; and
- Pursuing these initiatives in an open and transparent way so as to preserve the confidence of Canadians in the integrity and fairness of the Government of Canada.

The overall objectives of the proposed Strategic Transformation Branch are to strengthen the department's analytical function and integrated reporting capacity in the context of our business transformation. This reliable information helps the proposed branch provide the Minister and senior management with timely, accurate information and advice to enable them to make well-informed decisions regarding the Business Transformation Agenda. Specifically, the proposed Strategic Transformation Branch will:

- Provide government-wide financial, economic and business analysis and advice on savings targets;
- Act as project management and coordination office for the core transformation activities;
- Facilitate a coordinated, rigorous and regular reporting mechanism for measuring progress on transformation;
- Provide a single window entry point for central agencies and other government departments on transformation; and

- Support a coordinated, nationally consistent departmental strategy to manage and communicate change within PWGSC, with emphasis on people and cultural issues.

Risk Management

As part of ongoing efforts to improve the way PWGSC does business and assures quality services to our clients, the Office of the Chief Risk Officer (OCRO) was introduced, independent of the operating branches, having the following responsibilities:

- Integrating and embedding risk management into PWGSC's decision-making processes;
- Managing the Ethics program and strengthening the internal disclosure process;
- Collaborating with the branches and regions to develop appropriate strategies and departmental risk management tools; and
- Assessing and ranking critical departmental risks.

The Corporate Risk Information System will be PWGSC's main tool to report on identification, assessment, mitigation and monitoring of key risk areas.

In 2006-07, OCRO will:

- Continue to raise awareness of the department's roles and responsibilities relating to risk management;
- Establish a departmental Risk and Ethics Oversight Committee;
- Develop standards, methodology and electronic tools for risk management;
- Continue to implement Fairness Monitoring and Internal Disclosure programs;
- Continue with ongoing elements of the department's Ten Point Integrity Plan;
- Continue ethics training for managers and employees;
- Integrate ethics with risk management, business planning and decision-making at an operational level;

- Conduct a review of OCRO's program objectives, operations and results, and develop a three-year plan; and
- Establish strong links with the risk management experts in the government and private sector to ensure the employment of appropriate methodologies.

OCRO's success will be measured by the integration of risk management tools and risk information into the planning and decision-making processes.

Audit and Evaluation

Audit and Evaluation – PWGSC re-focused its audit and evaluation capacity to strengthen its system of independent, internal checks and balances. As a key provider of assurance in support of oversight by the DM and TBS/OCG, the Audit and Evaluation Branch provides independent assurance on business performance, program effectiveness and management controls to provide information for decision-making.

On April 1, 2006, TB approved a new *Internal Audit Policy*. The policy is designed to provide deputy ministers and the Comptroller General with added assurance, independent from line management, on risk management, control and governance processes.

PWGSC will incorporate the government's new direction for Internal Audit and will continue to strengthen its internal audit capacity. To reinforce the integrity of audit and oversight over the three year planning period, PWGSC will:

- Increase the representation of private sector members on PWGSC's Audit, Assurance and Ethics Committee;
- Improve audit and evaluation coverage; and
- Continue to monitor and follow up on the implementation of management action plans developed to respond to audit recommendations.

Activities

Corporate Management has one program activity titled Corporate Management that supports all activities across PWGSC. Corporate Management costs have been re-allocated and are reflected in the other departmental program activities. Therefore, no financial table is shown here. The strategic outcomes table provides descriptions, results statements and performance indicators for each activity.

Strategic Outcome: Sound Stewardship

Corporate Stewardship

Activity	Results	Performance Indicators
Supports the transformation of PWGSC to deliver the government's agenda. Sets strategic priorities and develops tools for sound, integrated management practices. Enhances human resources management and maintains strong labour relations. Builds PWGSC credibility through enhanced communications with Canadians, central agencies and Parliamentarians. Delivers a suite of corporate services.	PWGSC programs are provided with corporate functions that are ethical, cost efficient, and delivered within agreed service levels and standards in respect of public service values.	• Number of corporate management employees as a percentage of total population. • Cost of corporate management as a percentage of total departmental costs. • Percentage of elements of the PWGSC Ten point Integrity Plan successfully completed. • Percentage of approved internal audit and evaluation projects completed within committed timeframes and internal standards. • Information Management Capacity Check Maturity Level. • Number of internal service level agreements in place between other Branches and: • Corporate Services, Policy and Communications Branch • Human Resources Branch. • Approved financial system strategy implementation. • Implemented Human Resource Management Plan. • Integrated decision making processes. • High quality financial products. • Streamlined delivery of transactions. • Embedded costing processes. • Branch Management reports implemented.

SUPPLEMENTARY INFORMATION

Introduction

This section of the Report on Plans and Priorities provides, in greater detail, information concerning PWGSC's financial spending estimates over the reporting period 2006/07 to 2008/09. These estimates are intended to present consistent, balanced and accurate information to Parliament in accordance with the requirements contained in the TBS *Guide to the Preparation of the 2006-2007 Report on Plans and Priorities.* In some cases, such as for Major Crown Projects and Horizontal Initiatives of the department, the reader may be directed to further information, which can be found on PWGSC's Internet Site.

The tables in this section reflect the Program Activity Architecture of PWGSC's Government Services

Program, which includes its two strategic outcomes: *Quality Services and Sound Stewardship.* The Organization Chart for PWGSC is provided below.

Table 1, Departmental Planned Spending by Strategic Outcome, outlines the program activity information reported in the Main Estimates and highlights the total budget spending for the Quality Services and Sound Stewardship strategic outcomes. The costs associated with Corporate Management have been reallocated to other program activities under Quality Services and Sound Stewardship. The subsequent adjustments, including Supplementary Estimates, Earmarked Items and ERC (Expenditure Review Committee) adjustments are also identified in Table 1.

Organization Chart

Public Works and Government Services Canada
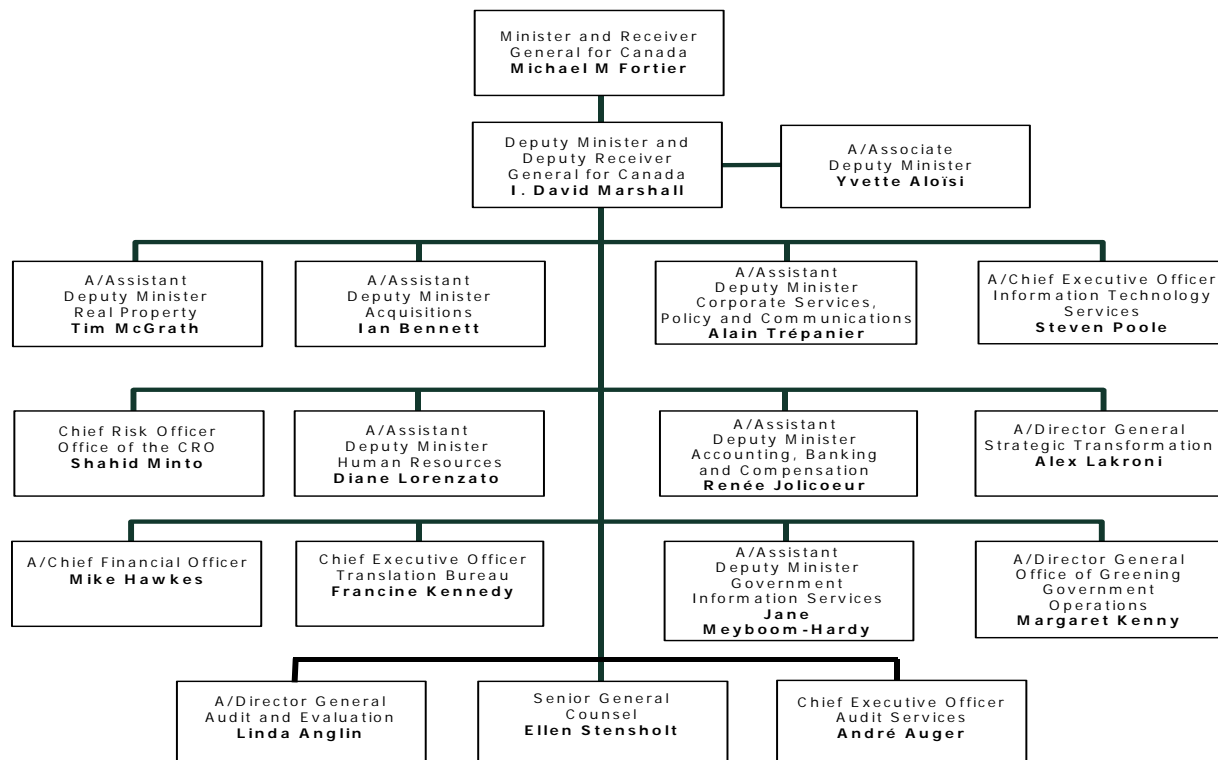
Our Spending

Table 1: Departmental Planned Spending by Strategic Outcome

(in millions of dollars)

	Forecast Spending 2005-2006	**Planned Spending 2006-2007**	Planned Spending 2007-2008	Planned Spending 2008-2009
GOVERNMENT SERVICES PROGRAM [Note 1] **Operating (including Special Purpose Allotments), Capital, Grants and Contributions and Statutory Votes by Strategic Outcomes**				
Main Estimates (net)				
Quality Services				
Federal Accommodation and Holdings	1,843.2	**1,890.4**	1,707.1	1,592.4
Real Property Services Revolving Fund	-	**-**	-	-
Real Property Disposition Revolving Fund	(9.0)	**(8.0)**	(8.0)	(8.0)
Acquisitions Services	127.1	**152.2**	147.5	148.7
Optional Services Revolving Fund	-	**-**	-	-
Defence Production Revolving Fund	-	**-**	-	-
IM/IT Services	133.9	**143.5**	130.2	129.9
Telecommunications Services Revolving Fund	-	**-**	-	-
Receiver General Services	9.0	**9.0**	9.0	9.0
Public Service Compensation Services	1.3	**1.8**	1.7	1.7
Government Information Services	31.4	**32.8**	27.9	27.9
Business Integration Services	28.8	**10.2**	11.4	11.4
Consulting and Audit Canada Revolving Fund	(0.4)	**(0.5)**	(0.5)	(0.5)
Translation and Interpretation to Parliament, Conference Interpretation, Terminology	51.4	**52.3**	55.1	55.1
Translation Bureau Revolving Fund	-	**-**	-	-
Office of Green Government Operations Services	-	**-**	-	-
Total Quality Services	**2,216.7**	**2,283.7**	**2,081.4**	**1,967.6**
Sound Stewardship				
Real Property Stewardship	31.7	**34.1**	34.2	34.2
Supply Operations Stewardship	27.7	**39.7**	29.0	30.2
IM/IT Stewardship	23.4	**12.9**	12.8	12.8
Receiver General Stewardship	113.8	**127.3**	126.2	130.2
Public Service Pay Stewardship	25.3	**27.9**	27.5	27.5
Public Service Pension Stewardship	19.3	**20.0**	17.5	14.6
Government Information Stewardship	17.6	**18.5**	18.6	18.6
Business Integration - Performance Management [Note 2]	5.7	**5.4**	5.4	5.4
Translation Stewardship	2.5	**2.5**	2.5	2.5
Office of Green Government Operations Stewardship	-	**1.3**	1.3	1.2
Total Sound Stewardship	**267.0**	**289.6**	**275.0**	**277.2**
Main Estimates total (net)	**2,483.7**	**2,573.3**	**2,356.4**	**2,244.8**
Main Estimates (gross)	4,454.0	**4,579.2**	4,425.3	4,313.0
Less: Respendable Revenue [Note 3]	1,970.3	**2,005.9**	2,068.9	2,068.2
TOTAL MAIN ESTIMATES (net)	2,483.7	**2,573.3**	2,356.4	2,244.8

Table 1: Departmental Planned Spending by Strategic Outcome (cont'd)

(in millions of dollars)

	Forecast Spending 2005-2006	**Planned Spending 2006-2007**	Planned Spending 2007-2008	Planned Spending 2008-2009
Adjustments (net)				
Governor General Special Warrants				
Explanation of Requirements				
Initiatives to support the implementation of a common electronic infrastructure and multi-channel service delivery strategy (Government On-Line)	130.9	-	-	-
Funding to continue the implementation of the approved projects included in the long term vision and plan for the parliamentary precinct buildings	43.9			
Operating budget carry forward	38.0	-	-	-
Collective bargaining agreements	33.1			
Capital budget carry forward for the construction of the Bel-Air Building (Montreal) and the Government of Canada Building (Charlottetown)	15.2			
Funding in support of the reform initiative to transform the government procurement process	12.1	-	-	-
Funding to support the department's capacity to deliver common services to the general public and the Government of Canada as a whole	11.9	-	-	-
Paylist Shortfalls	6.9			
Funding to establish a new model for core services related to the Government Electronic Tendering Service	6.8	-	-	-
Funding for the renovation, expansion and refitting of 100 Wellington Street, Ottawa, Ontario to accommodate the Portrait Gallery of Canada	6.0			
Funding in support of activities associated with the Commission of Inquiry into the Sponsorship Program and Advertising Activities (Gomery Commission)	5.7	-	-	-
Divestiture of the Harbourfront Park in Trois-Rivières	5.1			
Funding for the proof of concept phase to provide an online marketplace service to authorized government users to electronically select and purchase goods and services, make the necessary payments and carry the associated settlements (Government of Canada Marketplace Project)	5.0	-	-	-
Funding for the preparation and fit-up of Library and Archives Canada headquarters	5.0			
Funding to inform Canadians about Government of Canada's priorities, programs and services through participation in the Government of Canada Exhibition Program and the Rural Exhibits Program	4.6	-	-	-
Effective Project Approval for the reconstruction of the Laniel Dam	3.3			
Funding for the establishment of a disaster recovery back-up site for government-wide mission-critical banking, payment, accounting and compensation systems	2.0	-	-	-
Funding to modernize human resources management in the Federal Public Service (Public Service Modernization Act)	2.0	-	-	-
Funding to support administration of one-time energy cost payments to low-income families with children and seniors announced by the Government of Canada in October 2005	1.6			
Funding to retrieve the proceeds of crime from targeted organized crime entities (Integrated Proceeds of Crime Initiative)	1.4	-	-	-
Funding for projects to reform the classification of jobs within the Federal Public Service	1.0	-	-	-

Table 1: Departmental Planned Spending by Strategic Outcome (cont'd)

(in millions of dollars)

	Forecast Spending 2005-2006	**Planned Spending 2006-2007**	Planned Spending 2007-2008	Planned Spending 2008-2009
Reinvestment of revenues from the sale or transfer of real property	1.0			
Additional resources to meet official language objectives in the Federal Public Service related to: information exchange, regional bilingualism needs, learning and language retention, bilingual networks and service delivery (Official Languages Innovation Program)	0.8	-	-	-
Funding to implement the Quebec Parental Insurance Plan and amend the Employment Insurance Plan requirements in the Public Service Pay Systems and web applications	0.8	-	-	-
Funding for the Federal Contaminated Sites Action Plan	0.8			
Funding for the implementation of a revised financial framework for the management of the Crown Assets Distribution function	0.4	-	-	-
Funding to develop and implement software changes related to the Public Service Pay Systems	0.5	-	-	-
Increased funding related to increased banking fees, postage, cheque and envelope costs for the Receiver General Treasury Function	0.3			
Funding related to government advertising programs	0.2	-	-	-
Funding to support employment equity projects to increase the representation in the Federal Public Service, of designated groups, in particular visible minorities, Aboriginal people and persons with disabilities	0.2	-	-	-
Less: Spending authorities available within the Votes	(162.3)	-	-	-
Total Governor General Special Warrants	184.2	-	-	-
Earmarked Items				
Funding for capital projects	-	315.1	223.0	155.6
Funding for accommodation expenditures	-	14.1	6.2	4.6
Funding for grants and contributions	-	44.1	-	-
Funding for other Real Property expenditures	-	(10.9)	(15.3)	(3.3)
Pension administration recoveries to be return to the consolidated revenue fund (statutory)	-	0.3	1.1	-
Funding for the Federal Accountability Act and Action Plan	-	5.2	7.5	8.5
Funding for Ministry regional responsibilities	-	0.3	0.3	0.3
Expenditure Review - Procurement Savings	-	(25.1)	-	-
Total Earmarked Items	-	**343.1**	222.8	165.7
Other adjustments				
Employee benefit plans (EBP) adjustments (statutory)	5.4	-	-	-
Year-end EBP and other minor statutory adjustments (statutory)	32.3			
Information Technology Service Branch - Transformation Initiatives (statutory)	7.0	-	-	-
Payment in Lieu of Taxes (PILT)	(1.2)	-	-	-
Allocations from TB Vote 10 (Minister's Regional Offices and Joint Career Transition Committee)	2.6	-	-	-
Real Property Conversion Factor - Frozen Item	(18.2)	-	-	-
Capital - Frozen items	(15.4)	-	-	-
Capital carry forward from 2005-2006 to 2006-2007	(16.4)	-	-	-
Total Other adjustments	(3.9)	-	-	-
Total Adjustments	180.3	**343.1**	222.8	165.7
NET PLANNED SPENDING	2,664.0	**2,916.4**	2,579.2	2,410.5
Less: Non-Respendable Revenue	22.4	**21.5**	20.7	20.7
Plus: Cost of Services Received Without Charge	36.5	**37.9**	37.3	37.2
TOTAL DEPARTMENTAL SPENDING	2,678.1	**2,932.8**	2,595.8	2,427.0
Totals may not add up due to rounding.				
				(FTEs)
Full Time Equivalents (FTEs)	12,401	**12,043**	11,919	11,868

Note 1: Includes intradepartmental revenues and expenditures of $331,9 million for 2005-2006, $290,3 million for 2006-2007, $291,5 million for 2007-2008 and $291,8 million for 2008-2009 for a nil bottom line impact.
Note 2: Figure reflects the Internal Recoveries that cannot be charged to other program activities.
Note 3: The respendable revenue amount excludes $301 million of current year adjustments.

Table 2: Services by Program Activity for 2006-2007

(in millions of dollars)

Government Services / Program Activity	Budgetary Non-Statutory Expenditures							Budgetary Statutory Expenditures			Total Main Estimates	Adjustments (Planned Spending not in Main Estimates)	Net Planned Spending
	Operating	Special Purpose Allotments	Capital	Contributions	Gross Non-Statutory Expenditures	Less: Respendable Revenue	Net Non-Statutory Expenditures	Employee Benefit Plans and Minister Salary and Car Allowance	Revolving Funds (Note 1)	Total Statutory Expenditures			
REAL PROPERTY													
Federal Accommodation and Holdings	-	1,825.0	342.6	1.2	2,168.8	278.4	1,890.4	-	-	-	1,890.4	347.5	2,237.9
Real Property Services Revolving Fund	-	-	-	-	-	-	-	-	-	-	-	-	-
Real Property Disposition Revolving Fund	-	-	-	-	-	-	-	-	(8.0)	(8.0)	(8.0)	-	(8.0)
Real Property Stewardship	32.0	-	-	-	32.0	1.4	30.6	3.5	-	3.5	34.1	(0.4)	33.7
REAL PROPERTY TOTAL	32.0	1,825.0	342.6	1.2	2,200.8	279.8	1,921.0	3.5	(8.0)	(4.5)	1,916.5	347.1	2,263.6
ACQUISITIONS													
Acquisition Services	170.2	-	-	-	170.2	40.9	129.3	22.9	-	22.9	152.2	2.2	154.4
Optional Services Revolving Fund	-	-	-	-	-	-	-	-	-	-	-	-	-
Supply Operations Stewardship	43.2	-	-	-	43.2	8.6	34.6	5.1	-	5.1	39.7	(0.6)	39.1
Defence Production Revolving Fund	-	-	-	-	-	-	-	-	-	-	-	-	-
ACQUISITIONS TOTAL	213.4	-	-	-	213.4	49.5	163.9	28.0	-	28.0	191.9	1.6	193.5
INFORMATION TECHNOLOGY													
IM/IT Services	264.9	-	-	-	264.9	140.1	124.8	18.7	-	18.7	143.5	(0.3)	143.2
Telecommunications Services Revolving Fund	-	-	-	-	-	-	-	-	-	-	-	-	-
IM/IT Stewardship	12.2	-	-	-	12.2	0.6	11.6	1.3	-	1.3	12.9	(3.1)	9.8
INFORMATION TECHNOLOGY TOTAL	277.1	-	-	-	277.1	140.7	136.4	20.0	-	20.0	156.4	(3.4)	153.0
RECEIVER GENERAL AND PUBLIC SERVICE COMPENSATION													
Receiver General Services	9.7	1.1	-	-	10.8	2.4	8.4	0.6	-	0.6	9.0	(0.2)	8.8
Receiver General Stewardship	57.7	85.2	-	-	142.9	21.3	121.6	5.7	-	5.7	127.3	(0.4)	126.9
Public Service Compensation	3.3	-	-	-	3.3	1.9	1.4	0.4	-	0.4	1.8	(0.1)	1.7
Public Service Pay Stewardship	27.6	-	-	-	27.6	3.6	24.0	3.9	-	3.9	27.9	(0.2)	27.7
Public Service Pension Stewardship	56.5	-	-	-	56.5	44.1	12.4	7.6	-	7.6	20.0	0.2	20.2
RECEIVER GENERAL AND PUBLIC SERVICE COMPENSATION TOTAL	154.8	86.3	-	-	241.1	73.3	167.8	18.2	-	18.2	186.0	(0.7)	185.3

Table 2: Services by Program Activity for 2006-2007 (cont'd)

(in millions of dollars)

Government Services / Program Activity	Budgetary Non-Statutory Expenditures							Budgetary Statutory Expenditures			Total Main Estimates	Adjustments (Planned Spending not in Main Estimates)	Net Planned Spending
	Operating	Special Purpose Allotments	Capital	Contributions	Gross Non-Statutory Expenditures	Less: Respendable Revenue	Net Non-Statutory Expenditures	Employee Benefit Plans and Minister Salary and Car Allowance	Revolving Funds (Note 1)	Total Statutory Expenditures			
GOVERNMENT INFORMATION AND CONSULTING													
Government Information Services	39.1	-	-	2.4	41.5	11.3	30.2	2.6	-	2.6	32.8	(0.5)	32.3
Government Information Stewardship	17.5	-	-	-	17.5	0.1	17.4	1.1	-	1.1	18.5	(0.4)	18.1
GOVERNMENT INFORMATION AND CONSULTING TOTAL	56.6	-	-	2.4	59.0	11.4	47.6	3.7	-	3.7	51.3	(0.9)	50.4
OFFICE OF GREEN GOVERNMENT OPERATIONS													
Office of Green Government Operations Services	-	-	-	-	-	-	-	-	-	-	-	-	-
Office of Green Government Operations Stewardship	1.2	-	-	-	1.2	-	1.2	0.1	-	0.1	1.3	-	1.3
OFFICE OF GREEN GOVERNMENT OPERATIONS TOTAL	1.2	-	-	-	1.2	-	1.2	0.1	-	0.1	1.3	-	1.3
BUSINESS INTEGRATION													
Business Integration Services	20.6	-	-	-	20.6	12.2	8.4	1.8	-	1.8	10.2	(0.2)	10.0
Business Integration - Performance Management (Note 2)	38.5	-	-	-	38.5	38.5	-	5.4	-	5.4	5.4	-	5.4
BUSINESS INTEGRATION TOTAL	59.1	-	-	-	59.1	50.7	8.4	7.2	-	7.2	15.6	(0.2)	15.4
SPECIAL OPERATING AGENCIES													
Consulting and Audit Canada Revolving Fund	-	-	-	-	-	-	-	-	(0.5)	(0.5)	(0.5)	-	(0.5)
Translation and Interpretation to Parliament, Conference Interpretation, Terminology	52.3	-	-	-	52.3	-	52.3	-	-	-	52.3	(0.4)	51.9
Translation Bureau Revolving Fund	-	-	-	-	-	-	-	-	-	-	-	-	-
Translation Stewardship	2.5	-	-	-	2.5	-	2.5	-	-	-	2.5	-	2.5
SPECIAL OPERATING AGENCIES TOTAL	54.8	-	-	-	54.8	-	54.8	-	(0.5)	(0.5)	54.3	(0.4)	53.9
TOTAL DEPARTMENT	849.0	1,911.3	342.6	3.6	3,106.5	605.4	2,501.1	80.7	(8.5)	72.2	2,573.3	343.1	2,916.4

Totals may not add up due to rounding

Note 1: Detailed financial information for the revolving funds is available in the Revolving Fund financial tables 8 to 14.

Note 2: Figure reflects the Internal Recoveries that cannot be charged to other program activities.

Table 3: Voted and Statutory Items Listed in Main Estimates

(in millions of dollars)

Vote or Statutory Item	Vote or Statutory Wording	Main Estimates 2006-2007	Main Estimates 2005-2006
1	Operating expenditures	**2,154.8**	2,078.4
5	Capital expenditures	**342.6**	327.9
10	Grants and contributions	**3.6**	7.6
(S)	Minister of Public Works and Government Services - Salary and motor car allowance	**0.1**	0.1
(S)	Contributions to employee benefit plans	**80.6**	79.1
(S)	Real Property Disposition Revolving Fund	**(8.0)**	(9.0)
(S)	Optional Services Revolving Fund	**-**	-
(S)	Consulting and Audit Canada Revolving Fund	**(0.5)**	(0.4)
(S)	Translation Bureau Revolving Fund	**-**	-
(S)	Payment in lieu of taxes to municipalities and other taxing authorities	**-**	-
(S)	Real Property Services Revolving Fund	**-**	-
(S)	Telecommunications and Informatics Revolving Fund	**-**	-
(S)	Defence Production Revolving Fund	**-**	-
	TOTAL DEPARTMENT	**2,573.3**	2,483.7

Totals may not add up due to rounding.

Table 4: Cost of Services Received Without Charge

(in millions of dollars)

	Government Services
Cost of Services Received Without Charge:	
Contributions covering employer share of employees insurance premiums and expenditures paid by TBS *(excluding revolving funds)*	31.8
Worker's compensation coverage provided by Human Resources and Social Development Canada	2.4
Salary and associated expenditures of legal services provided by the Department of Justice Canada	3.7
2006-2007 COST OF SERVICES RECEIVED WITHOUT CHARGE	37.9

Totals may not add up due to rounding.

Table 5: Capital Spending by Program Activity

(in millions of dollars)

Program Activity	Forecast Spending 2005-2006	**Planned Spending 2006-2007**	Planned Spending 2007-2008	Planned Spending 2008-2009
FEDERAL ACCOMMODATION AND HOLDINGS	296.1	**654.8**	499.9	417.2

Totals may not add up due to rounding.

Table 6: Loans, Investments, and Advances by Program Activity

Note: Parliament authorized a total drawdown of $50 million for the seized property working capital account. Based on historical analysis, a drawdown of approximately $13 million is anticipated against this working capital account over the planning period.

Table 7: Sources of Respendable and Non-Respendable Revenue

(in millions of dollars)

SERVICE Program Activity	Forecast Revenue 2005-2006	**Planned Revenue 2006-2007**	Planned Revenue 2007-2008	Planned Revenue 2008-2009
RESPENDABLE REVENUE				
REAL PROPERTY				
Federal Accommodation and Holdings				
Rentals and Concessions	452.7	**278.4**	277.9	277.9
Real Property Stewardship	1.8	**1.4**	1.5	1.5
Real Property Services Revolving Fund				
Recoveries of disbursements on behalf of clients	623.3	**678.3**	739.3	737.0
Fee revenues from real property related common services	161.5	**168.9**	171.4	173.8
	784.8	**847.2**	910.7	910.8
Real Property Disposition Revolving Fund				
Sales of real properties	13.0	**12.0**	12.0	12.0
SERVICE TOTAL	1,252.3	**1,139.0**	1,202.1	1,202.2
ACQUISITIONS				
Acquisition Services				
Major Crown Projects	12.5	**6.6**	6.6	6.6
Acquisition	23.2	**14.9**	14.9	14.9
Canadian General Standards Board	2.4	**1.8**	1.8	1.8
Seized Property Management	10.7	**8.6**	8.6	8.6
Others	11.2	**9.0**	9.3	9.6
	60.0	**40.9**	41.2	41.5
Supply Operations Stewardship	5.7	**8.6**	8.4	8.6
Optional Services Revolving Fund				
Traffic and Vaccine	94.7	**90.0**	90.0	90.0
Crown Assets Distribution	-	**-**	-	-
Communication Procurement	2.9	**4.1**	4.1	4.1
Locally Shared Support Services	7.2	**6.3**	6.3	6.3
	104.8	**100.4**	100.4	100.4
SERVICE TOTAL	170.5	**149.9**	150.0	150.5
INFORMATION TECHNOLOGY				
IM/IT Services	218.3	**140.1**	139.2	139.3
IM/IT Stewardship	3.6	**0.6**	0.6	0.6
Telecommunications Services Revolving Funds	137.9	**135.8**	144.0	144.0
SERVICE TOTAL	359.8	**276.5**	283.8	283.9
RECEIVER GENERAL AND PUBLIC SERVICE COMPENSATION				
Receiver General Services	3.7	**2.4**	2.4	2.4
Receiver General Stewardship	16.4	**21.3**	21.2	21.3
Public Service Compensation	2.8	**1.9**	1.9	1.9
Public Service Pay Stewardship	7.3	**3.6**	3.8	3.8
Public Service Pension Stewardship	54.8	**44.1**	32.7	29.3
SERVICE TOTAL	85.0	**73.3**	62.0	58.7

Table 7: Sources of Respendable and Non-Respendable Revenue (cont'd)

(in millions of dollars)

SERVICE Program Activity	Forecast Revenue 2005-2006	**Planned Revenue 2006-2007**	Planned Revenue 2007-2008	Planned Revenue 2008-2009
GOVERNMENT INFORMATION AND CONSULTING				
Government Information Services	14.1	**11.3**	11.3	11.3
Government Information Stewardship	1.5	**0.1**	0.1	0.1
SERVICE TOTAL	15.6	**11.4**	11.4	11.4
BUSINESS INTEGRATION SERVICES				
Business Integration Services	15.9	**12.2**	12.5	12.5
Business Integration - Performance Management	37.6	**38.5**	38.5	38.5
SERVICE TOTAL	53.5	**50.7**	51.0	51.0
SPECIAL OPERATING AGENCIES				
Consulting and Audit Revolving Fund	122.7	**99.2**	100.2	101.1
Translation Bureau Revolving Fund				
Translation Services	207.3	**201.4**	204.4	205.4
Interpretation Services	3.6	**3.5**	3.0	3.0
Terminology Services	0.6	**1.0**	1.0	1.0
	211.5	**205.9**	208.4	209.4
SERVICE TOTAL	334.2	**305.1**	308.6	310.5
TOTAL RESPENDABLE REVENUE	2,270.9	**2,005.9**	2,068.9	2,068.2
NON-RESPENDABLE REVENUE				
Dry Docks	5.0	**5.0**	5.0	5.0
Other non-tax revenue	17.4	**16.5**	15.7	15.7
TOTAL NON-RESPENDABLE REVENUE	22.4	**21.5**	20.7	20.7
TOTAL RESPENDABLE AND NON-RESPENDABLE REVENUE	2,293.3	**2,027.4**	2,089.6	2,088.9

Totals may not add up due to rounding.

Table 8.1: Real Property Services Revolving Fund

Statement of Operations

(in millions of dollars)

	Forecast Spending 2005-2006	**Planned Spending 2006-2007**	Planned Spending 2007-2008	Planned Spending 2008-2009
Respendable Revenue	161.5	**168.9**	171.4	173.8
Expenses				
Operating:				
Salaries and Employee Benefits	100.0	**106.1**	107.9	109.5
Occupancy Costs	3.4	**6.5**	6.5	6.5
Corporate and Administrative Costs	16.7	**16.7**	16.7	16.7
Other Operating Costs	41.4	**39.6**	40.3	41.1
Expenses Total	161.5	**168.9**	171.4	173.8
Surplus (Loss)	-	**-**	-	-

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

Statement of Cash Flows and Projected Use of Authority

(in millions of dollars)

	Forecast Spending 2005-2006	**Planned Spending 2006-2007**	Planned Spending 2007-2008	Planned Spending 2008-2009
Operating Activities:				
(Surplus) Loss	-	**-**	-	-
Authority (provided) used during year	-	**-**	-	-
Net authority (provided) used at the start of year	-	**-**	-	-
Net authority (provided) used at the end of year	-	**-**	-	-
Authority Limit	150.0	**150.0**	150.0	150.0
Unused authority carried forward	150.0	**150.0**	150.0	150.0

Totals may not add up due to rounding.

Note: Recoverable disbursements on behalf of clients are not included in respendable revenue and expenses (2005-2006: $623.3M; 2006-2007: $678.3M; 2007-2008: $739.3M and 2008-2009: $737.0M).

Table 8.4: Optional Services Revolving Fund

Statement of Operations

(in millions of dollars)

	Forecast Spending 2005-2006	**Planned Spending 2006-2007**	Planned Spending 2007-2008	Planned Spending 2008-2009
Respendable Revenue	104.8	**100.4**	100.4	100.4
Expenses				
Operating:				
Salaries and Employee Benefits	1.7	**3.4**	3.4	3.4
Product Cost	85.8	**94.3**	94.3	94.3
Other Operating Costs	17.3	**2.7**	2.7	2.7
Expenses Total	104.8	**100.4**	100.4	100.4
Surplus (Loss)	-	**-**	-	-

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

Statement of Cash Flows and Projected Use of Authority

(in millions of dollars)

	Forecast Spending 2005-2006	**Planned Spending 2006-2007**	Planned Spending 2007-2008	Planned Spending 2008-2009
Operating Activities:				
(Surplus) Loss	-	**-**	-	-
Authority (provided) used during year	-	**-**	-	-
Net authority (provided) used at the start of year	(5.0)	**(5.0)**	(5.0)	(5.0)
Net authority (provided) used at the end of year	(5.0)	**(5.0)**	(5.0)	(5.0)
Authority limit	35.0	**35.0**	35.0	35.0
Unused authority carried forward	40.0	**40.0**	40.0	40.0

Totals may not add up due to rounding.

Table 8.5: Telecommunications and Informatics Common Services Revolving Fund

Statement of Operations

	Forecast Spending 2005-2006	**Planned Spending 2006-2007**	Planned Spending 2007-2008	Planned Spending 2008-2009
Respendable Revenue	137.9	**135.8**	144.0	144.0
Expenses				
Operating:				
Salaries and Employee Benefits	20.2	**17.9**	18.3	18.3
Product Cost	103.2	**99.8**	107.1	107.1
Amortization	0.2	**0.2**	0.2	0.2
Other Operating Costs	14.3	**17.9**	18.4	18.4
Expenses Total	137.9	**135.8**	144.0	144.0
Surplus (Loss)	-	**-**	-	-

(in millions of dollars)

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

Statement of Cash Flows and Projected Use of Authority

	Forecast Spending 2005-2006	**Planned Spending 2006-2007**	Planned Spending 2007-2008	Planned Spending 2008-2009
Operating Activities:				
(Surplus) Loss	-	**-**	-	-
Less items not requiring use of funds:				
Amortization	0.2	**0.2**	0.2	0.2
Net financial resources (provided by) used in operating activities	(0.2)	**(0.2)**	(0.2)	(0.2)
Investing Activities:				
Capital assets:				
Net Acquisitions	0.2	**0.2**	0.2	0.2
Net financial resources (provided by) used in investing activities	0.2	**0.2**	0.2	0.2
Financing Activities:				
Transfer of accumulated surplus to the Vote for ITSB transformation [Note 1]	7.0	**-**	-	-
Net financial resources (provided by) used in financing activities	7.0	**-**	-	-
Authority (provided) used during year	7.0	**-**	-	-
Net authority (provided) used at the start of year	(25.7)	**(18.7)**	(18.7)	(18.7)
Net authority (provided) used at the end of year	(18.7)	**(18.7)**	(18.7)	(18.7)
Authority limit	20.0	**20.0**	20.0	20.0
Unused authority carried forward	38.7	**38.7**	38.7	38.7

(in millions of dollars)

Totals may not add up due to rounding.

Note 1: As per TB decision number 831746, investment from Telecommunications and Informatics Common Services Revolving Fund in order to progress certain activities in support of the transformation of the Information Technology Services Branch.

Table 8.6: Consulting and Audit Canada Revolving Fund

Statement of Operations

(in millions of dollars)

	Forecast Spending 2005-2006	**Planned Spending 2006-2007**	Planned Spending 2007-2008	Planned Spending 2008-2009
Respendable Revenue	122.7	**99.2**	100.2	101.1
Expenses				
Operating:				
Salaries and Employee Benefits	38.7	**37.9**	38.7	39.5
Product Cost	73.0	**50.2**	50.2	50.2
Amortization	0.5	**0.3**	0.3	0.2
Other Operating Costs	10.2	**10.7**	10.9	11.1
Interest	0.1	**0.1**	0.1	0.1
Expenses Total	122.5	**99.2**	100.2	101.1
Surplus (Loss)	0.2	**-**	-	-

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

Statement of Cash Flows and Projected Use of Authority

(in millions of dollars)

	Forecast Spending 2005-2006	**Planned Spending 2006-2007**	Planned Spending 2007-2008	Planned Spending 2008-2009
Operating Activities:				
(Surplus) Loss	(0.2)	**-**	-	-
Less items not requiring use of funds:				
Amortization	0.5	**0.3**	0.3	0.2
Provision for employee termination benefits	0.8	**0.5**	0.5	0.5
Net financial resources (provided by) used in operating activities	(1.5)	**(0.8)**	(0.8)	(0.7)
Investing Activities:				
Capital assets:				
Net Acquisitions	1.1	**0.3**	0.3	0.2
Net financial resources (provided by) used in investing activities	1.1	**0.3**	0.3	0.2
Authority (provided) used during year	(0.4)	**(0.5)**	(0.5)	(0.5)
Net authority (provided) used at the start of year	(9.2)	**(9.6)**	(10.1)	(10.6)
Net authority (provided) used at the end of year	(9.6)	**(10.1)**	(10.6)	(11.1)
Authority limit	20.0	**20.0**	20.0	20.0
Unused authority carried forward	29.6	**30.1**	30.6	31.1

Totals may not add up due to rounding.

Table 8.7: Translation Bureau Revolving Fund

Statement of Operations

(in millions of dollars)

	Forecast Spending 2005-2006	**Planned Spending 2006-2007**	Planned Spending 2007-2008	Planned Spending 2008-2009
Respendable Revenue	211.5	**205.9**	208.4	209.4
Expenses				
Operating:				
Salaries and Employee Benefits	150.0	**136.8**	138.0	139.0
Amortization	2.2	**3.0**	2.3	2.5
Other Operating Costs	61.2	**69.8**	71.0	71.0
Expenses Total	213.4	**209.6**	211.3	212.5
Surplus (Loss)	(1.9)	**(3.7)**	(2.9)	(3.1)

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

Statement of Cash Flows and Projected Use of Authority

(in millions of dollars)

	Forecast Spending 2005-2006	**Planned Spending 2006-2007**	Planned Spending 2007-2008	Planned Spending 2008-2009
Operating Activities:				
(Surplus) Loss	1.9	**3.7**	2.9	3.1
Less items not requiring use of funds:				
Amortization	2.2	**3.0**	2.3	2.5
Net of provision and payments for employee termination benefits	2.2	**2.1**	2.1	2.1
Sub-total	(2.5)	**(1.4)**	(1.5)	(1.5)
Other items not requiring use of funds	0.5	**0.4**	0.5	0.5
Net financial resources (provided by) used in operating activities	(2.0)	**(1.0)**	(1.0)	(1.0)
Investing Activities:				
Capital assets:				
Net Acquisitions	2.0	**1.0**	1.0	1.0
Net financial resources (provided by) used in investing activities	2.0	**1.0**	1.0	1.0
Authority (provided) used during year	-	**-**	-	-
Net authority (provided) used at the start of year	(26.0)	**(26.0)**	(26.0)	(26.0)
Net authority (provided) used at the end of year	(26.0)	**(26.0)**	(26.0)	(26.0)
Authority limit	10.0	**10.0**	10.0	10.0
Unused authority carried forward	36.0	**36.0**	36.0	36.0

Totals may not add up due to rounding.

Table 9: User Fees

There are no planned amendments to existing user fees or any new user fees for the reporting period covered by the present Report.

Table 10: Details on Project Spending

(in millions of dollars)

Description	Current Estimated Total Cost	*Forecast Spending to March 31, 2006	Planned Spending 2006-2007	Planned Spending 2007-2008	Planned Spending 2008-2009	Future Years' Spending Requirements
REAL PROPERTY SERVICES						
Office Accommodation Projects						
Nova Scotia						
Halifax - New Government of Canada Building, Bedford Institute of Oceanography - Construction (I-PPA)	80.3	2.3	**0.5**	12.7	56.6	8.2
Halifax - New Royal Canadian Mounted Police Government of Canada Building - Construction (I-PPA) [2]	57.6	6.6	**2.7**	14.1	18.4	15.9
Prince Edward Island						
Charlottetown - Proposed Government of Canada Building - Construction (S-EPA)	49.8	23.4	**20.5**	5.9	0.0	0.0
Quebec						
Montreal - 740 Bel-air Street - Construction of multi-purpose building including items funded by National Defence (S-EPA)	54.5	52.4	**2.1**	0.0	0.0	0.0
National Capital Region (Quebec)						
Gatineau - Laurier Taché Garage - Renovation (S-EPA)	61.5	46.3	**12.9**	2.3	0.0	0.0
National Capital Region (Ontario)						
Ottawa - Federal Judicial Building - New Construction (I-PPA-MCP) [1, 8]	157.7	16.9	**0.2**	37.7	42.8	60.1
Ottawa - Skyline Campus - Renovation and Federal Occupancy (S-EPA-MCP)	114.3	13.3	**20.0**	64.0	17.0	0.0
Ottawa - Central Heating and Cooling Plant - East Tunnel Replacement (I-PPA)	31.2	0.5	**0.5**	2.7	10.0	17.5
Parliamentary Precinct [7]						
Ottawa & Gat, Que - Library of Parliament (LOP) - Conservation, Rehabilitation and Upgrade (S-EPA-MCP)	127.9	115.5	**12.4**	0.0	0.0	0.0
Ottawa - West Block - Renovation (I-PPA-MCP)	769.2	28.2	**35.0**	168.2	179.3	358.5
Ottawa - Site Infrastructure - New Construction (I-PPA-MCP)	82.5	1.4	**0.0**	0.0	0.0	81.1
Ottawa - Wellington Building - Renovation (I-PPA-MCP)	150.1	1.8	**0.5**	21.5	34.2	92.1
Ottawa - Bank Street - New Construction (I- PPA-MCP) (Deferred)	197.9	9.4	**0.0**	0.0	0.0	188.5
Saskatchewan						
Regina - Government of Canada Building - Acquisition, renovation and fit-up (S-EPA)	47.8	32.8	**13.4**	1.6	0.0	0.0
British Columbia						
Surrey - Royal Canadian Mounted Police "E" Division Headquarters, Purchase Land and Crown Construct (I-PPA-MCP) [6]	204.0	9.6	**0.7**	18.6	88.4	86.7
Non-Office Accommodation Projects						
Ottawa - Cellulose Nitrate Film Storage Facility, National Library of Canada and National Archives of Canada - New Construction (I-PPA)) [3]	8.4	1.1	**0.0**	2.9	4.4	0.0
Ottawa – Portrait Gallery of Canada – Renovation (S-EPA-MCP)	32.3	5.4	**13.2**	13.7	0.0	0.0
Lease Accommodation Projects						
National Capital Region (Ontario)						
269 Laurier Avenue West, Ottawa, new lease (LPA) [5]	105.6	22.5	**27.9**	5.6	5.3	44.3
131 Queen Street, Ottawa, new lease (LPA)	166.3	4.8	**32.4**	55.3	12.8	61.0
181 Queen Street, Ottawa, new lease (LPA)	59.9	29.7	**6.7**	5.9	5.9	11.7
Ontario						
180 Queen Street West Toronto, new lease (LPA)	239.0	11.6	**17.8**	8.6	8.6	192.4
277 Front Street East, Toronto, Lease (S-LPA)	75.5	0.3	**0.7**	8.9	8.9	56.7

Table 10: Details on Project Spending (cont'd)

(in millions of dollars)

Description	Current Estimated Total Cost	Forecast Spending to March 31, 2006	Planned Spending 2006-2007	Planned Spending 2007-2008	Planned Spending 2008-2009	Future Years' Spending Requirements
Engineering Assets Projects						
Newfoundland and Labrador						
Argentia - Environmental remediation (S-EPA)	92.5	78.5	**7.0**	7.0	0.0	0.0
Quebec						
Quebec - 55 Wharves - Demolition (S-EPA)	19.9	19.8	**0.1**	0.0	0.0	0.0
National Capital Region (Quebec)						
Laniel - Laniel Dam - Reconstruction (S-EPA)	22.0	4.2	**12.6**	5.2	0.0	0.0
National Capital Region (Ontario)						
Between Ott. & Gat - Alexandra Bridge - Renovation/Deck Replacement (I-PPA)[4]	18.6	1.2	**0.6**	8.4	8.4	0.0
INFORMATION TECHNOLOGY						
Projects						
National Capital Region (Ontario/Quebec)						
Ottawa/Gatineau - Shared Travel Services Initiative	96.2	20.5	**4.2**	(0.6)	(0.6)	N/A
PUBLIC SERVICE COMPENSATION						
Pension Modernization Project	115.5	9.5	**32.8**	21.8	9.2	42.2

* For this Report on Plans and Priorities Forecast Spending = Actual Spending to March 31, 2006
1, 2 and 4: Figures as represented reflect initial PPA approval.
3: This project currently has PPA approval less than its estimated total cost, so the cost has been reduced to the PPA amount and the cash flows reduced proportionally; cash flow will be updated once the revised PPA is obtained in October 2006.
5: Planned spending 2007-2021 is rent only.
6: The delivery method is currently under review - it could be lease, lease purchase or build. The definition of client requests and the overall timing is also under review.
7: Additional information is available in the narrative in Section III - Supplementary Information, Status Report on Major Crown Projects
8: The Pierre Elliott Trudeau Judicial Building (PETJB) is still under consideration by both the Department of Justice and PWGSC.

Table 11: Status Report on Major Crown Projects

a.   Parliamentary Precinct Project

The Long-Term Vision and Plan (LTVP) for the Parliamentary Precinct, approved in 2001, and amended in 2002, is a detailed framework that provides direction for the renewal of Canada's seat of government - the Parliamentary Precinct. During the LTVP's 25-year implementation period, an extensive preservation program will restore the appearance of the buildings, while bringing them up to modern standards by renovating their electrical, mechanical and safety systems and providing more functional offices and committee rooms in existing buildings. New construction will also be undertaken in the Precinct to meet the space requirements of the Senate, the House of Commons and the Library of Parliament, which cannot be met within existing facilities.

The original Plan consisted of a series of major projects implemented in five phases. Phase I projects (2001-2002 to 2008-2009) included: Library of Parliament; Bank Street Building; Wellington Building Renovation; Site Infrastructure; Victoria Building; East Block masonry; Federal Judicial Building parking; and Site Development. The West Block Renovation Program was originally scheduled within Phase II of the LTVP, following the completion of the Bank Street Building project. In May 2005, PWGSC received agreement from Cabinet to advance the West Block Renovation to Phase I of the LTVP. As a result the Bank Street Building and Site Infrastructure projects were suspended pending a review of the overall LTVP.

The renovation of the Library of Parliament was completed in 2006-07.

Further information on this subject may be found on the website located at:
http://www.pwgsc.gc.ca/reports/text/rpp_2006-2007_sct3_tbl11_a-e.html

b.   Shared Travel Services Initiative

The Shared Travel Services Initiative (STSI) project is a multi-million dollar initiative ($ 96.2 million). The solution will provide fully functional, comprehensive, and seamlessly integrated "employee-friendly" travel services to government employees, and provide for better travel expense management. Travel services include the following:

- Full-service travel agency;
- On-line reservation service;
- Travel expense claim service;
- Travel card service;
- Traveler's reimbursement service;
- Business intelligence service;
- Employee Portal; and
- Employee traveler service network.

Further information on this subject may be found on the website located at:
http://www.pwgsc.gc.ca/reports/text/rpp_2006-2007_sct3_tbl11_b-e.html

c. Pension Modernization Project

The Government of Canada Pension Modernization Project (GoCPMP) is the renewal of PWGSC's pension administration systems and business processes to enable PWGSC to replace thirty-five year-old technology and to use industry best practices to deliver pension administration services to public service employees, employers and pensioners. It is expected that the GoCPMP will be able to procure a system solution that has the flexibility and functionality to simultaneously meet the unique requirements of administering the *Public Service Superannuation Act* as well as providing the capability of administering multiple other pension plans. It will also provide information management and access tools that allow expert pension advisors to administer pensions effectively and provide timely, accurate and consistent responses to plan members, employers and administrators. The solution will provide sustainable systems capable of efficient adoption of future technologies and best pension administration practices. The current cost estimate is $115.5 million ($19.5 million for the Definition Phase) and project completion is planned for early 2012.

Further information on this subject may be found on the website located at:
http://www.pwgsc.gc.ca/reports/text/rpp_2006-2007_sct3_tbl11_c-e.html

Table 12: Details on Transfer Payment Programs

TRANSFER PAYMENTS	Forecast Spending 2007-2008	**Planned Spending 2006-2007**	Planned Spending 2007-2008	Planned Spending 2008-2009
Contributions				
Canadian Standards Association	0.012	**0.012**	0.012	0.012
Contributions to Argentia Management Authority	4.00	**1.17**		
Divestiture of the Harbourfront Park in Trois-Rivieres	5.07			
Contributions in support of activities and projects to increase the understanding and appreciation of Canadian identity and to develop social awareness		**1.45**	1.45	1.45
Total Contributions	9.08	**2.63**	1.46	1.46
Grants				
Government Information Services				
Grants in support of activities and projects to increase the understanding and appreciation of Canadian identity and to develop social awareness	1.00	**1.00**	1.00	1.00
Total Grants	1.00	**1.00**	1.00	1.00
Other Payments (Statutory)				
Payment to Municipalities and Other Taxing Authorities	471.84	**496.53**	506.47	516.59
Recoveries from Custodian Departments	(471.84)	**(496.53)**	(506.47)	(516.59)
Grants in support of activities and projects to increase the understanding and appreciation of Canadian identity and to develop social awareness	1.00	**1.00**	1.00	1.00
Total Other Payments	1.00	**1.00**	1.00	1.00
Total Transfer Payments	10.08	**3.63**	2.46	2.46

Totals may not add up due to rounding.

Table 13: Alternative Service Delivery

Over the next three (3) years, PWGSC will use significant new ASD initiatives or will be continuing existing ASD initiatives for the following programs and/or services.

Name of ASD Initiative	Current Status	Projected Implementation Date	Contact
New ASD Contract for Property Management and Project delivery services including Optional services on a national scale for an inventory of about 2.9 million sq.m.	Eight (8) separate contracts, valued at about $5.4 Billion, awarded to SNC Lavalin-ProFac (SNCLPF) for a term of 4 years with three renewal options for 2 years each.	Contract commencement – April 01, 2005.	Regis Gagne Director, Implementation Service Transformation Office 613 736 3158 regis.gagne@pwgsc.gc.ca
Exercise of Optional services (Lease administration, Facility Management, Commercial leasing, Project delivery ($200K to $1,000K).	Addition to existing SNCLPF contracts: - Assessment of HR impact; - Study of strategy for HR management; and - Develop business case.	TB approval of Business Case – April 2007.	Regis Gagne Director, Implementation Service Transformation Office 613 736 3158 regis.gagne@pwgsc.gc.ca
ASD Contract for Property Management and Project delivery services including Optional services on a national scale for the remaining inventory (about 3 to 4 million sq.m).	Activity delayed.	Expected Contract commencement 2007-08.	Regis Gagne Director, Implementation Service Transformation Office 613 736 3158 regis.gagne@pwgsc.gc.ca

Table 14: Horizontal Initiatives

a. Government of Canada Marketplace

The Government of Canada Marketplace (GoCM) is a project of the Electronic Supply Chain (ESC) Program. This end-to-end purchasing service will allow participating departments and agencies to buy a wide variety of goods and services on-line. It also will capture and make available the purchasing information of the Government of Canada (GoC). The GoCM Service is a key enabler of the GoC's Procurement Reform transformation. It supports this initiative through automated and simplified purchasing processes, provision of timely and comprehensive purchasing information, and promotion of standardized purchasing information across the GoC, while maintaining the highest levels of transparency and accountability.

Further information on this subject may be found on the website located at:
http://www.pwgsc.gc.ca/reports/text/rpp_2006-2007_sct3_tbl14_a-e.html

b. Sydney Tar Ponds and Coke Ovens Clean-up Project

The Sydney Tar Ponds and Coke Ovens Clean-up Project is a joint federal-provincial initiative for the remediation of approximately 100 hectares of contaminated site resulting from a century of steel manufacturing in Cape Breton. The project is in support of the federal government's sustainable development initiative, recognizing the environmental, social and economic dimensions of the Sydney area. The project outcomes will result in environmental, economic, and social benefits for Nova Scotians, First Nations Communities and all Canadians. Downtown Sydney will have new land to be developed, which will aid in rejuvenation of the economically depressed area. A Memorandum of Agreement describing the management of the project between the Province of Nova Scotia and the federal government was signed in May 2004. A Project Management Committee (PMC), which includes senior representatives from both the federal and provincial governments, was established to oversee all aspects of the project. The total project cost is estimated at $400 million (Federal: $280 million, Nova Scotia: $120 million). The project is being delivered through the Sydney Tar Pond Agency (STPA).

Further information on this subject may be found on the website located at:
http://www.pwgsc.gc.ca/reports/text/rpp_2006-2007_sct3_tbl14_b-e.html

Table 15: Sustainable Development Strategy

What are the key goals, objectives, and/or long term targets of the SDS?	The PWGSC Sustainable Development Strategy (SDS) 2003 was tabled in Parliament in February 2004. SDS 2003 contained departmental commitments relating to four goals: • Greening PWGSC's operations as a custodian and provider of facilities and common-use office space to federal departments; • Greening PWGSC's services to federal departments and agencies; • Greening PWGSC's internal operations; and • Providing national and international leadership in the greening of government operations.
How do your key goals, objectives and/or long-term targets help achieve your department's strategic outcomes?	As in the previous SD strategies, SDS 2003 focused on environmental issues. However, reflecting PWGSC's emphasis on service delivery to colleague departments and agencies, the 2003 strategy considered social and economic factors, as well. Through these SD strategies, PWGSC aims to promote sustainable development and sustainable operations in the federal government over the next 10 to 15 years.
What were your targets for the reporting period? What is your progress to date?	Progress toward the PWGSC SDS 2003 targets over fiscal year 2004-05 was steady. Where targets are identified as being at risk, recovery plans will be identified and implemented. Details on performance in relation to SDS 2003 commitments can be found in the PWGSC Sustainable Development Performance Report. This report is available on the Internet at http://www.pwgsc.gc.ca/sd-env/text/performance-report-e.html.
What adjustments have you made, if any? (To better set the context for this information, discuss how lessons learned have influenced your adjustments.)	As implementation of SD is a priority for PWGSC, SDS 2003 and the drafting of the next SDS will play a role in the plans and priorities of the department in 2006-07. To achieve SDS objectives, the Office of Greening Government Operations (OGGO) on behalf of PWGSC, will monitor performance as well as provide environmental expertise, services and support to Branches responsible for implementing the various targets. OGGO will also lead PWGSC in the planning and development of PWGSC's Sustainable Strategy 2007-09. The department will take into account the Commissioner of the Environment and Sustainable Development (CESD) recommendations to use a government-wide approach (common priorities) on Greening government operations, which is led by PWGSC and which will be disseminated for guidance in February 2006. Furthermore, PWGSC will produce clear and measurable targets to allow transparent management of reporting of the SDS, and contributions to the *Way Forward* initiative.

Table 16: Internal Audits and Evaluations

Mandated Internal Audits	Estimated Start Date	Estimated Completion Date
Audit of the Financial Statements for the Translation Bureau Revolving Fund for Fiscal Year Ended March 31, 2006	January 2006	September 2006
Audit of the Financial Statements for the Real Property Disposition Revolving Fund for Fiscal Year Ended March 31, 2006	January 2006	September 2006
Audit of the Financial Statements for the Consulting & Audit Canada Revolving Fund for Fiscal Year Ended March 31, 2006	January 2006	September 2006
Audit of the Financial Statements for the Telecommunications and Informatics Common Services Revolving Fund for Fiscal Year Ended March 31, 2006	January 2006	September 2006
Audit of the Financial Statements for the Optional Services Revolving Fund for the Fiscal Year Ended March 31, 2006	January 2006	September 2006
Audit of the Financial Statements for the Real Property Services Revolving Fund for the Fiscal Year Ended March 31, 2006	January 2006	September 2006
Audit of the Financial Report of the Administrative Costs Chargeable to the Canada Pension Plan Account for the Year Ended March 31, 2006	April 2006	December 2006
Follow-up of Internal Audit Recommendations	April 2006	March 2007
Follow-up of Auditor General Recommendations	April 2006	March 2007
Mandatory Evaluations	**Estimated Start Date**	**Estimated Completion Date**
Evaluation Framework for the Interim Cost-Share Agreement for Sydney Tar Ponds and Coke Ovens Remediation Project	April 2006	September 2006
Evaluation of the Interim Cost-Share Agreement for Sydney Tar Ponds and Coke Ovens Remediation Project	July 2006	December 2006
Interim Evaluation of the New Alternative Form of Delivery for Real Property Services - Phase 2	July 2006	December 2006

Note: The final Internal Audit and Evaluation project list, including discretionary projects, approved by the Audit, Assurance and Ethics Committee is available on the following PWGSC Internet site: http://www.pwgsc.gc.ca/aeb/text/proj-e.html.

OTHER ITEMS OF INTEREST

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Related Internet Sites:

Acquisition Services: http://www.pwgsc.gc.ca/acquisitions
Business Access Canada: http://www.contractscanada.gc.ca
Compensation Service Standards:
http://www.pwgsc.gc.ca/compensation/service/serv-servicelevels2002-e.html
Consulting and Audit Canada: http://www.cac.gc.ca
Government of Canada: http://www.canada.gc.ca
Information Technology Services: http://www.pwgsc.gc.ca/text/factsheets/info_technology-e.html
Internal Audits and Evaluations: http://www.pwgsc.gc.ca/aeb/text/toc-e.html
Modern Comptrollership in Action: http://www.pwgsc.gc.ca/mmpa/2003/text/index-e.html
Office of Greening Government Operations: http://www.pwgsc.gc.ca/greening
Office of the Auditor General of Canada: http://www.oag-bvg.gc.ca/
Public Service Compensation: http://www.pwgsc.gc.ca/compensation
Public Works and Government Services Canada: http://www.pwgsc.gc.ca
PWGSC Government On-Line (GOL) Public Report: http://www.pwgsc.gc.ca/gol/text/index-e.html
PWGSC Alternative Forms of Delivery: http://www.pwgsc.gc.ca/realproperty/afps-afd/text/index-e.html
PWGSC Report Card on Compliance with Response Deadlines under the *Access to Information Act*:
http://www.infocom.gc.ca/reports/section_display-e.asp?intSectionId=390
Real Property Services: http://www.pwgsc.gc.ca/realproperty/
Receiver General: http://www.pwgsc.gc.ca/recgen
Small and Medium Enterprises: http://www.pwgsc.gc.ca/sme
Speech from the Throne: http://www.sft-ddt.gc.ca/default_e.htm
Translation Bureau: http://www.translationbureau.gc.ca
Treasury Board Secretariat 2006-2007 Report on Plans and Priorities Guidelines: http://www.tbs-sct.gc.ca/est-pre/20062007/p3_e.pdf