

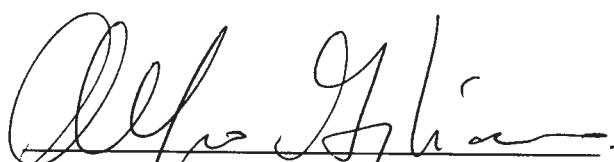


Public Works and  
Government Services  
Canada

Travaux publics et  
Services gouvernementaux  
Canada

# 1999-2000 Estimates

## A Report on Plans and Priorities



**The Honourable Alfonso Gagliano, P.C., M.P.  
Minister of Public Works and  
Government Services Canada**

Canada

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## **Section I: Message**

### **A. The Minister's Message**

As Minister of Public Works and Government Services Canada (PWGSC), I am proud that my department is making significant commitments in this Report on Plans and Priorities to helping build a stronger Canada, a Canada prepared to meet the challenges and opportunities of the 21st century.

PWGSC will continue to be committed to finding new, more cost-effective, efficient and responsive ways of serving clients, government and all Canadians. The results of this strategy have been significant. Changes that the Department has made in its organization and its service delivery — from downsizing by more than one-third, to increasing access for Canadians to government information and services and on to increasing our use of the private sector for the delivery of services — have meant significant expenditure reductions, as well as improved service.

Businesses, large and small, will continue to benefit from my department's initiatives. We will work to enhance services and reduce the cost for businesses to use the government's electronic tendering service we launched in 1997. Further to our efforts in setting up Contracts Canada, we will work with Treasury Board and other government departments to ensure that firms wishing to do business with the federal government have easier, cheaper, more equitable access to more opportunities than ever before. Also working with clients, we will further the use of Benefits Driven Procurement - a new way of successfully managing complex, high risk projects.

PWGSC will continue to support other major government-wide initiatives that look to the future for Canadians. We are developing essential, government-wide infrastructure to support more efficient, convenient and secure methods of electronic commerce and electronic service delivery to Canadians. We are providing real property and information management support to Canada's newest territory — Nunavut. We are on target to ensure all our critical systems and services for government — from central accounting and compensation, through to procurement and facilities — will be Year 2000 ready. We are partnering with other departments to make it easier for Canadians to access the government services they need, wherever and whenever they need them. We are continuing to deliver on our major commitments to greening government operations and to sustainable development. In our role as Receiver General for Canada, we are on track in the development and implementation of the suite of central accounting systems that are the backbone of the Financial Information Strategy, a major government initiative to strengthen its financial and business management processes and improve accountability to Parliament.

This report, with all its commitments, is about more than contracting, accounting, construction or using the latest information systems and technology in providing services. We are part of the communities we serve in every part of Canada. We promote federal identity through the presence of our public buildings in all major communities across Canada. In times of need or natural disaster, we are there to help our neighbours, in our communities. We work to protect and preserve our national heritage and interests. We are committed to strengthening our country and contributing to the well-being of all Canadians.

## B. Management Representation Statement

I submit, for tabling in Parliament, the 1999-2000 Report on Plans and Priorities (RPP) for Public Works and Government Services Canada.

To the best of my knowledge the information:

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

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



R.A. Quail  
Deputy Minister

February, 1999



## Section II: Departmental Overview

### A. Mandate

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

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

The Department of Public Works and Government Services Act, passed in July 1996, sets out the legal authorities for PWGSC services, including: construction, maintenance and repair of public works and federal real property; provision of office accommodation and other facilities; provision of architectural and engineering advice and services; planning for and acquisition of supplies and services; planning and co-ordinating of telecommunications services; consulting and auditing services; and the provision of translation and related services. The Act makes clear the Department's authority to administer all federal real property not explicitly placed by legislation under the administration of another federal department, board, or agency. The Act also supports the Minister's responsibilities, as Receiver General, and provides the authority for administrative and other services in relation to benefits, superannuation and pension plans and disbursement of pay to persons employed in the Public Service of Canada.

Statutes and regulations administered by PWGSC are listed in Table 22, Section IV-Supplementary Information.

### B. Departmental Objective

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



### **C. Operating Environment**

PWGSC's operating environment is complex and its activities are broad in scope. The Department has about 11,000 people working across Canada. They support the efforts of more than 100 federal departments and agencies in delivering services to Canadians as effectively as possible.

PWGSC provides office accommodation for 160,000 public servants and parliamentarians who work in more than 2,500 locations across the country. It manages a real property portfolio of some 350 buildings worth more than \$6.5 billion and administers over 5,000 leases every year, in every province and territory.

As the nation's largest purchasing agent, every year the Department buys more than \$8 billion in goods and services covering 17,000 categories, creating more than 80,000 opportunities for the private sector to do business with the government.

PWGSC performs the government's Receiver General functions — preparing the Public Accounts and banking and disbursing all public moneys for the government. These activities involve nearly \$160 billion a year in financial transactions, and more than 190 million payments a year to Canadians from all walks of life. The Department also administers the government's payroll and pension plans, including the issuance of payments.

The Department also manages the government's telecommunications and information management infrastructure. Specifically, it builds and supports government-wide services and systems like the Canada Site on the Internet, the Government Electronic Directory Services, the Government Enterprise Network and the Info-Canada Inquiries Services. All support new ways of delivering service and of doing business — both in and with government — using electronic commerce and electronic service delivery. They also provide the foundation for enabling Canadians to gain access to government information, programs, services and contract opportunities.

Finally, the Department provides translation and interpretation, management consulting and audit, communications and other services to departments and agencies across government.

PWGSC operates in an environment that requires the Department to respond to significant change, particularly in the areas of technology, methods of governance, and human resource requirements. Regarding technology, the Department has placed a strong emphasis on ensuring that all its mission critical systems are Year 2000 compliant.

*By focusing on what the Department does best, PWGSC helps departments focus on what they do best.*

*PWGSC operates in an environment that requires the Department to respond to significant change — in the areas of technology, methods of governance, and human resource requirements.*

New technology provides real opportunities for increased efficiency and economy in delivering common services. Improved electronic security measures will spur the growth of electronic commerce, and the Department expects to be very active in this area. Continued growth of electronic communication, particularly via the Internet, will provide opportunities to increase the degree of connectivity — both within government, and between government and Canadians.

New models of governance, including making more use of the private sector and working as partners with other levels of government, are providing a range of options in the way government delivers services in Canada. For its part, PWGSC has made extensive use of alternative ways of delivering certain services, particularly real property and Information Management and Information Technology (IM/IT) services.

In the increasingly complex environment in which PWGSC must operate as a common and central service provider, good governance and modern comptrollership require a continued commitment to core public service values and ethics. To meet this requirement, PWGSC has an ethics program to reinforce ethical awareness, reasoning, action and leadership.

New federal agencies for Parks, Revenue, and Food Inspection are being created. These agencies have been given greater choice regarding the use of PWGSC as common service agent. PWGSC's response has been to emphasize client service for these organizations, while making every effort to meet the government's need for common services.

Delivering common services is becoming more complex. Therefore, PWGSC must ensure the ongoing development of our human resources. The Department's "La Relève" strategy outlines an approach to developing a learning organization — one that has the skills and ability to manage common services into the new millennium.

## **D. Departmental Structure**

PWGSC's major activities are found in the Department's Government Services Program and are organized by Business Line.

### **Government Services Program**

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

PWGSC's Crown Corporations Program authorizes and issues payments to certain Crown corporations pursuant to agreements approved by the Governor in Council. The Program has two Business Lines.

### **Crown Corporations Program**

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

The Department uses a variety of organizational and financial structures in the delivery of its mandate. Departmental financial summaries presented in this Report on Plans and Priorities reflect the use of appropriations and revolving funds to finance departmental activities. Appropriations are supported directly from government votes 1, 5, 10 and 15. Revolving funds facilitate a businesslike approach to the costing of, and charging for, services provided on behalf of clients.

## E. Financial Spending Plan

(millions of dollars)	Forecast Spending 1998-99	<b>Planned Spending 1999-00</b>	Planned Spending 2000-01	Planned Spending 2001-02
<b>Gross Program Spending</b>				
Government Services	4,877.7	<b>4,829.6</b>	4,700.0	4,632.8
Crown Corporations	18.7	<b>10.8</b>	3.4	0.1
	4,896.4	<b>4,840.4</b>	4,703.4	4,632.9
Less: Revenue Credited to the Vote/Revolving Funds	2,909.0	<b>2,877.6</b>	2,878.6	2,818.4
<b>Net Program Spending</b>	1,987.5	<b>1,962.7</b>	1,824.7	1,814.5
Less: Revenue Credited to the Consolidated Revenue Fund	35.4	<b>30.7</b>	30.8	30.8
Plus: Estimated Cost of Services Provided by other Departments	23.6	<b>20.2</b>	20.1	20.1
<b>Net Cost of the Department</b>	1,975.7	<b>1,952.3</b>	1,814.1	1,803.8

Totals may not add up due to rounding.



## Section III: Plans, Priorities and Strategies

### A. Priorities and Expected Results

PWGSC's common and central services are grouped into nine major business lines. The Department's priorities and expected results statements are organized by Business Line and are presented in Subsection B, Details by Program and Business Line.

PWGSC's corporate directions for the planning period have been set out under four major headings. These directions have remained constant in recent years and provide guidance to the individual business lines on overall corporate direction. The four corporate directions are:

#### ***Enhancing our contribution to Government by:***

- ◆ Emphasizing core roles and reviewing these roles continuously;
- ◆ Ensuring Year 2000 compatibility of all our mission critical systems;
- ◆ Looking for opportunities to share services and to work as partners with other levels of government and with the private sector; and
- ◆ Supporting government commitments to sustainable development through environmentally responsible property management and purchasing practices.

#### ***Improving services to clients by:***

- ◆ Consulting with clients regularly to assess their needs and measure their satisfaction with our services;
- ◆ Using alternative methods of providing service to improve quality and reduce costs to clients;
- ◆ Integrating service delivery to provide specific service packages tailored to client needs; and
- ◆ Using new technologies to improve client service.

***Pursuing efficiencies and savings by:***

- ◆ Continuously reviewing programs and activities for efficiency improvement and savings opportunities;
- ◆ Pursuing electronic improvements, especially in the area of electronic commerce; and
- ◆ Adjusting departmental commitments to reflect changes in government structure and program delivery.

***Building a flexible and responsive workforce by:***

- ◆ Implementing an integrated human resources strategy that focuses on employment continuity, selective skills acquisition and development;
- ◆ Developing a more supportive management culture; and
- ◆ Promoting the development of a learning organization in PWGSC.

## **B. Details by Program and Business Line**

This Subsection summarizes the objectives, descriptions, operating environments, results commitments, success measures, strategies and key activities for each of the Department's Government Services Program Business Lines. All objectives and descriptions are those approved in the Department's Planning, Reporting, and Accountability Structure.

The results commitments are those set out in the 1998 Report of the President of the Treasury Board. They are intended to be long-term and enduring results, reflecting the basic purpose of the Business Line. Success measures have been added to indicate how the Business Line intends to measure its success in achieving these results.

The strategies and key activities shown for each Business Line identify its major initiatives over the planning period in support of the long-term and enduring commitments.



## Government Services Program Real Property Services

### *Planned Spending*

(millions of dollars)	Forecast Spending 1998-99	<b>Planned Spending 1999-00</b>	Planned Spending 2000-01	Planned Spending 2001-02
<b>Service Line</b>				
<i>Votes</i>				
<b>Federal Accommodation and Holdings</b>				
Gross Expenditures	1,567.7	<b>1,652.9</b>	1,587.6	1,593.2
Less: Revenue Credited to the Vote	245.9	<b>247.5</b>	248.2	246.3
Net Expenditures	1,321.8	<b>1,405.4</b>	1,339.4	1,346.8
<i>Revolving Funds</i>				
<b>Services</b>				
- Real Property Services Revolving Fund				
Gross Expenditures	2,063.2	<b>2,043.1</b>	2,047.4	1,992.2
Less: Revenue	2,061.1	<b>2,043.1</b>	2,047.4	1,992.2
Net Resources (Provided) Used	2.1	...	...	...
- Real Property Disposition Revolving Fund				
Gross Expenditures	6.8	<b>3.5</b>	3.6	3.8
Less: Revenue	27.7	<b>22.0</b>	22.5	23.0
Net Resources (Provided) Used	(20.9)	<b>(18.5)</b>	(18.9)	(19.2)
Total Services	(18.8)	<b>(18.5)</b>	(18.9)	(19.2)
<b>Total Real Property Services</b>	1,303.0	<b>1,387.0</b>	1,320.5	1,327.6

Totals may not add up due to rounding.

### **Objective**

To support government and clients in program delivery through the provision of expert advice and a full range of real property services on a fee-for-services basis; through the management of a diverse portfolio of office and general purpose real property and other assets in the custody of the Minister in order to provide appropriate accommodation and related value-added services, including strategic advice to federal tenants, clients and other asset users; and through optimizing the federal investment in the assets.

### **Description**

Real Property Services (RPS) Business Line activities centre on two principal functions: real property stewardship and real property services. Using a net-voted appropriation, RPS provides leadership and stewardship as custodian of federal office and common-use facilities as well as various engineering works (for example, bridges and dams). Related to this activity, RPS provides productive work environments for some 160,000 federal public servants (100 departments and agencies) and manages an inventory of some 6.0 million

square metres of space at an annual net appropriation of approximately \$1.3 billion. Included in this inventory are national treasures such as the Parliamentary Precinct and heritage assets across Canada. The custodian function also encompasses the administration, on behalf of the federal government, of Payments-in-Lieu of Taxes and the Real Property Disposition Revolving Fund, which facilitates the disposal of properties surplus to the needs of the government.

The RPS Business Line also provides expert and value-added professional and technical real property services (including architectural and engineering, real estate, and property and facilities management) to other departments and agencies. These services are provided on a fully optional basis and are charged at comparable market-based rates and managed through the RPS Revolving Fund.

**Real Property Services Commitments**

The following table summarizes the enduring commitments of the RPS Business Line and outlines how success will be demonstrated and measured.

<b>To provide Canadians with:</b> effective and efficient management of office and other real property assets, and timely, affordable expert advice and services that support client departments and broader government objectives.	
<b>Demonstrated by:</b>	<b>Success Measures:</b>
<ul style="list-style-type: none"> <li>■ Safe, productive, affordable and environmentally sound office accommodation for government</li> </ul>	<ul style="list-style-type: none"> <li>• Number of safety incidents year-over-year</li> <li>• Increased energy efficiency</li> <li>• Operating and maintenance costs of real property inventory compared to the private sector</li> <li>• Number of public servants housed in PWGSC office accommodation</li> </ul>
<ul style="list-style-type: none"> <li>■ Optimum government investment in real property assets including maintenance of inventory value and minimized vacant space</li> </ul>	<ul style="list-style-type: none"> <li>• Return on Investment (ROI) for PWGSC real property inventory</li> </ul>
<ul style="list-style-type: none"> <li>■ Responsive and value-added client services</li> </ul>	<ul style="list-style-type: none"> <li>• Responsive, timely and affordable delivery of client services</li> </ul>
<ul style="list-style-type: none"> <li>■ Cost-effective partnerships and cooperative working relationships with provinces, territories and the private sector</li> </ul>	<ul style="list-style-type: none"> <li>• Evaluation of Alternative Forms of Delivery (AFD) initiative</li> <li>• Performance against results-based contracting with AFD suppliers</li> </ul>
<ul style="list-style-type: none"> <li>■ Stewardship of real property assets that reflects sustainable development, accessibility for persons with disabilities, and federal presence considerations</li> </ul>	<ul style="list-style-type: none"> <li>• Results of environmental performance reports</li> <li>• Visibility for federal government through real property assets</li> <li>• Accessibility standards met</li> </ul>
<ul style="list-style-type: none"> <li>■ Preservation of national heritage buildings, including such national treasures as the Parliament Buildings</li> </ul>	<ul style="list-style-type: none"> <li>• Progress against approved plans</li> </ul>

### **RPS Operating Environment**

The challenge for RPS is to develop appropriate strategies for responding to a number of external factors that are shaping the way it operates. The principal factors are:

- ◆ **Technology** — A number of Year 2000 issues relate to embedded dates in automated building systems such as heating/ventilation, elevators and lighting — all of which are critical to operating buildings. Advances in information management and communications are transforming real property asset management and business processes, and are making it possible to bring innovative officing strategies to the workplace.
- ◆ **New Models of Governance** — New models for delivering services and the rationalization of federal/provincial operations will continue. Special service agencies, such as the Food Inspection Agency, the Canadian Parks Agency and the Canada Customs and Revenue Agency are being created. These organizations, which have significant flexibility in their use of common services, currently occupy about 25% of the RPS inventory. Accordingly RPS must be able to demonstrate that it is in a given agency's best interest to remain an RPS client. In addition, RPS will have to develop strategies for meeting the needs of these new agencies while preserving the integrity of its common service objectives.
- ◆ **The Demand for Value-added Services** — In the current environment, service providers such as RPS are attractive only if they can provide services to clients that add significantly to their ability to fulfil their core responsibilities more effectively and economically. To meet this challenge, RPS is becoming a "borderless" organization that meets the need for value-added services by drawing from the best available sources of expertise. In some cases, services and expertise will come from RPS's internal work force. In other cases, RPS will draw from partnerships with other PWGSC and federal government service providers, from a public service "contingent" work force of term or contract employees, and from the private sector. No matter where the services come from, the planning, delivery and management of productive workplaces must be delivered in a fully integrated and seamless way.
- ◆ **Federal Presence/Visibility** — Innovative strategies to promote federal presence and ensure maximum visibility for federal activities through real property assets will be in demand.
- ◆ **Sustainable Development Issues** — Increasing emphasis on environmental concerns and sustainable development will demand new operational policies relating to energy conservation, hazardous materials, greening and environmental clean-ups. Specifically, the Kyoto Protocol commits Canada to a reduction in greenhouse gas emissions.

*RPS activities centre on real property stewardship and real property services including architectural and engineering, real estate and property and facilities management.*

### **Strategies and Key Activities**

RPS will focus on the following strategies and key activities over the planning period.

- ◆ **Client Satisfaction** — The future of RPS will be determined by its ability to meet the needs of clients while successfully integrating these needs with broader government objectives. RPS will strive to provide more integrated services by collaborating with other PWGSC service providers and, where appropriate, other federal and provincial organizations. RPS will also adapt to the new Alternative Service Delivery (ASD) agencies through formalizing high-level service agreements with them. It will also promote ways to increase efficiency and eliminate duplication through partnership agreements with clients to consolidate the management of facilities where appropriate. Lastly, RPS will provide a forum for dialogue and collaboration on real property issues through the ADM Management Advisory Committee and national and regional client forums.
  
- ◆ **Repositioning with the Private Sector, Provinces and Territories [Getting Government Right through Alternative Forms of Delivery (AFD)]** — During 1996/97, RPS did a fundamental review of its core versus non-core services and embarked on an initiative to transfer the delivery of (although not accountability for) a number of its operational activities to the private sector. In March 1998, PWGSC entered into contracts with Brookfield Lepage Johnson Controls (BLJC) valued at \$170 million per annum to provide property management services for most Crown-owned buildings within the RPS portfolio. These contracts are intended to generate savings of approximately \$20 million per annum and entailed transferring approximately 500 RPS employees to BLJC. Later in the year, AFD agreements were signed with the British Columbia Building Corporation and the Saskatchewan Property Management Corporation. Throughout the planning period, RPS will work to ensure that the AFD model is implemented to the satisfaction of federal clients in the affected PWGSC buildings. It will consolidate the relationships with BLJC and the two provinces to ensure quality client service, due diligence, maintenance or improvement in the integrity of assets and the expected financial savings. It will also ensure that appropriate accountability mechanisms are developed and applied. The AFD model will be evaluated to assess its applicability to other assets within the custody or management of the Department. Finally, contracting processes will continue to be streamlined to further improve relationships with small and medium-sized firms.
  
- ◆ **Adding Value to Client and Government** — Real property assets and facilities such as the Confederation Bridge provide visibility for Canada's federal government. RPS provides architectural and engineering services in support of the development and maintenance of national parks, national

*RPS will deliver on its client satisfaction agenda by providing more integrated services - within a heartbeat of the client.*

historical sites, heritage canals and other protected heritage assets, all of which are important symbols for Canadians. It is also supporting the Department of Veterans Affairs in the development of their commemorative programs in Europe.

Among Canada's most cherished national treasures are the buildings on Parliament Hill, several of which date from the 1860s. RPS has embarked on a program of major renovation projects to repair and preserve these buildings for future generations. An important event for Canadians is the creation of Nunavut. RPS is acting as the real property advisor and manager in this huge undertaking to ensure the infrastructure is in place to support the new government.

With respect to its diverse inventory of buildings across the country, RPS will continue to meet the needs of clients and optimize federal investment in real property. It will ensure that the systems in its buildings (for example, heating, security and ventilation) are Year 2000 compliant and that its buildings continue to be managed in response to environmental, technological, accessibility and heritage considerations. The Branch will adopt a leadership role in adapting office accommodation to help the federal government meet its House in Order strategy to reduce greenhouse gas emissions as a part of the Kyoto Protocol commitment. RPS will rationalize the federal inventory through community-based investment strategies and will strive to achieve efficiencies for the federation in partnership with provincial and municipal governments.

*RPS will ensure that the systems in its buildings are Year 2000 compliant and that its buildings continue to be managed in response to environmental, technological, accessibility and heritage considerations.*

- ◆ **Timeliness and Affordability of Services** — In addition to those strategies already described in this document, RPS is adopting several others to improve the timeliness and affordability of its services. Among them is an initiative to identify and implement better processes for managing projects and delivering services. As well, the Branch will develop an annual Strategic Information Management Plan as a blueprint for using management information and information management technologies effectively.
- ◆ **Human Resources - Rebuilding the Spirit and Capacity of Our People** — The major upheaval in RPS caused by four years of restructuring and the recent move of some 500 employees to the private sector as a result of the AFD initiative, calls for a period of rebuilding. This is a priority for RPS and will be achieved through two interrelated strategies identified in the RPS *La Relève Action Plan*. The first strategy is to create a progressive, adaptable learning organization. Such an organization is critical to maintaining expertise in real property disciplines, while building new competencies, especially in the expanded role as a real property advisor. To do so, RPS will develop integrated, individual learning plans for all employees. The second interrelated strategy is aimed at renewing the

Branch by aggressively recruiting qualified people through term contracts and programs such as the Management Trainee program and other public service entrance programs.

Critical to successfully carrying out the above activities, which individually and collectively entail a major culture and human change, is effective risk and resource management. The RPS strategies for these two areas are outlined below:

- ◆ **Risk Management** — RPS is managing risk, which is inevitable during a period of transformation, through a range of modern risk management techniques. It is focusing its attention on risks associated with AFDs, the move of several long standing clients to agency status and embedded building and business systems affected by the Year 2000 problem.
- ◆ **Resource Management** — RPS will develop a new financial framework to rationalize its external and internal pricing and charging practices and to ensure that the current funding mechanisms (a net-voted Appropriation for federal accommodation and holdings and two separate Revolving Funds for Services/Disposals) are adjusted to meet the Branch business and program requirements.

## Supply Operations Service

*Planned Spending*

(millions of dollars)	Forecast Spending 1998-99	<b>Planned Spending 1999-00</b>	Planned Spending 2000-01	Planned Spending 2001-02
<b>Service Line</b>				
<i>Vote</i>				
Gross Expenditures	123.4	<b>123.7</b>	119.1	116.5
Less: Revenue Credited to the Vote	16.3	<b>18.7</b>	18.7	18.7
Net Expenditures	107.1	<b>105.0</b>	100.4	97.8
<i>Optional Services Revolving Fund</i>				
Gross Expenditures	70.5	<b>78.6</b>	78.6	78.6
Less: Revenue	70.6	<b>78.7</b>	78.7	78.7
Net Resources (Provided) Used	(0.1)	<b>(0.1)</b>	(0.1)	(0.1)
<b>Total Supply Operations Service</b>	107.0	<b>104.9</b>	100.3	97.7

Totals may not add up due to rounding.

### **Objective**

To provide quality procurement and procurement-related common services to federal government departments and agencies, and to provide quality disposal services for federal government departments.

### **Description**

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

Supply also includes certain specialized activities: marine inspection and technical services; cost analysis support; management of Crown-owned production assets; industrial security and personal security screening services for PWGSC and industry; development and maintenance of consensus standards and conformity assessment services; management of seized property (assets seized as a result of being obtained from the proceeds of crime); central freight, travel management, and household goods removal services; and, transportation advisory services.

*SOS provides common services for acquiring goods and services on behalf of the federal government.*

The Crown Assets Distribution (CAD) component provides disposal services for all federal government departments and agencies. Disposal methods include sale, transfer, trade-in, donation, lease, loan and destruction. Client departments receive 100% of the net proceeds from the sale of surplus assets (gross proceeds less direct selling expenses and commissions), with the exception of seized assets.

**Supply Operations Services Commitments**

The following table summarizes the enduring commitments of the SOS Business Line and outlines how success will be demonstrated and measured.

<b>To provide Canadians with:</b> Supply operations services that support federal government departments through expertise in procurement and related common services and disposal services.	
<b>Demonstrated by:</b>	<b>Success Measures:</b>
<ul style="list-style-type: none"> <li>■ Cost-effective delivery of procurement and related services</li> </ul>	<ul style="list-style-type: none"> <li>• The efficiency of the Acquisitions function as monitored according to the <i>Cost per \$100 Business Volume</i></li> <li>• The number of seminars delivered to the following groups of suppliers to provide them with information on government-wide contracting                             <ul style="list-style-type: none"> <li>✦ Small and medium-size enterprises</li> <li>✦ Aboriginal businesses</li> <li>✦ Minority official language suppliers</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>■ Trends in the ratio of contracts with small versus large business</li> </ul>	<ul style="list-style-type: none"> <li>• Trends in the ratio of contracts awarded to small versus large businesses</li> </ul>
<ul style="list-style-type: none"> <li>■ More competitive versus non-competitive procurement</li> </ul>	<ul style="list-style-type: none"> <li>• Improvements in the award ratio of <i>competitive versus non competitive</i> contracts for Acquisitions</li> </ul>
<ul style="list-style-type: none"> <li>■ Cost-effective disposal of surplus government assets</li> </ul>	<ul style="list-style-type: none"> <li>• Dependent upon the Service Delivery Model chosen</li> </ul>

**SOS Operating Environment**

Several factors are expected to affect the Supply Operations Service (SOS) Business Line in the planning period. The aggressive stance taken by many suppliers in view of reduced government spending has generally prompted suppliers to rely to a greater extent on such mechanisms as the Canadian International Trade Tribunal (CITT) and the courts. For example, between 1994-95 and 1997-98, the number of CITT complaints doubled. As all signs would indicate that this trend will continue, responding to these complaints and inquiries will be highly resource-intensive for the SOS Business line. The increased oversight of particular contracts is also mirrored in other areas of operations, as the contracting process in general comes under more scrutiny.

The policy and legislative framework governing contracting activities is constantly changing and being reviewed. In previous years, certain factors or pressures have required the organization to examine and adjust its internal



priorities and focus resources on specific initiatives, such as providing support to trade agreements, absorbing transition costs and assessing vendor performance. The need for the organization to adjust to these pressures is expected to continue.

At the same time as external pressures are increasing, resources devoted to procurement across government have decreased. SOS will need to share its procurement expertise with other departments carrying out their own procurement. For example, as clients begin to implement Alternative Service Delivery mechanisms, SOS may be called upon with increasing regularity to manage the more resource-intensive, complicated contracts.

### **Strategies and Key Activities**

SOS will focus on the following strategies and key activities over the planning period.

- ◆ **Procurement Reform** — SOS will work closely with the Treasury Board Secretariat, the Department of National Defence and Industry Canada to define the roles, responsibilities and accountabilities for reforming the procurement process. A multi-dimensional Oversight Committee has been established to guide, direct and monitor the evolution of procurement reform and ensure that its objectives are met.
- ◆ **Managing Risk** — The principal purpose of the Benefits Driven Procurement (BDP) process is to manage the inherent risk in complex government procurement projects. BDP will begin this process through the use of BDP Orientation and Advanced levels of training, which will involve risk identification, assessment, management and monitoring. A BDP web site will be launched carrying the BDP “Tool Box”, which provides practical and hands-on examples, methods and strategies for managing risk in a BDP environment. A Centre of Excellence is staffed by employees who have in-depth knowledge and expertise in the areas of complex procurement, communication, business and risk management strategies.
- ◆ **Electronic Tendering** — **MERX<sup>TM</sup>**, the government’s electronic tendering service (GETS), helps the government ensure that the procurement process is open and accessible and that it provides best value for taxpayers. Universal access to government procurement opportunities is essential to achieving openness, transparency and integrity in government.

For 1999-00, PWGSC will continue to provide the technical assistance necessary to increase the usage of **MERX<sup>TM</sup>** by international, federal, provincial and municipal governments. Improvements to make the system more efficient will be carried out. These include reducing delays in

*SOS continues to be challenged by a new business climate that is characterized by rapid changes in technology and by the complexity of today’s supply environment*

posting notices and documents. In future, Cebra Inc., the service provider, will improve the technical design of the MERX™ system and begin providing on-demand printing of blueprints.

In addition, under the Contracts Canada initiative, SOS will continue developing a streamlined registration process for all suppliers. Work will begin with a pilot data base of vendor information that is accessible by all government departments and agencies, and which will enable them to test the usefulness of the data. The pilot was available in November 1998 and will be put into production in 1999-00 for vendors to register. The Contracts Canada registration system will be linked electronically with MERX™ in 1999-00 to provide one-stop registration with Contracts Canada and MERX™

*MERX™, the government's electronic tendering service, helps the government ensure that the procurement process is open and accessible and provides best value for taxpayers.*

- ◆ **Year 2000** — To support the government's effort to resolve Year 2000 systems compliance, SOS has established the dedicated Year 2000 Procurement Office to ensure the ready availability of private sector expertises and resources. In addition, SOS has utilized a number of procurement vehicles including the *Mission Critical Systems Contracts* and standing offers for the acquisition of products such as microcomputers, commercially-available off-the-shelf software and inter-networking equipment. SOS is now developing a Supply Arrangement for the provision of IT professional services in support of departments' non-mission critical systems. These arrangements will be awarded in April 1999. For those Year 2000 requirements considered to be a matter of national security or an emergency, SOS is in the process of establishing a process to develop a procurement strategy and communicate it to the user department within 48 hours. SOS will continue to update client departments on the procurement tools available to help solve Year 2000 problems.
- ◆ **SOS as a Learning Organization** — Over the past few years, program reviews and budget reductions have translated into many significant changes for SOS. The organization continues to be challenged by a new business environment that is characterized by, among other things, rapid changes in technology and by the complexity of today's supply environment. In responding to these challenges, staff have learned to work smarter. SOS's Learning Organization initiative is looking at ways to capitalize on these skills to benefit the entire organization.

- ◆ **Aboriginal Training Program** — PWGSC will continue with three pilot projects to encourage members of Canada's Aboriginal community to pursue opportunities that will increase their knowledge and skills in the area of procurement. The program comprises three projects:
  - ***The Internship Pilot Project*** — This project provides opportunities for Aboriginal youth and members of Aboriginal businesses to learn various aspects of procurement through six-month assignments.
  - ***Training Opportunities with SOS and Regional Supply Operations Offices of PWGSC*** — This project allocates, on a first-come, first-served basis, between 4-6 places in each SOS procurement course for members of Aboriginal organizations and businesses from across Canada.
  - ***Temporary Assistance to Aboriginal Businesses and Organizations*** — This program makes PWGSC procurement specialists available for one-, two- or three-week assignments to help meet procurement-related needs of Aboriginal organizations and businesses.
  
- ◆ **Effective disposal of federal government surplus material** — A study was done in 1998 to assess the potential for discontinuing the Crown Assets Distribution (CAD) business activities. Two options were examined: contracting out to the private sector; and privatizing the CAD service as a viable business. CAD is developing a model, based on the study recommendations, whereby PWGSC will retain responsibility for managing the service, while contracting for most of the delivery. CAD will also prepare implementation, human resources and communications plans as well as project plans identifying the resources required, detailed cost information, expected savings, transition costs and schedule.

## Receiver General

### *Planned Spending*

(millions of dollars)	Forecast Spending 1998-99	<b>Planned Spending 1999-00</b>	Planned Spending 2000-01	Planned Spending 2001-02
<b>Service Line</b>				
<i>Vote</i>				
Gross Expenditures	124.5	<b>121.7</b>	120.8	120.7
Less: Revenue Credited to the Vote	23.3	<b>23.4</b>	23.1	23.1
<b>Net Expenditures</b>	101.1	<b>98.3</b>	97.6	97.6

Totals may not add up due to rounding.

### ***Objective***

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

### ***Description***

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

**Receiver General Commitments**

The following table summarizes the enduring commitments of the Receiver General Business Line and outlines how success will be demonstrated and measured.

<b>To provide Canadians with:</b> Effective Receiver General operation of the federal treasury and maintenance of the Accounts of Canada.	
<b>To be demonstrated by:</b>	<b>Success Measures:</b>
<ul style="list-style-type: none"> <li>■ Safe, secure payment delivery systems and infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• Success in providing uninterrupted government-wide mission critical services through January 2000 (subject to uncontrollable external events)</li> <li>• The degree to which client service requirements are met, as indicated by requests for new services, acceptance of existing services, the annual opinion of the Auditor General, and internal audit reports and threat and risk assessments</li> <li>• The degree to which payment and other services meet established norms for timeless, accuracy, completeness, security, and efficiency</li> </ul>
<ul style="list-style-type: none"> <li>■ Optimum level of direct deposit of government payments to recipients' bank accounts</li> </ul>	<ul style="list-style-type: none"> <li>• Annual savings</li> </ul>
<ul style="list-style-type: none"> <li>■ Cost-effective maintenance of the Accounts of Canada and production of the government's financial statements</li> </ul>	<ul style="list-style-type: none"> <li>• The degree to which accounts are maintained and reports produced in a timely, accurate, and complete manner on a consistent and comparable basis from year to year</li> </ul>
<ul style="list-style-type: none"> <li>■ Implementation of full accrual accounting and capitalization of fixed assets</li> </ul>	<ul style="list-style-type: none"> <li>• Level of success in meeting major milestones in the Financial Information Strategy project</li> </ul>

**Receiver General Operating Environment**

Receiver General services will be evolving as a result of pressures for change from several sources. These include: public sector reform, technological evolution, and work force renewal. More specifically, Receiver General services are being affected by the government's new Financial Information Strategy (FIS) and by demands from clients to deliver more cost-effective services and to take advantage of emerging technologies — including electronic commerce. Because these changes are occurring so quickly, it is necessary to work closely with client departments and central agencies. These changes also require the Business Line to work closely with suppliers to assess how any new services they may offer could better support Receiver General services.

Along with the pressure for change, the Receiver General faces a number of challenges. As a mission-critical function, the Business Line's first priority is to ensure continuity of service to the public, both directly through payment issue, and indirectly through the accounting and revenue collection services it provides to government departments. The major challenge in terms of maintaining continuity of service is to ensure that the Business Line is ready for Year 2000. The Receiver General systems and technical infrastructure are

*The Receiver General's first priority is to ensure continuity of service to the public by making sure that the Business Line is ready for Year 2000.*

already Year 2000 compliant, but operate within a large and complex technical infrastructure that has required upgrading. In addition, most of the systems that interface with the Receiver General systems in government departments and the financial institutions are being upgraded or replaced. As a result, systems within the PWGSC technical infrastructure as well as those within client departments and the financial institutions will have to be tested extensively throughout this fiscal year and into the next. This testing represents a major workload for the Business Line.

*The Receiver General strategy is focused on upgrading delivery systems and processes with a view to moving toward a paperless environment.*

A significant challenge in the short term will be the pilot and preparation for implementation of the FIS, which will support the government-wide initiative to improve modern comptrollership and financial management. FIS will help the Receiver General to improve the accuracy and completeness of government accounting through both introducing a private sector accounting model with full accrual accounting and capitalization of fixed assets, and significantly re-engineering the central accounting function. Extensive demands on the Business Line from departments are anticipated for documentation, training, and advice on preparation for the FIS.

### **Strategies and Key Activities**

The Receiver General Business Line will focus on the following strategies and key activities over the planning period.

- ◆ **Year 2000 Activities** — PWGSC manages a number of key activities for government that rely heavily on electronic delivery systems and which support the key Receiver General functions. Work is proceeding on making government-wide mission critical Receiver General systems Year 2000 compliant. To obtain further information on all PWGSC Year 2000 activities, please refer to Section C, Consolidated Reporting.
- ◆ **Supporting Public Sector Reform** — The Receiver General Business Line will support the government-wide initiative to improve financial management through implementing a new Financial Information Strategy. The Business Line will also support program departments in delivering joint federal-provincial-territorial initiatives.
- ◆ **Improving Service Through Technological Innovation** — The Receiver General Business Line strategy is focused on upgrading delivery systems and processes with a view to moving toward a paperless environment. The Receiver General is playing a prominent role in the federal government's electronic commerce thrust by creating a revenue and payment infrastructure that will better support program departments in improving service to the public and decreasing administrative costs. The use of electronic commerce to improve service to federal government suppliers will be expanded (as will the use of electronic banking services) to enable departments to cope with program demands.

- ◆ **Openness, Integrity, and Responsiveness** — The Receiver General Business Line will continue to find ways to streamline and improve the quality and range of the services it provides. One of the important initiatives in the planning period aimed at maintaining or improving the security and stability of service is the redesign of the Receiver General cheque. Marketing of direct deposit as a secure, reliable, convenient and cost-effective service will continue.
  
- ◆ **Workforce Renewal** — The ability of the Receiver General Business Line to deliver its services will entail a concentrated effort to ensure that its workforce is properly trained and motivated. To this end, the Business Line is participating fully in the Government Operational Service (GOS) La Relève Action Plan. The success of these initiatives will be measured by the extent to which three key objectives are met:
  - To ensure that all employees clearly understand the overall business direction;
  - To ensure that employees are aware of their role in achieving the Business Line's overall plan; and
  - To ensure that employees have access to the tools and training necessary to do their jobs effectively.

## Public Service Compensation

### Planned Spending

(millions of dollars)	Forecast Spending 1998-99	Planned Spending 1999-00	Planned Spending 2000-01	Planned Spending 2001-02
<b>Service Line</b>				
<i>Vote</i>				
Gross Expenditures	49.1	55.5	41.1	41.2
Less: Revenue Credited to the Vote	3.5	3.5	3.5	3.6
<b>Net Expenditures</b>	45.5	52.0	37.6	37.6

Totals may not add up due to rounding.

### Objective

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

### Description

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

### Public Service Compensation Commitments

The following table summarizes the enduring commitments of the Public Service Compensation Business Line and outlines how success will be demonstrated and measured.

<b>To provide Canadians with:</b> Compensation services to government departments, agencies and public servants.	
<b>To be demonstrated by:</b>	<b>Success Measures:</b>
<ul style="list-style-type: none"> <li>■ Implementation of the compensation provisions of the collective agreements and policies of the federal government</li> </ul>	<ul style="list-style-type: none"> <li>• Progress on government wide horizontal files such as Year 2000, the Financial Information Strategy, collective bargaining, pension reform, and pay equity</li> </ul>
<ul style="list-style-type: none"> <li>■ Cost-effective payroll operations, pension plan administration, and systems infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• Financial performance measures such as the ratio of service line costs to accounts serviced over time</li> </ul>
<ul style="list-style-type: none"> <li>■ Accurate payments, tax remittance, and collection of contributions</li> </ul>	<ul style="list-style-type: none"> <li>• Meet service standards</li> </ul>



### **Public Service Compensation Operating Environment**

Several factors will exert pressure on Compensation Services to change the way it operates. These include public sector reform, technological evolution, increased public scrutiny and service expectations, and the need for a renewed work force. Increased departmental autonomy, federal-provincial-territorial cooperation, Alternative Service Delivery, the Financial Information Strategy, collective bargaining, employment equity and the Universal Classification Standard represent some of the specific challenges. Given the sensitivity, importance and precise nature of compensation services, compensation will remain effective only if it maintains open and responsive relations with clients and stakeholders.

*Public Service Compensation will continue to maintain open and responsive relations with clients and stakeholders.*

Maintaining the service level for pension operations is proving to be a significant challenge. Demographic change, one-time initiatives such as revisions to pensions due to Pay Equity and Universal Classification, new benefits such as Transfer Values and committed value, and new tax compliance measures (Pension Adjustment Reversal) are combining to put pressure on the Business Line.

### **Strategies and Key Activities**

The Public Service Compensation Business Line will focus on the following strategies and key activities over the planning period.

- ◆ **Year 2000 Activities** — These activities involve obtaining Year 2000 accreditation for the government compensation and superannuation systems, including related support systems. These are government-wide systems and successful conversion is considered mission-critical. Specific plans are in place to permit a complete Year 2000 conversion, including comprehensive testing. Appropriate contingency plans have been created to ensure continuity of service. Further information on all PWGSC Year 2000 activities may be found in Section C, Consolidated Reporting.
- ◆ **Supporting Public Service Reform** — This initiative involves supporting the development of Alternative Service Delivery agencies across government (the Canadian Parks Agency, the Food Inspection Agency and Canada Customs and Revenue Agency); implementing Pay Equity, Collective Bargaining Agreements, and the Universal Classification Standard (UCS); and implementing the Financial Information Strategy (FIS) and the Federal and Provincial Budget Measures, including Canada and Quebec Pension Plans and Tax Reform.

Another government initiative in Human Resource Management is to revise the pension plans of the Public Service, the Royal Canadian Mounted Police (RCMP) and the Department of National Defence (DND). For the Public Service pension plan, the Business Line will be responsible

for managing the transition to the new administrative arrangements for the plan. This will also involve the establishment of a new pension plan separate from the existing one. The revised pension services will affect government departments as well as a number of Crown corporations and territorial governments. Changes to the RCMP and DND plans will also be implemented during the planning period.

- ◆ **Improving Service and Reducing Costs Through Investment in Technology** — Once Year 2000 changes have been completed to the systems infrastructure, the Department will resume its efforts to improve service and reduce costs to government through additional investments in technology. Service improvements will be geared toward reducing work in process in Regional offices and improving control of the Transfer Value workload process for pension administration. Technological investment will be made through several initiatives: the implementation of Electronic Data Interface (EDI) for payroll remittances, the continuation of the automation of compensation manuals, the upgrade of the Contributor and Annuitant Systems and the creation of a Compensation Integrated Testing Environment.
- ◆ **Operating with Integrity, Openness and Responsiveness** — Over the planning horizon, the Business Line will use several approaches to encourage dialogue with the compensation community. These include consulting with the community on the results of the past year as published in the Annual Report for the business; participating, along with departments, in the Association of Compensation Managers; and participating with Treasury Board Secretariat staff and departments on projects to implement public service reform, such as priority setting through annual planning meetings with the Chief Human Resources Officer. Close consultation with client departments and Treasury Board Secretariat staff is planned to identify and prioritize improvements to be made to systems and processes.

*Public Service  
Compensation  
administrators  
government payroll  
and pension  
processes.*

As part of the thrust towards openness and responsiveness, TBS and the Department also agreed on mechanisms to ensure closer collaboration on major projects and on accounting for results through the Annual Report to Parliament by the President of the Treasury Board. The Business Line will continue to improve the Performance Management Framework developed for both pay and pension products in 1998. This will result in improved reporting of the results achieved by Compensation Services. Regarding the improving of client service, the Business Line has established a bi-annual client-satisfaction survey. It will use the results to find ways to improve service.

- ◆ **WorkForce Renewal** — The ability of the Business Line to deliver its services will entail a concentrated effort to ensure that its workforce is properly trained and motivated. To this end, the Business Line is participating fully in the Government Operational Service (GOS) La Relève Action Plan. The success of the La Relève initiatives will be measured by the extent to which three key objectives are met:
  - To ensure that all Business Line employees clearly understand the overall business direction;
  - To ensure that employees are aware of their role in achieving of the Business Line’s overall plan; and
  - To ensure that employees have access to the tools and training necessary to do their jobs effectively.

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

### *Planned Spending*

(millions of dollars)	Forecast Spending 1998-99	<b>Planned Spending 1999-00</b>	Planned Spending 2000-01	Planned Spending 2001-02
<b>Service Line</b>				
<i>Government Telecommunications and Informatics</i>				
<i>Services Revolving Fund</i>				
Gross Expenditures	166.7	<b>145.7</b>	141.0	136.9
Less: Revenue	166.3	<b>145.7</b>	141.0	136.9
<b>Net Resources (Provided) Used</b>	0.4	...	...	...

Totals may not add up due to rounding.

### **Objective**

To provide integrated Information Management/Information Technology (IM/IT) business solutions to enable electronic delivery of government services.

### **Description**

*PWGSC is a principal agent for implementing an IM/IT infrastructure that supports modernized delivery of government programs.*

The IM/IT Common Services Business Line manages the delivery of common IM/IT and electronic commerce infrastructure enabling federal departments and agencies to engage in electronic service delivery. It also provides leadership in supporting government initiatives to solve fundamental IM/IT issues, such as the Year 2000 business continuity imperative. The IM/IT Common Services Business Line offers the following types of common services:

- ◆ **Electronic Service Delivery**, which provides Electronic Commerce (EC) capabilities and integrated IM/IT solutions to transform traditional program delivery to client-centric electronic service delivery;
- ◆ **Telecommunications**, which provides basic telecommunications transport services enabling the transfer of government information;
- ◆ **Computing**, which provides a unified and interoperable workstation and computing environment integrating applications, information and computing tools;
- ◆ **Applications Management**, which provides and integrates services for common support applications and government-wide services.

**IM/IT Common Services Commitments**

The following table summarizes the enduring commitments of the IM/IT Common Services Business Line and outlines how success will be demonstrated and measured.

<b>To provide Canadians with:</b> Effective government telecommunication and informatics services that provide integrated information management/information technology (IM/IT) business solutions to enable electronic delivery of government services.	
<b>To be demonstrated by:</b>	<b>Success Measures:</b>
<ul style="list-style-type: none"> <li>■ Year 2000 compliance of PWGSC’s central and common services, and leadership in resolving government-wide issues related to the Year 2000 business imperative</li> </ul>	<ul style="list-style-type: none"> <li>• Achievements against the Year 2000 Integrated Master Plan</li> </ul>
<ul style="list-style-type: none"> <li>■ Cost-effective management and enhancement of telecommunications, computing and applications services for government</li> </ul>	<ul style="list-style-type: none"> <li>• Savings generated by strategic IM/IT infrastructure and services, and number of clients, client diversity and business volumes of infrastructure and service components</li> </ul>
<ul style="list-style-type: none"> <li>■ Secure, reliable, accessible, affordable and interoperable electronic commerce infrastructure and services for conducting business electronically within government and externally with businesses and the public</li> </ul>	<ul style="list-style-type: none"> <li>• Increase in the use of electronic commerce infrastructure</li> <li>• Degree of increase in connectivity between departments and other levels of government</li> </ul>

**IM/IT Common Services Operating Environment**

Resolution of the Year 2000 system-date conversion issue continues to be a top priority for the Government of Canada and PWGSC. This issue is consuming the attention of senior management and IM/IT resources across government. Due to its critical importance to the integrity of government operations and program delivery, the Year 2000 priority has delayed resolution of other key priorities and issues, such as the funding and governance of strategic IM/IT infrastructure for government.

In addition to addressing the Year 2000 issue, the federal government is clearly focused on the modernization of program delivery to Canadians. The government is calling on the Public Service of Canada to use technology to better serve citizens and provide more access to government services on their terms and according to their needs. It calls on departments to share and operate a common infrastructure for the Government of Canada to support government programs promoting citizen engagement, connectivity and the inclusion of all Canadians through electronic service delivery. IM/IT provides government with the means to put the institutional knowledge of different levels of government at the service of Canadians and their communities. Resolution of funding and governance issues related to the government’s strategic IM/IT infrastructure is fundamental to achieving a vision of integrated, citizen-centred service delivery.

As the principal agent for implementing strategic IM/IT infrastructure in support of modernized program delivery, PWGSC manages its activities within a complex environment. Deregulation of the telecommunications industry has changed PWGSC's traditional role in large-scale purchase and resale of telecommunications services. Increasing private-sector competition in telecommunications and informatics requires that PWGSC position itself in a complementary relationship with the private sector. The potential withdrawal of Alternative Service Delivery (ASD) organizations and some large departments from participating in the development and use of the Government of Canada's strategic IM/IT infrastructure could adversely affect the viability of this infrastructure to support citizen-centred services delivered collaboratively by federal departments and other levels of government.

*PWGSC will ensure that the Department's government-wide mission critical systems and interdependent High-Priority Applications are Year 2000 compliant.*

The combined effects of deregulation, competition and optionality have resulted in the current situation where the sustainability of critical IM/IT infrastructure services is at risk. The IM/IT Common Service Business Line is currently engaged with the Treasury Board Secretariat/Chief Information Officer and federal departments in the Strategic IM/IT Infrastructure Initiative to develop a sustainable approach for the management and delivery of the federal government's IM/IT infrastructure. This initiative is expected to identify common infrastructure components needed to facilitate electronic service delivery, establish how these can best be delivered and funded, and provide appropriate governance for the new environment.

### **Strategies and Key Activities**

The IM/IT Common Services Business Line will focus on the following strategies and key activities over the planning period.

- ◆ **Implementing the Departmental Integrated Master Plan for ensuring Year 2000 Compliance** — The Business Line will ensure that government-wide mission critical systems for the Receiver General, Banking and Cash Management, the Public Service Compensation functions and interdependent High-Priority Applications and infrastructure are Year 2000 compliant. IM/IT Common Services will work with the private sector to ensure that telecommunications systems are Year 2000 compliant. Strategies include focusing on Year 2000 as the IM/IT Common Services Business Line's first priority and managing the Year 2000 Integrated Master Plan for common and central services that PWGSC provides to all federal departments and agencies. The Business Line will also participate in the Treasury Board Year 2000 governance structure as Chair of the Telecommunications Subcommittee of the Year 2000 Interdepartmental Working Group. As well, the Business Line will participate in a number of Year 2000-related subcommittees, working groups and steering committees.

- ◆ **Managing the Delivery of Strategic IM/IT Infrastructure Services** — These services include telecommunications, the Government Enterprise Network, electronic message handling and data centres. Strategies include: participating as co-chair with the Treasury Board Secretariat-Chief Information Officer of the *Strategic IM/IT Infrastructure Initiative*; enhancing the provision of cost-effective IM/IT services on behalf of government; transforming the business line role from direct service delivery to value-added brokering and management; consolidating, rationalizing, optimizing and selectively outsourcing service delivery; working with the private sector to reduce service costs; developing new forms of service delivery and introducing new technologies within the context of the Service Management Model; and benchmarking current service delivery to determine the benefits of Alternative Service Delivery.
  
- ◆ **Managing the Development and Delivery of the Infrastructure for Electronic Commerce and Electronic Service Delivery** — This infrastructure supports government policy to modernize the way it delivers services. Strategies include targeting procurement, through the settlement process and cash management operations, for transformation to electronic commerce; engaging the supplier and financial institutions in developing electronic commerce in government; developing and supporting shared electronic commerce applications and initiatives for departments; focusing on priorities such as electronic directories and Public Key Infrastructure; supporting government's client-centred service delivery initiatives; and identifying collaborative options within the emerging legislative, policy and regulatory environments.
  
- ◆ **Organizational Development** — The Business Line will ensure that it has the business and technical skills, and the business framework necessary for it to enable modernization of government program delivery. Strategies include establishing a unified business model, developing a new management agenda with clients, developing the skills necessary to work across jurisdictional boundaries, and promoting continuous learning, leadership and continuity.

## Consulting and Audit Canada

### *Planned Spending*

(millions of dollars)	Forecast Spending 1998-99	<b>Planned Spending 1999-00</b>	Planned Spending 2000-01	Planned Spending 2001-02
<b>Service Line</b>				
<i>Consulting and Audit Canada Revolving Fund</i>				
Gross Expenditures	59.7	<b>71.2</b>	71.1	71.1
Less: Revenue	60.8	<b>72.3</b>	72.2	72.2
<b>Net Resources (Provided) Used</b>	(1.1)	<b>(1.1)</b>	(1.1)	(1.1)

Totals may not add up due to rounding.

### **Objective**

To make a leading contribution, through its staff and the services they provide, to the improvement of public sector management and operations in Canada and abroad; and to balance the costs of operating Consulting and Audit Canada with the revenues received from charging clients for services.

### **Description**

*CAC will be a leader in the evolution of public sector management and operations, both through its client services and as a centre of expertise.*

Consulting and Audit Canada (CAC) is a Special Operating Agency that provides, on an optional fee-for-service basis, consulting and audit services to federal departments and agencies across Canada. Services may also be made available to foreign governments and international organizations. Clients are assisted in providing better service through improvements to public sector management, operations and administration, while meeting the priorities and needs of government. CAC stresses excellence in client service and the sharing of public sector expertise. Audit and related services are provided on request and include management-oriented special projects, assurance reviews, internal audit support, electronic data processing and information systems audits as well as cost, contribution and regulatory audit services. Consulting services are also available on request. These include program evaluation and operational review, organization and program management, project management, information management, shared systems support, economic and regulatory services, environmental management, conflict management and organizational development services, financial management, innovative management and service delivery, and international services.



**Consulting and Audit Canada Commitments**

The following table summarizes the enduring commitments of the CAC Business Line and outlines how success will be demonstrated and measured.

<b>To provide Canadians with:</b> Consulting and audit services that improve public sector operations and management.	
<b>To be demonstrated by:</b>	<b>Success Measures:</b>
<ul style="list-style-type: none"> <li>■ Provision of consulting and audit expertise and products to federal government departments and agencies</li> </ul>	<ul style="list-style-type: none"> <li>• Level of CAC involvement in public policy issues</li> <li>• Client savings resulting from CAC projects</li> <li>• Level of support to small and medium-sized businesses</li> <li>• Level of satisfaction among CAC clients</li> <li>• The maintenance of a net operational profit and positive cash flow</li> </ul>

**Consulting and Audit Canada’s Operating Environment**

Consulting and Audit Canada will continue to provide management consulting, audit and related services on an optional basis to the Government of Canada. CAC’s environment is defined by its clients and government priorities and is focused on:

- ◆ strengthening and forging new relationships and partnerships with citizens, other governments and other sectors of society, pursuing savings and efficiencies and improving service to clients;
- ◆ human resources management and accountability in areas such as building a more flexible and responsive workforce to meet client needs, results-based management and the introduction and use of management boards;
- ◆ enhancing its contribution to government, modernizing comptrollership and managing risk;
- ◆ developing cost-recovery plans and regulatory efficiency measures and investigating Alternative Service Delivery mechanisms;
- ◆ improving public sector management, operations and administration;
- ◆ revitalizing federal organizations and management systems, while continuing to improve service to clients; and
- ◆ helping to implement
  - the Financial Information Strategy,
  - Year 2000 compliance, and
  - the reduction of administrative burdens on operations and delivery of services.

### **Strategies and Key Activities**

The CAC Business Line will focus on the following strategies and key activities over the planning period.

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

- ◆ **Contributing to Public Sector Management** — CAC will continue to strive to be the preferred provider of consulting and audit services to the federal government. Its services and public sector expertise will continue to be relevant and in demand in the near future, given the ongoing revitalization of a down-sized public sector, rethinking and improving the delivery of services and programs, implementation of new management and planning concepts and cost recovery initiatives. CAC contributes to more effective public sector management, particularly by offering clients affordable, client-oriented and innovative services and conducts research and development in public sector management and administration. As well, it creates tools for, and approaches to, developing new products and services that help to transfer knowledge and expertise to clients and to the private sector through partnerships and contracts with small businesses.

Specifically, CAC will:

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

- ◆ **Enhancing Client Service** — CAC will continue to provide confidential, senior-level advice and services to government within the boundaries of client security requirements and the sensitivities of the public service. The Business Line also supports the government's Small Business Strategy. CAC will survey its clients to obtain their rating of the products and the quality of services it provides and will use the results of these surveys to improve all aspects of client service.

Specifically, CAC will:

- improve the process for gathering, assessing and reporting of client feedback on its performance;
  - follow up with clients on performance issues; and
  - revise, as necessary, services and the way they are delivered.
- ◆ **Financial Self-sufficiency** — Maintaining financial stability is a continuing challenge for the Business Line. CAC will balance expenditures from the revolving fund with revenues from its consulting and audit assignments by working to attract more business volume and deliver services at a lower cost. CAC intends to become a model for other public sector agencies in financial management.

Specifically, CAC will:

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

- ◆ **Human Resources Management** — CAC will build a more responsive and flexible organization by investing in information technologies and in training and development that link to its business objectives. The Business Line will develop recruitment and retention strategies and implement La Relève. CAC intends to promote and implement Human Resources Management initiatives that will maximize the participation of its employees in meeting the challenges of La Relève as well as its business objectives.

Specifically, CAC will:

- develop performance criteria to measure its organizational health;
- continue to evaluate, assess and ensure staff development; and
- make strategic investments in information technology and training.

## Translation Bureau

### Planned Spending

(millions of dollars)	Forecast Spending 1998-99	Planned Spending 1999-00	Planned Spending 2000-01	Planned Spending 2001-02
<b>Service Line</b>				
<i>Vote</i>				
Gross Expenditures	41.1	<b>37.6</b>	37.6	37.6
Less: Revenue Credited to the Vote	...	...	...	...
Net Expenditures	41.1	<b>37.6</b>	37.6	37.6
<i>Translation Bureau Revolving Fund</i>				
Gross Expenditures	109.0	<b>125.0</b>	122.5	120.9
Less: Revenue	99.8	<b>118.7</b>	119.1	119.5
Net Resources (Provided) Used	9.2	<b>6.4</b>	3.4	1.4
<b>Total Translation Bureau</b>	50.3	<b>44.0</b>	41.0	39.0

Totals may not add up due to rounding.

### Objective

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

### Description

The Translation Bureau was established as a Special Operating Agency in April 1995. The Bureau's translation services (official languages and over 100 other languages) to other federal government departments and agencies are optional and are provided on a cost-recovery basis. It receives vote funding for providing translation and interpretation services to Parliament and for supplying other government departments and agencies with standardized terminology and certain conference interpretation services. The Bureau maintains the mandate to standardize the use of terminology in the federal public service.

*The Bureau plays a valuable role in supporting Canadian linguistic duality and official languages minorities.*

**Translation Bureau Commitments**

The following table summarizes the enduring commitments of the Translation Bureau and outlines how success will be demonstrated and measured.

<b>To provide Canadians with:</b> Translation, interpretation and terminology services that help Parliament and the Government of Canada function in both official languages, and in other languages as required.	
<b>To be demonstrated by:</b>	<b>Success Measures:</b>
<ul style="list-style-type: none"> <li>■ Cost-effective and quality translation and interpretation services</li> </ul>	<ul style="list-style-type: none"> <li>• Revenue to expenditure ratio</li> <li>• The attainment of financial objectives</li> <li>• Level of client satisfaction</li> <li>• Quality levels of services and products</li> <li>• Changes to the age demographics within the Bureau and compared to federal government demographics</li> </ul>
<ul style="list-style-type: none"> <li>■ Standardized and accessible official language terminology to the federal Public Service</li> </ul>	<ul style="list-style-type: none"> <li>• Client satisfaction with new products</li> </ul>
<ul style="list-style-type: none"> <li>■ Continue to meet financial objectives as established in the Bureau’s Business Plan</li> </ul>	<ul style="list-style-type: none"> <li>• The attainment of financial objectives</li> <li>• Percentage of overhead relative to Bureau expenditures</li> <li>• Improvement in productivity</li> </ul>

**Translation Bureau Operating Environment**

The following factors affect the Bureau:

- ◆ The drive to find ways of delivering services more efficiently continues to pose challenges. Specifically, Alternative Service Delivery, along with the practice of optionality, continues to affect the Bureau as departments examine other sources of translation services.
- ◆ Another factor that will significantly affect the Translation Bureau’s performance is the growing cost of doing business. External costs are continually rising, whereas the Bureau’s ability to pass these price increases onto its clients is limited. The challenge will be to identify opportunities to optimize current revenue streams while controlling internal costs.
- ◆ A third factor that will influence the Bureau’s ability to operate effectively in the future is external recruitment. Demographics indicate that the Translation Bureau’s staff are aging. New staff must be hired if the Bureau is to have enough experienced people to meet the demand for service while maintaining standards. Experienced translators and interpreters have become a scarce resource as they age — both within and outside the Bureau — and as the demand for services continues to grow. In this respect, the Bureau is working closely with universities to ensure that young and qualified people are available for future recruitment. The Bureau plans to continue to

encourage other learning institutions and professional associations to assist in developing a strong pool of translators and interpreters for future recruitment.

- ◆ A final factor that directly affects the Bureau's operations is information technology. Many changes in technology within the Bureau are very much client-driven. To maintain its client base, the Bureau must continue to meet clients' demands for products in the medium and format they choose. The Bureau will also continue exploring ways to use innovative technology to both improve services and develop new markets.

### **Strategies and Key Activities**

The Translation Bureau Business Line will focus on the following strategies and key activities over the planning period.

*The Bureau provides quality and cost effective translation, interpretation and terminology products and services to Parliament, the judiciary, and federal departments and agencies.*

- ◆ **A National Presence** — The Bureau has played a valuable role in the past supporting Canadian linguistic duality and official languages minorities through the provision of terminology and standardization products and services; it will continue to do so. It will also continue cooperating with the *Office de la langue française* of Quebec in the fields of terminology and standardization. The pool of expertise in the Translation Bureau remains an important key for the federal government in upholding its commitments under the Official Languages Policy. Cooperation with the Commissioner of Official Languages and Treasury Board on standardization issues helps to affirm the Bureau's leadership in the field.
- ◆ **An International Presence** — The terminology bank, *TERMIUM*<sup>®</sup>, and the active participation in international fora relating to *La francophonie* have brought recognition to the Bureau. It is the intention of the Bureau to strengthen its ties with the international community to ensure a continual exchange of ideas and information.
- ◆ **Quality Services** — Results will continue to be high-quality, cost-effective translation, interpretation, terminology and other linguistic products and services.
- ◆ **Information Technology**—The Bureau will continue to investigate the impact of new technology trends with a view to both improving its administrative and operational performance and establishing a presence on the Extranet and Internet. This will provide greater accessibility to its products and services.
- ◆ **Productivity Gains** — The Bureau will take advantage of all opportunities to increase internal productivity. Steps will be taken to achieve more efficient integration of functions and services. Data manipulation processes will be streamlined through the introduction of an electronic request form, and new tools will be made available to Bureau translators to improve

efficiency. This approach will be complemented by a financial incentive pilot project for translation performed above a pre-established threshold.

- ◆ **Human Resources Management** — The Bureau has put in place a comprehensive human resource program linked to its business activities with a particular emphasis on La Relève. The program includes partnerships with universities and professional associations to ensure a rich learning environment for potential new recruits. The Bureau intends to fully utilize existing programs such as Co-op and Experience Canada to attract and retain young professional staff. The program is also designed to provide seasoned employees with opportunities to improve their competencies and develop their management skills.
- ◆ **Employee Incentives Plan** — The Treasury Board as the employer, the Translators (TR) Group, the Canadian Union of Professional and Technical Employees and the Bureau have reached an agreement for a financial incentive pilot project for TR employees. The plan, implemented on December 1, 1998, will end on March 31, 2000. The incentive plan will be funded by savings in contracting expenditures. It is expected that this initiative will improve productivity and serve to recruit and retain professional staff. The Bureau will closely monitor the impact of the project.

## Communications Coordination Services

### *Planned Spending*

(millions of dollars)	Forecast Spending 1998-99	<b>Planned Spending 1999-00</b>	Planned Spending 2000-01	Planned Spending 2001-02
<b>Service Line</b>				
<i>Vote</i>				
Gross Expenditures	60.5	<b>59.0</b>	18.7	18.7
Less: Revenue Credited to the Vote	...	<b>0.1</b>	0.1	0.1
Net Expenditures	60.5	<b>58.9</b>	18.5	18.5
<i>Optional Services Revolving</i>				
<i>Fund</i>				
Gross Expenditures	62.4	<b>33.9</b>	33.9	33.9
Less: Revenue	61.7	<b>33.2</b>	33.2	33.2
Net Resources (Provided) Used	0.7	<b>0.7</b>	0.7	0.7
<b>Total Communications Coordination Services</b>	61.1	<b>59.6</b>	19.2	19.2

Totals may not add up due to rounding.

### **Objective**

To support federal communications objectives by harmonizing the delivery of government information to Canadians and to provide effective communications support and coordination services to client departments and agencies.

### **Description**

*Government in the future will rely more heavily on its ability to communicate with citizens on an ongoing, interactive basis.*

The CCS Business Line's services include advertising and public opinion research coordination, value-added communications procurement services, publications management, Crown copyright administration, publishing the Canada Gazette, the Depository Services Program (DSP), media monitoring, Info-Canada\*, 1-800 call centre services, the Canada primary Internet site, Publiservice, and related web site development.

These services are core services to government. They fulfill a public policy need and/or they provide shared common services to all government communicators, and serve individual client departments (e.g., procurement services) and the broader communications objectives of the Government of Canada (e.g., Info-Canada\* and the Depository Services Program).

\*formerly Reference Canada



**Communications Coordination Services  
Commitments**

The following table summarizes the enduring commitments of the new Communications Coordination Services Business Line established in 1998-99.

<b>To provide Canadians with:</b>	<b>To be demonstrated by:</b>
<p>Communications services that provide easy public access to Government of Canada information, and that coordinate and support the communications activities for the Government of Canada and other government departments and agencies</p>	<ul style="list-style-type: none"> <li>■ Public access to government information through Info-Canada, the Canada primary Internet site, the Depository Services Program and publishing activities, including the <i>Canada Gazette</i>;</li> <li>■ Effective, timely, value-added communications procurement and project coordination</li> </ul>

**Communications Coordination Services Operating Environment**

This is a time during which the role of government is being redefined. Long-standing institutions are being reformed, and the Canadian federation is evolving to meet the challenges of the next century. Communication with the Canadian public, both in the form of conveying information and in receiving feedback, has taken on a larger role in the smooth and effective operation of government. At the same time, fiscal restraint and budgetary pressures continue to be factors affecting the depth and scope of the communications activities of individual federal departments.

Government in the future will rely more heavily on its ability to communicate with citizens on an ongoing, interactive basis. New technologies will play an important role in enabling these communications. In adopting these technologies, government must consider the extent to which the public has ready access to them. For the foreseeable future, government communicators must continue to complement electronic communications with traditional methods, such as print and telephone. This will be necessary to ensure that Canadians have fair access to government information and to the services they need and want.

Over the planning period, finding the appropriate balance between traditional methods of communication and new technologies will be a challenge for all government managers, particularly as cost control will continue to be a key factor in decision-making.

*Communications  
Coordination Services  
provides easy public  
access to Government  
of Canada information.*

### ***Strategies and Key Activities***

The Communications Coordination Services Business Line will focus on the following strategies and key activities over the planning period:

- ◆ Contribute to and/or coordinate government communications activities at both the operational and strategic levels;
- ◆ Support Government of Canada communications efforts by promoting and developing horizontal linkages among departmental communications activities;
- ◆ Maintain public access vehicles such as government publishing activities, including the Canada Gazette, Info-Canada, the Canada primary Internet Site, the Depository Services Program — all of which encourage and enable interactive communication between the government and citizens;
- ◆ Create more public awareness of the government's public access services through activities such as promoting Info-Canada services and the Canada primary Internet site in government advertising and/or the telephone Blue Pages;
- ◆ Explore new technology options that will enhance public access services, while ensuring equitable access by all Canadians to federal information (such as expansion of public access Internet services that are accessible by the visually impaired);
- ◆ Provide core communications procurement and project coordination services to federal departments that are useful, timely and value-added while ensuring prudence, probity and transparency throughout the process; and
- ◆ Work with central agencies to develop communications policies and guidelines to support the government's communications objectives.

## Operational Support

*Planned Spending*

(millions of dollars)	Forecast Spending 1998-99	<b>Planned Spending 1999-00</b>	Planned Spending 2000-01	Planned Spending 2001-02
<b>Service Line</b>				
<i>Vote</i>				
<b>Information Management / Information Technology - Departmental Operations</b>				
Gross Expenditures	149.7	<b>151.5</b>	149.2	149.1
Less: Revenue Credited to the Vote	23.0	<b>27.7</b>	27.7	27.7
Net Expenditures	126.7	<b>123.8</b>	121.6	121.4
<b>Corporate Management</b>				
Gross Expenditures	223.5	<b>126.6</b>	127.7	118.4
Less: Revenue Credited to the Vote	48.9	<b>43.1</b>	43.1	43.1
Net Expenditures	174.7	<b>83.6</b>	84.6	75.3
<b>Total Operational Support</b>	301.3	<b>207.4</b>	206.1	196.7

Totals may not add up due to rounding.

### **Objective**

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

### **Description**

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

**The IM/IT—Departmental Operations Service Line** includes providing information management and information technology support to PWGSC operations and its business lines.

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

### ***Operational Support Operating Environment***

The dominant factors influencing the Business Line's operating environment include the opportunities offered by new technologies, the pressure to provide flexible and responsive client services and the need to renew human resources. A key technology-related factor over the period will be the need to ensure Year 2000 compliance in all departmental systems.

In the client service area, greater emphasis is required on the provision of flexible and responsive services. Increased complexity in the delivery of services demands a flexible response by overhead services. Greater use of alternative sources of service delivery in government has created a more competitive and client oriented service environment.

With the increasing pace of change in the workplace, our human resources require constant upgrading and renewal. The implementation of a successful learning and development strategy will ensure the department's future ability to deliver its services and attract and retain staff.

### ***Strategies and Key Activities***

The Operational Support Business Line has developed the following strategic responses in relation to the environmental challenges that it faces:

- ◆ **IM/IT - Departmental Operations** — This Service Line will ensure that departmental financial systems are Year 2000 compliant in a timely fashion. It will position PWGSC as a "model user" of information technology in government, providing IM/IT support services that enable PWGSC to perform essential administrative functions such as the Receiver General for Canada, compensation services, real property services and procurement for goods and services, on behalf of the federal government.
- ◆ **Corporate Management** — This Service Line will prepare and coordinate appropriate responses to government-wide issues such as sustainable development and the integration of modern comptrollership principles into departmental operations. A framework for managing and integrating modern comptrollership principles into PWGSC's operations, and for reporting on progress in this direction will be established.
- ◆ **Human Resources Management** — This activity will emphasize the development of a flexible and responsive workforce by:
  - implementing an integrated human resources strategy that focuses on employment continuity, selective skills acquisition and development;
  - developing a more supportive management culture;
  - promoting the development of a learning organization in PWGSC.

## Crown Corporations Program

*Planned Spending*

(millions of dollars)	Forecast Spending 1998-99	<b>Planned Spending 1999-00</b>	Planned Spending 2000-01	Planned Spending 2001-02
<b>Business Line</b>				
<i>Votes</i>				
<b>Old Port of Montreal Corporation Inc.</b>	14.2	<b>7.8</b>	0.4	0.1
<b>Queens Quay West Land Corporation</b>	4.5	<b>3.0</b>	3.0	...
<b>Total Crown Corporations</b>	18.7	<b>10.8</b>	3.4	0.1

Totals may not add up due to rounding.

### Old Port of Montreal Corporation Inc.

***Objective***

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

***Description***

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

### Queens Quay West Land Corporation

***Objective***

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

***Description***

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

A source offering more information on PWGSC's Crown corporations activity is the President of the Treasury Board's Annual Report for 1998 on Crown corporations and Other Corporate Interests.



**Section III: Plans, Priorities and Strategies**

Objectives	Targets
<p><u>Water Conservation</u></p> <p><u>Energy Efficiency</u></p>	<ul style="list-style-type: none"> <li>• To continue to transfer PCB waste material to licensed destruction facilities within one year of receipt or as soon as it is feasible and economically viable to do so</li> <li>• To continue to meet the regulatory requirements for PCB waste storage</li> <li>• By March 31, 2000, incorporate construction solid waste diversion practices into Real Property Services project delivery system and implement for all future construction, renovation and demolition projects as applicable</li> <li>• By March 31, 2000, in concert with Canadian Construction Association, develop and disseminate construction industry best practices for solid waste management</li> <li>• To continue to comply with hazardous waste disposal regulations</li> <li>• To implement a PWGSC National Asbestos Management Plan by March 31, 2001, in all Crown-owned PWGSC buildings where there is asbestos</li> <li>• To develop a cost-effective strategy by March 31, 2000, to achieve a downward trend in the ozone depleting potential and global warming potential of chillers in the Crown-owned PWGSC inventory</li> <li>• To maintain refrigerant losses from chillers in the Crown-owned PWGSC inventory at a maximum of 4% per annum</li> <li>• To establish a National Master Standing Offer to provide a spills-response service to Crown-owned PWGSC property inventory by March 31, 2000</li> <li>• To continue the phase-out of PCB-containing equipment in PWGSC Crown-owned facilities as the equipment reaches the end of its life cycle or as Federal Buildings Initiative (FBI) upgrades are completed</li> <li>• To establish standards for and implement integrated pest management plans at all Crown-owned PWGSC facilities by March 31, 2001</li> <li>• To continue to comply with effluent discharge regulations, including local by-laws</li> <li>• To develop a protocol to use economical alternatives to hazardous materials and/or processes which generate hazardous waste by March 31, 2000</li> <li>• To ensure compliance with pending federal halocarbon regulations</li> <li>• To implement water conservation initiatives in Crown-owned PWGSC facilities by March 31, 2000, where it is feasible and cost-effective to do so</li> <li>• To complete by March 31, 2000, a study to identify cost-effective opportunities for more efficient and environmentally friendly sources of energy in Crown-owned PWGSC buildings</li> <li>• To implement FBI and other energy conservation measures in the PWGSC inventory by March 31, 2000, where an energy assessment has demonstrated that it is cost effective to do so</li> <li>• To continue to incorporate environmentally responsible clauses into the National Master Specifications with special reference to energy, water, solid and hazardous waste</li> </ul>

Objectives	Targets
<p><u>Land Use Management</u></p>	<ul style="list-style-type: none"> <li>• To update the Property Transfer Assessment procedures by March 31, 2000</li> <li>• To continue to support telework and remote access service</li> <li>• To continue to ensure that PWGSC dredging operations meet all applicable laws, codes and regulations, and are carried out in a manner that minimizes their negative environmental impact</li> <li>• To identify and prioritize contaminated sites, and prepare action plans by March 31, 2000, for Crown-owned PWGSC lands</li> <li>• To continue to remediate and monitor Crown-owned PWGSC contaminated sites as determined by action plans</li> <li>• To phase-out halon systems from Crown-owned PWGSC facilities by March 31, 2000</li> <li>• To demonstrate a downward trend in the average number per facility of potential regulatory infractions, as determined by the annual internal building reviews</li> <li>• To continue to meet the requirements of CEPA Part IV Registration of Storage Tank Systems for Petroleum Products and Allied Petroleum Products on Federal Lands Regulations (Storage Tank Regulations)</li> <li>• To meet the requirements of CEPA, Part IV Federal Aboveground/Underground Storage Tank Technical Guidelines by March 31, 2000</li> </ul>
<p>To green PWGSC's daily activities by practicing Green Citizenship</p>	<ul style="list-style-type: none"> <li>• To implement a national volunteer network and local sub-networks in every branch and region by March 31, 2000</li> <li>• To establish baselines for PWGSC paper consumption by March 31, 2000</li> <li>• For PWGSC employee office operations, to maintain annual waste sent to landfill to under 95 kilograms annually per FTE (against 1990 baseline of 190 kilograms)</li> <li>• To establish baseline measures for employee awareness of Green Citizenship objectives and techniques by March 31, 2000, to facilitate regular and ongoing progress monitoring</li> </ul>
<p>To provide assistance to clients in their initiatives to green operations, wherever feasible, and purchase environmentally friendly goods and services</p>	<ul style="list-style-type: none"> <li>• To continue to assist PWGSC tenants in effecting improvements in energy efficiency and water conservation</li> <li>• To continue to assist tenants in PWGSC's Crown-owned facilities to reduce annual waste sent to landfill through offering solid waste diversion service to PWGSC tenants as per regulatory requirements and when cost-effective to do so</li> <li>• To continue to offer services for hazardous waste disposal, where economically viable and where requested by the client</li> <li>• To continue to provide assistance to PWGSC clients to economically phase-out their halon systems</li> <li>• To prepare pollution-prevention clauses for inclusion in all PWGSC lease agreements signed after March 31, 2000, where cost-effective and feasible</li> <li>• To increase the number of National Master Standing Offers (NMSOs) for environmentally responsible goods and services</li> </ul>



**Section III: Plans, Priorities and Strategies**

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<b>Objectives</b>	<b>Targets</b>
	<ul style="list-style-type: none"><li>• To develop and update standards to address state-of-the-art technological innovations being applied to products. (Canadian General Standards Board undertakes a review of all its standards in accordance with the practice endorsed by the Standards Council of Canada and the International Organization for Standardization)</li></ul>

**Note: Additional information on departmental SDS plans and targets is available in the Real Property Services Branch SDS Performance Report for 1997-98.**

**Year 2000 Initiatives**

The following table outlines PWGSC's Year 2000 initiatives and expected results during the 1999 planning period.

Initiatives:	Expected Results:
<p>Year 2000 Program Master Implementation Plan:</p> <ul style="list-style-type: none"> <li>■ Conversion, testing and accreditation of PWGSC's Government-Wide Mission Critical (GWMC) Systems, as well as PWGSC's high-priority systems, and development of contingency and risk mitigation plans</li> <li>■ Ensuring that PWGSC's desktop environment is Year 2000 ready through the Office Infrastructure Renewal initiative to upgrade network operating systems, mail, cabling, corporate applications and desktop development tools</li> <li>■ Ensuring that PWGSC's computing environments are Year 2000 compliant</li> <li>■ Ensuring that strategic IM/IT infrastructure managed and/or provided by PWGSC for government departments is Year 2000 ready</li> </ul>	<ul style="list-style-type: none"> <li>• Year 2000 Accreditation of the 34 distinct applications that support the Department's GWMC Receiver General, Compensation, and Banking and Cash Management Systems used by all government departments and agencies, well in advance of January 1, 2000</li> <li>• Year 2000 Accreditation of PWGSC's High-Priority applications</li> <li>• Contingency and risk mitigation plans in place for PWGSC's Mission Critical and High Priority Systems</li> <li>• A desktop environment that is Year 2000 ready</li> <li>• Computing systems, subsystems and interfaces that are Year 2000 ready</li> <li>• Strategic IM/IT infrastructure services for government that are Year 2000 compliant, including data centre services, telecommunications, electronic commerce, satellite, bandwidth and network management services/functions</li> </ul>
<p>Active participation in the Treasury Board Year 2000 Governance Structure:</p> <ul style="list-style-type: none"> <li>■ Chair, Telecommunications Subcommittee of the Year 2000 Interdepartmental Working Group</li> <li>■ Chair, Embedded Systems Subcommittee of the Year 2000 Interdepartmental Working Group</li> <li>■ Full membership in Year 2000 Interdepartmental Working Group Interface Subcommittee</li> <li>■ Full membership in Year 2000 Interdepartmental Communications Steering Committee and Interdepartmental Communications Working Group</li> <li>■ Membership in the Assistant Deputy Minister (ADM) Working Group on Year 2000</li> </ul>	<ul style="list-style-type: none"> <li>• Provision of leadership in resolving Year 2000 issues related to telecommunications services used by the GOC and ensuring that the concerns of government are communicated to the telecommunications industry</li> <li>• Provision of leadership in resolving Year 2000 issues related to embedded systems in government facilities</li> <li>• Contribution to the resolution of government-wide Year 2000 challenges</li> <li>• Exchange of Year 2000 - related information on a timely basis to assist the GOC in resolving Year 2000 issues government-wide</li> </ul>
<p>Timely and accurate information regarding Year 2000 initiatives:</p> <ul style="list-style-type: none"> <li>■ Maintaining the Year 2000 Procurement Office website to provide clients with information on procurement options for GWMC and departmental mission critical systems, non mission critical systems, hardware and software</li> </ul>	<ul style="list-style-type: none"> <li>• Facilitation of IM/IT professional services procurement by federal departments for Year 2000 compliance of government systems</li> </ul>

**Section III: Plans, Priorities and Strategies**

<b>Initiatives:</b>	<b>Expected Results:</b>
<p>Maintaining accurate and timely information on year 2000 initiatives:</p> <ul style="list-style-type: none"> <li>■ On behalf of the Government of Canada, co-ordinating communications and liaison with the Informatics industry and sharing information with interested parties. PWGSC will liaise with the vendor community and maintain a repository of up-to-date vendor Year 2000 product compliance information. The <i>Vendor Information Service</i> includes product information on hardware, software, embedded systems and telecommunications equipment and services. PWGSC will incorporate departmental information on vendor lists/compliance information into the database</li> </ul>	<ul style="list-style-type: none"> <li>• All government departments will have access to the most up-to-date information on the Year 2000 compliancy of a variety of products as they make their own operations Year 2000 compliant</li> <li>• Vendors will be able to share information on the compliancy of their products and market them</li> </ul>
<p>Addressing embedded systems issues and concerns:</p> <ul style="list-style-type: none"> <li>■ Reviewing embedded systems in all Crown-owned buildings on an asset-by-asset basis, in conjunction with Emergency Preparedness Canada, and developing appropriate contingency and business resumption plans</li> <li>■ Monitoring the Year 2000 readiness of government leased buildings</li> <li>■ Establishing contact with utility companies across Canada (such as those providing hydro, gas, oil, water and sewage systems) to determine their Year 2000 readiness, and potential impacts of federal facilities, as well as linking with international organizations to share information on embedded systems</li> <li>■ Establishing and managing Year 2000 Embedded Systems resource centres and expanding information services to facilitate research and the sharing of vital information on lab equipment and buildings, to a broad audience, including provincial governments</li> </ul>	<ul style="list-style-type: none"> <li>• Determination of the Year 2000 compliancy of embedded systems in Crown-owned and leased buildings</li> <li>• Contingency and business resumption plans in place where needed</li> <li>• Establishment of readiness of utility suppliers, and potential impacts of the Year 2000 readiness of utilities on federal facilities</li> <li>• Exchange of vital information and best practices on Year 2000 compliancy of embedded systems, and resolution of embedded systems issues for use by different levels of government</li> <li>• Facilitation of testing and remediation efforts by departments to make their buildings and facilities Year 2000 compliant</li> </ul>

## Section IV: Supplementary Information

## A. Financial Summary Tables

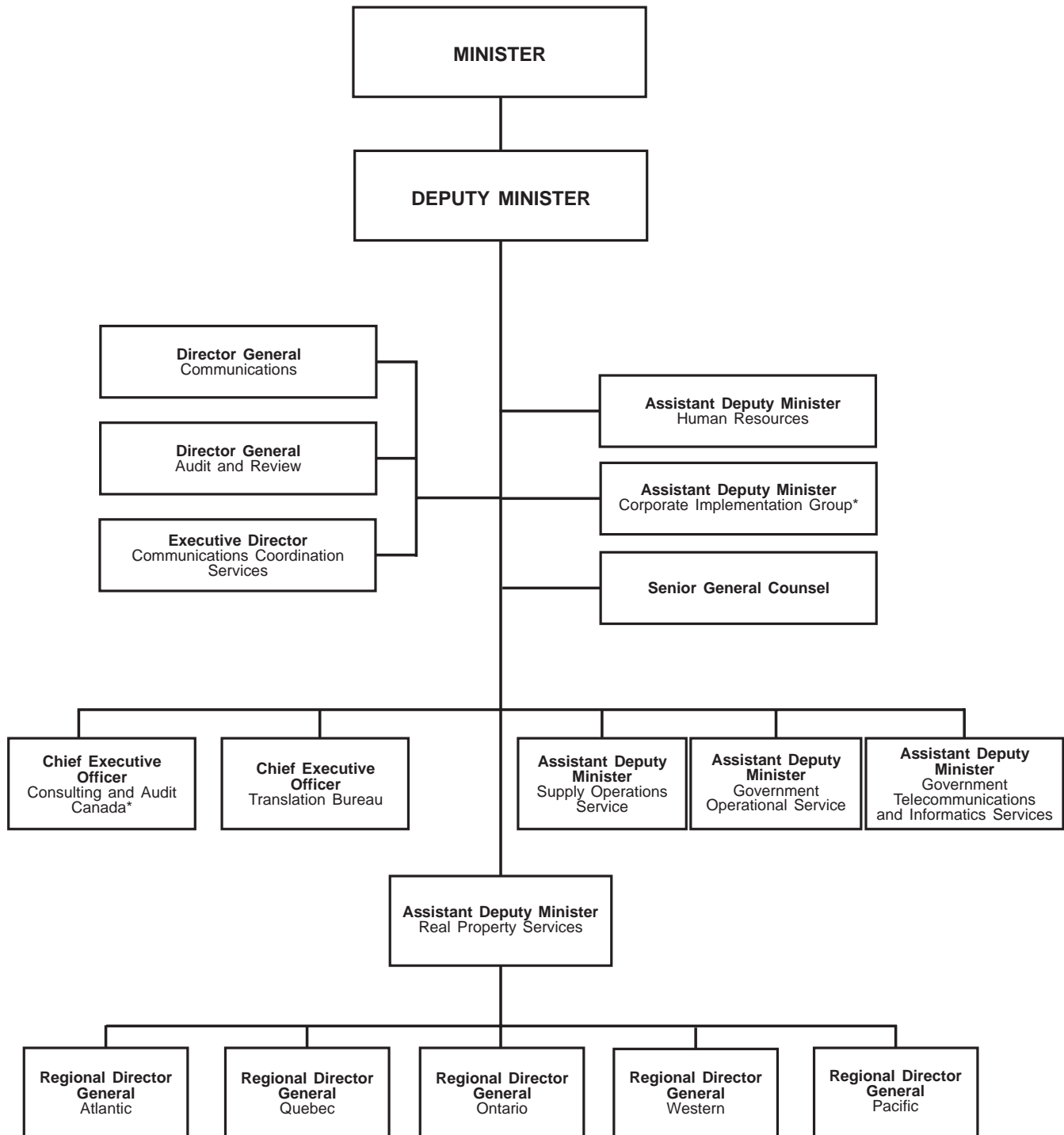
Table 1: Spending Authorities -Ministry Summary Part II of the Estimates

Vote (thousands of dollars)	1999-00 Main Estimates	1998-99 Main Estimates
<b>Department of Public Works and Government Services</b>		
<i>Government Services Program</i>		
1 Operating expenditures	1,520,010	1,415,798
5 Capital expenditures	314,672	269,432
(S) Minister of Public Works and Government Services Canada - Salary and motor car allowance	49	49
(S) Contributions to employee benefit plans	55,059	56,213
(S) Grants to Municipalities and Other Taxing Authorities	...	...
(S) Real Property Services Revolving Fund	...	2,061
(S) Real Property Disposition Revolving Fund	(18,460)	(20,873)
(S) Optional Services Revolving Fund	563	569
(S) Government Telecommunications and Informatics Services Revolving Fund	...	388
(S) Consulting and Audit Canada Revolving Fund	(1,100)	(1,100)
(S) Translation Bureau Revolving Fund	6,350	9,188
— Item not required Northumberland Strait Crossing Subsidy Payment	...	45,900
<i>Total Program</i>	<b>1,877,143</b>	1,777,625
<i>Crown Corporations Program</i>		
10 Payments to Old Port of Montreal Corporation Inc.	7,756	13,600
15 Payments to Queens Quay West Land Corporation	3,045	4,500
<i>Total Program</i>	<b>10,801</b>	18,100
<b>Total Department</b>	<b>1,887,944</b>	1,795,725

## Reconciliation of Main Estimates to Planned/Forecast Spending

(thousands of dollars)	1999-00	1998-99
<b>Main Estimates</b>	<b>1,887,944</b>	1,795,725
<i>Government Services Program</i>		
Ontario Tax Assessment	...	17,750
Year 2000 Initiatives	...	47,785
Carry Forwards	...	28,840
Capital Projects	66,100	22,889
Collective Agreement and EDI/ERI/WFA Funding	...	45,900
Client Program Expansion	...	12,213
Other Approved Items	8,705	15,783
<i>Total Program</i>	<b>74,805</b>	191,160
<i>Crown Corporations Program</i>		
Old Port of Montreal Inc.	...	597
<b>Total Planned/Forecast Spending</b>	<b>1,962,749</b>	1,987,482

Table 2: Organizational Structure



\* Positions occupied by the same incumbent.

Table 3: Responsibility for Planned Spending by Program and Business Line for 1999-00

(millions of dollars)														
PROGRAM	BRANCH													
	Offices of the Minister and Deputy Minister	Real Property Services	Supply Operations Service	Government Operational Service	Government Telecom. & Informatics Services	Consulting and Audit Canada	Corporate Implementation Group	Translation Bureau	Human Resources	Audit and Review	Communications	Communications Coordination Services	Legal Services	Total
Business Line														
<b>GOVERNMENT SERVICES</b>														
Real Property Services	...	1,387.0	...	...	...	...	...	...	...	...	...	...	...	1,387.0
Supply Operations Service	...	...	104.9	...	...	...	...	...	...	...	...	...	...	104.9
Receiver General	...	...	...	98.3	...	...	...	...	...	...	...	...	...	98.3
Public Service Compensation	...	...	...	52.0	...	...	...	...	...	...	...	...	...	52.0
IM/IT - Common Services	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Consulting and Audit Canada	...	...	...	...	...	(1.1)	...	...	...	...	...	...	...	(1.1)
Translation Bureau	...	...	...	...	...	...	...	44.0	...	...	...	...	...	44.0
Communications Coordination Services	...	...	...	...	...	...	...	...	...	...	...	59.6	...	59.6
Operational Support	5.5	17.3	0.2	32.7	124.0	...	2.1	...	13.4	6.6	4.6	...	1.1	207.4
<b>Sub-total Government Services</b>	<b>5.5</b>	<b>1,404.2</b>	<b>105.1</b>	<b>182.9</b>	<b>124.0</b>	<b>(1.1)</b>	<b>2.1</b>	<b>44.0</b>	<b>13.4</b>	<b>6.6</b>	<b>4.6</b>	<b>59.6</b>	<b>1.1</b>	<b>1,951.9</b>
<b>CROWN CORPORATIONS</b>														
Old Port of Montreal Corporation Inc.	...	...	...	...	...	...	7.8	...	...	...	...	...	...	7.8
Queens Quay West Land Corporation	...	...	...	...	...	...	3.0	...	...	...	...	...	...	3.0
<b>Sub-total Crown Corporations</b>	<b>...</b>	<b>...</b>	<b>...</b>	<b>...</b>	<b>...</b>	<b>...</b>	<b>10.8</b>	<b>...</b>	<b>...</b>	<b>...</b>	<b>...</b>	<b>...</b>	<b>...</b>	<b>10.8</b>
<b>TOTAL DEPARTMENT</b>	<b>5.5</b>	<b>1,404.2</b>	<b>105.1</b>	<b>182.9</b>	<b>124.0</b>	<b>(1.1)</b>	<b>12.9</b>	<b>44.0</b>	<b>13.4</b>	<b>6.6</b>	<b>4.6</b>	<b>59.6</b>	<b>1.1</b>	<b>1,962.7</b>

Totals may not add up due to rounding

**Section IV: Supplementary Information**

**Table 4: Planned Full Time Equivalents (FTEs) by Program and Business Line**

(FTEs) <b>PROGRAM</b> Business Line	Forecast 1998-99	<b>Planned</b> <b>1999-00</b>	Planned 2000-01	Planned 2001-02
<b>GOVERNMENT SERVICES</b>				
Real Property Services	2,974	<b>2,949</b>	2,949	2,949
Supply Operations Service	1,730	<b>1,725</b>	1,725	1,716
Receiver General	705	<b>684</b>	676	676
Public Service Compensation	761	<b>805</b>	767	766
IM/IT - Common Services	269	<b>269</b>	269	269
Consulting and Audit Canada	331	<b>357</b>	357	357
Translation Bureau	1,154	<b>1,246</b>	1,241	1,242
Communications Coordination Services	151	<b>148</b>	148	148
Operational Support	2,911	<b>2,759</b>	2,759	2,759
<b>Total Program</b>	10,986	<b>10,942</b>	10,891	10,882
<b>CROWN CORPORATIONS</b>				
Old Port of Montreal Corporation Inc.	...	...	...	...
Queens Quay West Land Corporation	...	...	...	...
<b>Total Program</b>	...	...	...	...
<b>TOTAL DEPARTMENT</b>	10,986	<b>10,942</b>	10,891	10,882

**Table 5: Details of FTE Requirements**

(FTEs)	Forecast 1998-99	<b>Planned</b> <b>1999-00</b>	Planned 2000-01	Planned 2001-02
<b>Salary Ranges (\$)</b>				
< 30,000	2,732	<b>2,721</b>	2,709	2,706
30,000 - 40,000	2,791	<b>2,779</b>	2,767	2,765
40,000 - 50,000	2,297	<b>2,288</b>	2,277	2,276
50,000 - 60,000	1,684	<b>1,678</b>	1,670	1,668
60,000 - 70,000	971	<b>967</b>	962	962
70,000 - 80,000	393	<b>392</b>	390	389
> 80,000	118	<b>117</b>	116	116
<b>Total</b>	10,986	<b>10,942</b>	10,891	10,882

**Table 6: Capital Spending by Program and Business Line**

(millions of dollars) <b>PROGRAM</b> Business Line	Forecast Spending 1998-99	<b>Planned</b> <b>Spending</b> <b>1999-00</b>	Planned Spending 2000-01	Planned Spending 2001-02
<b>GOVERNMENT SERVICES</b>				
<b>Real Property Services</b>	292.3	<b>380.8</b>	355.6	374.2
<b>Total Program / Business Line</b>	292.3	<b>380.8</b>	355.6	374.2

**Table 7: Major Capital Project Expenditures by Program and Business Line**

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

<b>PROGRAM</b> <b>Business Line</b>	<b>(millions of dollars)</b>					
	Current Estimated Total Cost	Forecast Spending to March 31, 1999	<b>Planned Spending 1999-00</b>	Planned Spending 2000-01	Planned Spending 2001-02	Future Year Spending Requirements
<b>GOVERNMENT SERVICES</b>						
<b>Real Property Services</b>						
<b>NOVA SCOTIA</b>						
Amherst - Dominion Public GOCB - Renovation (S-EPA-DA)	2.2	0.4	<b>1.8</b>	...	...	...
<b>NEW BRUNSWICK</b>						
St. George - GOCB - Construction (I-PPA-DA)	2.8	0.3	<b>2.4</b>	0.1	...	...
Saint John - Customs Building - Renovation (S-EPA-DA)	7.1	7.0	<b>0.1</b>	...	...	...
<b>NEWFOUNDLAND</b>						
Table Mountain - Environmental remediation (S-EPA-DA)	1.5	0.5	<b>1.0</b>	...	...	...
Argentia - Environmental remediation (S-EPA-DA)	71.8	25.1	<b>19.0</b>	16.3	8.6	2.8
<b>QUEBEC</b>						
Trois-Rivières - Parc Portuaire - Rehabilitation (S-EPA-DA)	2.7	1.5	<b>1.2</b>	...	...	...
Montreal - 3155 Cote de Liesse - Renovation (I-EPA-DA)	21.3	2.4	<b>10.6</b>	6.2	1.1	1.1
Montreal - 105 McGill / 400 Place d'Youville - Renovation (S-EPA-DA)	3.9	3.7	<b>0.2</b>	...	...	...
Montreal - Complexe Guy Favreau - Dalle/Membrane (S-EPA-DA)	8.9	2.4	<b>2.6</b>	2.5	1.5	...
<b>NATIONAL CAPITAL REGION (QUEBEC)</b>						
Hull - Laurier Taché Garage - Renovation (S-PPA/EPA-TB)	39.9	1.5	<b>22.9</b>	10.2	5.2	...
<b>NATIONAL CAPITAL REGION (ONTARIO)</b>						
Ottawa - M.G. Pearkes - Renovation (S-EPA-DA)	19.0	13.9	<b>5.1</b>	...	...	...
Ottawa - West Memorial - Renovation (I-PPA-TB)	47.7	3.1	<b>3.6</b>	19.6	21.4	...
Ottawa - Standard Lab - Renovation (S-EPA-DA)	9.8	6.7	<b>3.1</b>	...	...	...
Ottawa - Sir John Carling - Renovation/ Addition (I-PPA-TB)	53.3	1.8	<b>2.0</b>	12.9	19.6	17.1
Ottawa - Panel Building - Wall Rehabilitation (S-EPA-DA)	10.0	7.3	<b>2.7</b>	...	...	...
Ottawa - CBC Building - Acquisition & Renovation (S-EPA-DA)	11.6	8.7	<b>2.9</b>	0.1	...	...



**Section IV: Supplementary Information**

**Table 7: Major Capital Project Expenditures by Program and Business Line (cont'd)**

(millions of dollars)		Forecast					Future Year Spending Requirements
<b>PROGRAM</b>	Current Estimated Total Cost	Spending to March 31, 1999	<b>Planned Spending 1999-00</b>	Planned Spending 2000-01	Planned Spending 2001-02		
<b>Business Line</b>							
<b>GOVERNMENT SERVICES</b>							
<b>Real Property Services</b>							
<b>NATIONAL CAPITAL REGION (ONTARIO) (Cont'd)</b>							
Ottawa - Building 16 - Renovation (S-EPA-DA)	9.2	8.2	<b>1.1</b>	...	...	...	
Ottawa - Constitution - Renovation (S-EPA-DA)	4.9	4.2	<b>0.8</b>	...	...	...	
<b>NUNAVUT</b>							
Iqaluit - GOCB - Construction (I-PPA-DA)	11.7	1.1	<b>6.9</b>	3.5	...	...	
<b>PARLIAMENTARY PRECINCT</b>							
Ottawa - Center Block - Emergency Masonry (S-EPA-DA)	6.6	6.0	<b>0.6</b>	...	...	...	
Ottawa - Library of Parliament (LOP) - Renovation (I-PPA-TB)	62.9	6.5	<b>11.0</b>	11.9	23.6	9.8	
Ottawa - Site Reconstruction (I-PPA-DA)	11.9	1.3	<b>1.2</b>	1.4	0.1	7.9	
Ottawa - Ground Lighting System - Upgrade (S-EPA-DA)	2.7	2.5	<b>0.2</b>	...	...	...	
Ottawa - Wellington Street Wall - Masonry and Iron work (S-EPA-DA)	5.0	4.6	<b>0.4</b>	...	...	...	
Ottawa - Centre/East Block - Tunnel (S-EPA-DA)	3.7	2.6	<b>1.1</b>	...	...	...	
Ottawa - West Block - Furniture/Fixture/ Equipment (I-PPA-TB)	30.0	0.3	<b>0.5</b>	1.0	1.2	27.0	
Ottawa - West Block - Renovation (S-EPA-TB)	83.2	8.3	<b>0.4</b>	1.5	10.2	62.8	
Ottawa - Parliamentary Hill Ground - Vaux Wall Repairs (S-EPA-DA)	4.1	1.8	<b>0.6</b>	...	1.7	...	
Ottawa - Wellington Building - HVAC Renovation (I-PPA-DA)	2.3	0.7	<b>1.7</b>	...	...	...	
Ottawa - Justice Building - Renovation (S-EPA-DA)	18.4	13.4	<b>5.0</b>	...	...	...	
<b>MANITOBA</b>							
Lockport - St. Andrews Locks and Dam - Reconstruction (S-EPA-TB)	24.9	19.5	<b>5.4</b>	...	...	...	
<b>BRITISH COLUMBIA</b>							
Northwest Highway - Reconstruction (S-EPA-TB)	478.6	397.6	<b>13.5</b>	13.5	13.5	40.5	
Surrey - BBY Fraser - Construction (S-EPA-TB)	23.1	23.0	<b>0.2</b>	...	...	...	

**Table 7: Major Capital Project Expenditures by Program and Business Line (concluded)**

(millions of dollars)		Forecast				
<u>PROGRAM</u>	Current	Spending to	<b>Planned</b>	Planned	Planned	Future Year
<b>Business Line</b>	Estimated	March 31,	<b>Spending</b>	Spending	Spending	Spending
	Total Cost	1999	<b>1999-00</b>	2000-01	2001-02	Requirements
<b><u>GOVERNMENT SERVICES</u></b>						
<b>Real Property Services</b>						
<b>Summary</b>						
Total Spending on Approved Major Capital Projects listed above	1,096.6	587.7	<b>131.4</b>	100.6	107.7	169.0
Total Spending on Major Capital Projects to be approved not listed above			<b>184.3</b>			
Total Spending planned for Minor Capital Projects			<b>65.0</b>			
<b>Total Program / Business Line</b>			<b>380.8</b>			

**Section IV: Supplementary Information**

**Table 8: Summary of Departmental Planned Spending by Standard Object**

(millions of dollars)	Forecast Spending 1998-99	Planned Spending 1999-00	Planned Spending 2000-01	Planned Spending 2001-02
<b>Personnel</b>				
Salaries and Wages	568.3	<b>532.6</b>	518.8	511.7
Contributions to Employee Benefit Plans	124.9	<b>120.6</b>	117.2	115.4
Other Personnel Costs	...	...	...	...
	693.2	<b>653.2</b>	636.0	627.1
<b>Goods and Services</b>				
Transportation and Communications	257.0	<b>248.4</b>	241.7	235.0
Information	23.0	<b>7.5</b>	7.3	7.1
Professional and Special Services	654.6	<b>805.4</b>	724.4	714.4
Rentals	1,120.5	<b>1,049.8</b>	1,042.8	1,021.8
Purchased Repair and Maintenance	372.1	<b>353.0</b>	351.7	344.3
Utilities, Materials and Supplies	309.3	<b>266.5</b>	266.3	260.3
Construction/Acquisition of Land, Buildings and Works	325.2	<b>365.9</b>	369.4	360.2
Construction/Acquisition of Machinery and Equipment	38.6	<b>40.1</b>	40.3	39.9
Other Subsidies and Payments	764.5	<b>669.8</b>	665.4	648.5
	3,864.9	<b>3,806.4</b>	3,709.2	3,631.5
<b>Total Operating</b>	4,558.2	<b>4,459.6</b>	4,345.3	4,258.6
<b>Major Capital</b>	292.3	<b>380.8</b>	355.6	374.2
<b>Transfer Payments</b>				
Voted	...	...	2.5	...
Statutory <sup>(1)</sup>	45.9	...	...	...
	45.9	...	2.5	...
<b>Gross budgetary expenditures</b>	4,896.4	<b>4,840.4</b>	4,703.4	4,632.9
<b>Less:</b>				
Revenue Credited to the Vote	360.9	<b>364.0</b>	364.4	362.7
Revenue Credited to the Revolving Funds	2,548.0	<b>2,513.7</b>	2,514.2	2,455.8
	2,909.0	<b>2,877.6</b>	2,878.6	2,818.4
<b>Net budgetary expenditures</b>	1,987.5	<b>1,962.7</b>	1,824.7	1,814.5

**Totals may not add up due to rounding**

1. Funding for payments of Grants to Municipalities and Other Taxing Authorities has now been devolved to the applicable custodian departments. Payments of municipal grants under this statutory authority will be recovered by PWGSC from custodian departments and credited to the statutory payment.

Table 9: Resources for 1999-00 by Program and Business Line

PROGRAM Business Line Service Line	FTEs			Budgetary					
	Operating	Capital		Voted Grants and Contributions	Sub-total Gross Voted Expenditures	Statutory Grants and Contributions	Gross Planned Spending	Less: Revenue Credited to the Vote or Revolving Funds	Net Planned Spending
<b>GOVERNMENT SERVICES</b>									
<b>Real Property Services</b>									
Federal Accommodation and Holdings	165	1,272.1	380.8	...	1,652.9	...	1,652.9	247.5	1,405.4
Services									
Real Property Services Revolving Fund	2,784	2,043.1	...	...	2,043.1	...	2,043.1	2,043.1	...
Real Property Disposition Revolving Fund		3.5	...	...	3.5	...	3.5	22.0	(18.5)
<b>Total Real Property Services</b>	<b>2,949</b>	<b>3,318.8</b>	<b>380.8</b>	<b>...</b>	<b>3,699.6</b>	<b>...</b>	<b>3,699.6</b>	<b>2,312.6</b>	<b>1,387.0</b>
<b>Supply Operations Service</b>									
Vote	1,635	123.7	...	...	123.7	...	123.7	18.7	105.0
Optional Services Revolving Fund	90	78.6	...	...	78.6	...	78.6	78.7	(0.1)
<b>Total Supply Operations Service</b>	<b>1,725</b>	<b>202.2</b>	<b>...</b>	<b>...</b>	<b>202.2</b>	<b>...</b>	<b>202.2</b>	<b>97.4</b>	<b>104.9</b>
<b>Receiver General</b>	<b>684</b>	<b>121.7</b>	<b>...</b>	<b>...</b>	<b>121.7</b>	<b>...</b>	<b>121.7</b>	<b>23.4</b>	<b>98.3</b>
<b>Public Service Compensation</b>	<b>805</b>	<b>55.5</b>	<b>...</b>	<b>...</b>	<b>55.5</b>	<b>...</b>	<b>55.5</b>	<b>3.5</b>	<b>52.0</b>
<b>IM/IT - Common Services</b>									
Government Telecommunications and Informatics Services									
Revolving Fund	269	145.7	...	...	145.7	...	145.7	145.7	...
<b>Consulting and Audit Canada</b>									
Consulting and Audit Canada Revolving Fund	357	71.2	...	...	71.2	...	71.2	72.3	(1.1)
<b>Translation Bureau</b>									
Vote		37.6	...	...	37.6	...	37.6	...	37.6
Translation Bureau Revolving Fund	1,246	125.0	...	...	125.0	...	125.0	118.7	6.4
<b>Total Translation Bureau</b>	<b>1,246</b>	<b>162.6</b>	<b>...</b>	<b>...</b>	<b>162.6</b>	<b>...</b>	<b>162.6</b>	<b>118.7</b>	<b>44.0</b>
<b>Communications Coordination Services</b>									
Vote	113	59.0	...	...	59.0	...	59.0	0.1	58.9
Revolving Fund	35	33.9	...	...	33.9	...	33.9	33.2	0.7
<b>Total Communications Coordination Services</b>	<b>148</b>	<b>92.9</b>	<b>...</b>	<b>...</b>	<b>92.9</b>	<b>...</b>	<b>92.9</b>	<b>33.4</b>	<b>59.6</b>
<b>Operational Support</b>									
IM/IT Departmental Operations	1,298	151.5	...	...	151.5	...	151.5	27.7	123.8
Corporate Management	1,461	126.6	...	...	126.6	...	126.6	43.1	83.6
<b>Total Operational Support</b>	<b>2,759</b>	<b>278.1</b>	<b>...</b>	<b>...</b>	<b>278.1</b>	<b>...</b>	<b>278.1</b>	<b>70.7</b>	<b>207.4</b>
<b>Total Program</b>	<b>10,942</b>	<b>4,448.8</b>	<b>380.8</b>	<b>...</b>	<b>4,829.6</b>	<b>...</b>	<b>4,829.6</b>	<b>2,877.6</b>	<b>1,951.9</b>
<b>CROWN CORPORATIONS</b>									
Old Port of Montreal Corporation Inc.		7.8	...	...	7.8	...	7.8	...	7.8
Queens Quay West Land Corporation		3.0	...	...	3.0	...	3.0	...	3.0
<b>Total Program</b>		<b>10.8</b>	<b>...</b>	<b>...</b>	<b>10.8</b>	<b>...</b>	<b>10.8</b>	<b>...</b>	<b>10.8</b>
<b>TOTAL DEPARTMENT</b>	<b>10,942</b>	<b>4,459.6</b>	<b>380.8</b>	<b>...</b>	<b>4,840.4</b>	<b>...</b>	<b>4,840.4</b>	<b>2,877.6</b>	<b>1,962.7</b>

Totals may not add up due to rounding

**Table 10: Details of Transfer Payments by Program and Business Line**

(thousands of dollars)	Forecast	<b>Planned</b>	Planned	Planned
<b>PROGRAM</b>	Spending	<b>Spending</b>	Spending	Spending
<b>Business Line</b>	1998-99	<b>1999-00</b>	2000-01	2001-02
<b>GOVERNMENT SERVICES</b>				
<b>Real Property Services</b>				
<i>Contributions</i>				
Canadian Standards Association	12	<b>12</b>	12	12
Government of Manitoba	...	...	2,500	...
	12	<b>12</b>	2,512	12
<i>Other Transfer Payments</i>				
Grants to Municipalities and Other Taxing Authorities	421,400	<b>421,319</b>	421,319	421,319
Recoveries from custodian departments	(421,400)	<b>(421,319)</b>	(421,319)	(421,319)
	...	...	...	...
Strait Crossing Finance Inc.	45,900	...	...	...
	45,900	...	...	...
<b>Total Program / Business Line</b>	45,912	<b>12</b>	2,512	12

**Table 11: Details of Revenue Credited to the Vote or Revolving Funds by Program and Business Line**

(millions of dollars)				
<b>PROGRAM</b>	Forecast	<b>Planned</b>	Planned	Planned
<b>Business Line</b>	Revenue	<b>Revenue</b>	Revenue	Revenue
<i>Service Line</i>	1998-99	<b>1999-00</b>	2000-01	2001-02
<b>GOVERNMENT SERVICES</b>				
<b>Real Property Services</b>				
<i>Federal Accommodation and Holdings</i>				
Rentals and Concessions	245.9	<b>247.5</b>	248.2	246.3
	245.9	<b>247.5</b>	248.2	246.3
<i>Services</i>				
Real Property Services Revolving Fund				
Recoveries of disbursements on behalf of clients	1,756.2	<b>1,772.5</b>	1,785.0	1,730.4
Fee revenues from real property related common services	304.9	<b>270.6</b>	262.5	261.8
	2,061.1	<b>2,043.1</b>	2,047.4	1,992.2
Real Property Disposition Revolving Fund				
Sales of real properties	27.7	<b>22.0</b>	22.5	23.0
	2,088.8	<b>2,065.1</b>	2,069.9	2,015.2
Total Business Line	2,334.7	<b>2,312.6</b>	2,318.2	2,261.5
<b>Supply Operations Service</b>				
Vote				
Major Crown Projects				
Acquisitions	7.9	<b>6.7</b>	6.7	6.7
Canadian General Standards Board	4.0	<b>6.5</b>	6.5	6.5
Others	2.5	<b>2.5</b>	2.5	2.5
	1.9	<b>3.0</b>	3.0	3.0
	16.3	<b>18.7</b>	18.7	18.7
Optional Services Revolving Fund				
Traffic	43.8	<b>52.8</b>	52.8	52.8
Software Brokerage/Benchmarking	2.7	<b>2.7</b>	2.7	2.7
Locally Shared Support Services	7.5	<b>7.5</b>	7.5	7.5
Crown Assets Distribution	9.6	<b>8.7</b>	8.7	8.7
Others	7.0	<b>7.0</b>	7.0	7.0
	70.6	<b>78.7</b>	78.7	78.7
Total Business Line	86.9	<b>97.4</b>	97.4	97.4
<b>Receiver General</b>				
Payment Services	23.3	<b>23.4</b>	23.1	23.1
<b>Public Service Compensation</b>				
Compensation Services	3.5	<b>3.5</b>	3.5	3.6
<b>IM/IT - Common Services</b>				
Telecommunication Revenue	166.3	<b>145.7</b>	141.0	136.9
<b>Consulting and Audit Canada</b>				
Consulting and Auditing Services	60.8	<b>72.3</b>	72.2	72.2

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**Table 11: Details of Revenue Credited to the Vote or Revolving Funds by Program and Business Line (concluded)**

(millions of dollars)

<b>PROGRAM</b> <b>Business Line</b> <i>Service Line</i>	Forecast Revenue 1998-99	<b>Planned Revenue 1999-00</b>	Planned Revenue 2000-01	Planned Revenue 2001-02
<b>GOVERNMENT SERVICES</b>				
<b>Translation Bureau</b>				
Revolving Fund				
Translation Services	97.9	<b>116.1</b>	116.4	116.8
Interpretation Services	1.7	<b>2.1</b>	2.1	2.1
Terminology Services	0.2	<b>0.5</b>	0.7	0.7
Total Business Line	99.8	<b>118.7</b>	119.1	119.5
<b>Communications Coordination Services</b>				
Vote				
Publishing Services	...	<b>0.1</b>	0.1	0.1
Optional Services Revolving Fund				
Customer Services and Industry Relations	34.6	<b>12.0</b>	12.0	12.0
Procurement Services	4.7	<b>4.7</b>	4.7	4.7
Info-Canada Services	18.7	<b>12.9</b>	12.9	12.9
Info-Canada Access	3.7	<b>3.7</b>	3.7	3.7
	61.7	<b>33.2</b>	33.2	33.2
Total Business Line	61.7	<b>33.4</b>	33.4	33.4
<b>Operational Support</b>				
<i>IM/IT - Departmental Operations</i>				
IM/IT Services	23.0	<b>27.7</b>	27.7	27.7
<i>Corporate Management</i>				
Ministerial Regional Offices	1.7	<b>1.8</b>	1.8	1.8
Internal Recoveries and Others	47.1	<b>41.3</b>	41.3	41.3
	48.9	<b>43.1</b>	43.1	43.1
Total Business Line	71.9	<b>70.7</b>	70.7	70.7
<b>TOTAL PROGRAM</b>	2,909.0	<b>2,877.6</b>	2,878.6	2,818.4

Totals may not add up due to rounding.

**Table 12: Details of Revenue Credited to the Consolidated Revenue Fund by Program**

(millions of dollars)	Forecast Revenue 1998-99	<b>Planned Revenue 1999-00</b>	Planned Revenue 2000-01	Planned Revenue 2001-02
<b><u>PROGRAM</u></b>				
<b><u>GOVERNMENT SERVICES</u></b>				
Dry Docks	4.4	<b>4.0</b>	4.0	4.0
Goods and Services Tax	9.7	<b>9.7</b>	9.7	9.7
Return on Investments				
- Canada Post Corporation				
Interests	3.9	...	...	...
Miscellaneous Non-tax Revenues	17.1	<b>16.7</b>	16.7	16.7
<b>Total Program</b>	35.1	<b>30.4</b>	30.4	30.4
<b><u>CROWN CORPORATIONS</u></b>				
Rentals and Concessions	0.1	<b>0.1</b>	0.1	0.1
Parking Fees	0.2	<b>0.2</b>	0.3	0.3
<b>Total Program</b>	0.3	<b>0.3</b>	0.3	0.3
<b>TOTAL DEPARTMENT</b>	35.4	<b>30.7</b>	30.8	30.8

Totals may not add up due to rounding.



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**Table 13: Net Cost of Programs for 1999-00**

(millions of dollars)	Government Services	Crown Corporations	Total
<b>Gross Planned Spending</b>	4,829.6	10.8	<b>4,840.4</b>
<b>Plus:</b>			
<b>Services Received without Charge</b>			
Contributions covering employee's share of insurance premiums and costs paid by Treasury Board Secretariat	15.2	...	<b>15.2</b>
Worker's compensation coverage provided by Human Resources Canada	3.1	...	<b>3.1</b>
Salary and associated costs of legal services provided by Justice Canada	1.9	...	<b>1.9</b>
	<u>20.2</u>	<u>...</u>	<u><b>20.2</b></u>
<b>Total Cost of Programs</b>	<b>4,849.8</b>	<b>10.8</b>	<b>4,860.6</b>
<b>Less:</b>			
Revenue Credited to the Vote / Revolving Funds	2,877.6	...	<b>2,877.6</b>
Revenue Credited to the Consolidated Revenue Fund	30.4	0.3	<b>30.7</b>
	<u>2,908.1</u>	<u>0.3</u>	<u><b>2,908.3</b></u>
<b>1999-00 Net Costs of Programs</b>	<b>1,941.7</b>	<b>10.5</b>	<b>1,952.3</b>
<b>1998-99 Estimated Net Costs of Programs</b>	<b>1,957.2</b>	<b>18.4</b>	<b>1,975.7</b>

Totals may not add up due to rounding.

**Table 14: Real Property Services Revolving Fund****Statement of Operations**

(millions of dollars)	Forecast 1998-99	Planned 1999-00	Planned 2000-01	Planned 2001-02
<b>Revenue</b>	304.9	<b>270.6</b>	262.5	261.8
<b>Expenses</b>				
Operating:				
Salaries and employee benefits	211.6	<b>187.4</b>	173.8	165.2
Amortization	5.9	<b>5.8</b>	5.5	5.2
Other Operating Costs	91.1	<b>76.5</b>	82.7	90.8
<b>Total Expenses</b>	308.6	<b>269.7</b>	262.0	261.3
<b>Surplus (Deficit)</b>	(3.7)	<b>0.9</b>	0.5	0.5

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

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

(millions of dollars)	Forecast 1998-99	Planned 1999-00	Planned 2000-01	Planned 2001-02
<b>Operating Activities:</b>				
(Surplus) Deficit	3.7	<b>(0.9)</b>	(0.5)	(0.5)
Less items not requiring use of funds:				
Amortization	5.9	<b>5.8</b>	5.5	5.2
Provision for employee termination benefits	...	...	...	...
Sub-total	(2.2)	<b>(6.7)</b>	(6.0)	(5.7)
Working capital change	...	...	...	...
Net financial resources (provided by) used in operating activities	(2.2)	<b>(6.7)</b>	(6.0)	(5.7)
<b>Investing Activities:</b>				
Capital assets:				
Net Acquisitions	4.3	<b>6.7</b>	6.0	5.7
Net financial resources (provided by) used in investing activities	4.3	<b>6.7</b>	6.0	5.7
<b>Authority (provided) used during the year</b>	2.1	...	...	...
<b>Net authority (provided) used at the start of year</b>	112.8	<b>50.5</b>	50.5	50.5
<b>Authority to write off accumulated deficit related to ERI/EDI and WFAD Costs</b>	(64.4)	...	...	...
<b>Net authority (provided) used at the end of year</b>	50.5	<b>50.5</b>	50.5	50.5
Authority Limit	450.0	<b>450.0</b>	450.0	450.0
<b>Unused authority carried forward</b>	399.5	<b>399.5</b>	399.5	399.5

Totals may not add up due to rounding.

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

**Table 15: Real Property Disposition Revolving Fund**

**Statement of Operations**

(millions of dollars)	Forecast 1998-99	<b>Planned 1999-00</b>	Planned 2000-01	Planned 2001-02
<b>Revenue</b>	27.7	<b>22.0</b>	22.5	23.0
<b>Expenses</b>	6.8	<b>3.5</b>	3.6	3.8
<b>Surplus (Deficit)</b>	20.9	<b>18.5</b>	18.9	19.2

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

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

(millions of dollars)	Forecast 1998-99	<b>Planned 1999-00</b>	Planned 2000-01	Planned 2001-02
<b>Operating Activities:</b>				
(Surplus) Deficit	(20.9)	<b>(18.5)</b>	(18.9)	(19.2)
Less items not requiring use of funds:				
Amortization	...	...	...	...
Working capital change	...	...	...	...
<b>Authority (provided) used during the year</b>	(20.9)	<b>(18.5)</b>	(18.9)	(19.2)
<b>Net authority (provided) used at the start of year</b>	(1.4)	<b>(1.4)</b>	(1.4)	(1.4)
<b>Payments to the Consolidated Revenue Fund</b>	20.9	<b>18.5</b>	18.9	19.2
<b>Net authority (provided) used at the end of year</b>	(1.4)	<b>(1.4)</b>	(1.4)	(1.4)
Authority Limit	5.0	<b>5.0</b>	5.0	5.0
<b>Unused authority carried forward</b>	6.4	<b>6.4</b>	6.4	6.4

Totals may not add up due to rounding.

**Table 16: Optional Services Revolving Fund****Statement of Operations**

(millions of dollars)	Forecast 1998-99	Planned 1999-00	Planned 2000-01	Planned 2001-02
<b>Revenue</b>	136.6	<b>111.9</b>	111.9	111.9
<b>Expenses</b>				
Operating:				
Salaries and employee benefits	14.5	<b>11.5</b>	11.5	11.5
Product Cost	91.5	<b>79.1</b>	78.8	78.8
Amortization	0.7	<b>0.7</b>	0.7	0.7
Other Operating Costs	30.0	<b>20.7</b>	21.0	21.0
Interest	1.0	<b>1.0</b>	1.0	1.0
<b>Total Expenses</b>	137.7	<b>113.0</b>	113.0	113.0
<b>Surplus (Deficit)</b>	(1.0)	<b>(1.0)</b>	(1.0)	(1.0)

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

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

(millions of dollars)	Forecast 1998-99	Planned 1999-00	Planned 2000-01	Planned 2001-02
<b>Operating Activities:</b>				
(Surplus) Deficit	1.0	<b>1.0</b>	1.0	1.0
Less items not requiring use of funds:				
Amortization	0.7	<b>0.7</b>	0.7	0.7
Provision for employee termination benefits	0.2	<b>0.2</b>	0.2	0.2
Sub-total	0.1	<b>0.1</b>	0.1	0.1
Working capital change	...	...	...	...
Net financial resources (provided by) used in operating activities	0.1	<b>0.1</b>	0.1	0.1
<b>Investing Activities:</b>				
Capital assets:				
Net Acquisitions	0.4	<b>0.5</b>	0.5	0.5
Net financial resources (provided by) used in investing activities	0.4	<b>0.5</b>	0.5	0.5
<b>Authority (provided) used during the year</b>	0.6	<b>0.6</b>	0.6	0.6
<b>Net authority (provided) used at the start of year</b>	12.6	<b>7.1</b>	7.7	8.3
<b>Authority to write off accumulated deficit related to ERI/EDI and WFAD Costs</b>	(6.0)	...	...	...
<b>Net authority (provided) used at the end of year</b>	7.1	<b>7.7</b>	8.3	8.8
Authority Limit	200.0	<b>200.0</b>	200.0	200.0
<b>Unused authority carried forward</b>	192.9	<b>192.3</b>	191.7	191.2

Totals may not add up due to rounding.

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**Table 17: Government Telecommunications and Informatics Services Revolving Fund**

**Statement of Operations**

(millions of dollars)	Forecast 1998-99	<b>Planned 1999-00</b>	Planned 2000-01	Planned 2001-02
<b>Revenue</b>	171.8	<b>145.7</b>	141.0	136.9
<b>Expenses</b>				
Operating:				
Salaries and employee benefits	16.5	<b>16.7</b>	16.8	16.9
Product Cost	140.1	<b>118.7</b>	113.9	109.8
Amortization	1.2	<b>1.1</b>	1.1	1.1
Other Operating Costs	14.3	<b>8.4</b>	8.4	8.3
Interest	0.2	<b>0.9</b>	0.9	0.9
<b>Total Expenses</b>	172.2	<b>145.7</b>	141.0	136.9
<b>Surplus (Deficit)</b>	(0.4)	...	...	...

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

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

(millions of dollars)	Forecast 1998-99	<b>Planned 1999-00</b>	Planned 2000-01	Planned 2001-02
<b>Operating Activities:</b>				
(Surplus) Deficit	0.4	...	...	...
Less items not requiring use of funds:				
Amortization	2.1	<b>2.0</b>	2.0	2.0
Provision for employee termination benefits	...	...	...	...
Sub-total	(1.7)	<b>(2.0)</b>	(2.0)	(2.0)
Working capital change	...	...	...	...
Net financial resources (provided by) used in operating activities	(1.7)	<b>(2.0)</b>	(2.0)	(2.0)
<b>Investing Activities:</b>				
Capital assets:				
Net Acquisitions	2.1	<b>2.0</b>	2.0	2.0
Net financial resources (provided by) used in investing activities	2.1	<b>2.0</b>	2.0	2.0
<b>Authority (provided) used during the year</b>	0.4	...	...	...
<b>Net authority (provided) used at the start of year</b>	(9.1)	<b>(16.3)</b>	(16.3)	(16.3)
<b>Authority to write off accumulated deficit related to ERI/EDI and WFAD Costs</b>	(7.6)	...	...	...
<b>Net authority (provided) used at the end of year</b>	(16.3)	<b>(16.3)</b>	(16.3)	(16.3)
Authority Limit	64.0	<b>64.0</b>	64.0	64.0
<b>Unused authority carried forward</b>	80.3	<b>80.3</b>	80.3	80.3

Totals may not add up due to rounding.

**Table 18: Consulting and Audit Canada Revolving Fund****Statement of Operations**

(millions of dollars)	Forecast 1998-99	Planned 1999-00	Planned 2000-01	Planned 2001-02
<b>Revenue</b>	60.8	<b>72.3</b>	72.2	72.2
<b>Expenses</b>				
Operating:				
Salaries and employee benefits	23.3	<b>27.2</b>	27.2	27.2
Product Cost	30.0	<b>37.2</b>	37.2	37.2
Amortization	1.0	<b>0.9</b>	0.9	0.9
Other Operating Costs	5.2	<b>5.9</b>	5.9	5.9
Interest	1.1	<b>0.9</b>	0.9	0.9
<b>Total Expenses</b>	60.6	<b>72.1</b>	72.0	72.0
<b>Surplus (Deficit)</b>	0.2	<b>0.2</b>	0.2	0.2

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

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

(millions of dollars)	Forecast 1998-99	Planned 1999-00	Planned 2000-01	Planned 2001-02
<b>Operating Activities:</b>				
(Surplus) Deficit	(0.2)	<b>(0.2)</b>	(0.2)	(0.2)
Less items not requiring use of funds:				
Amortization	1.0	<b>0.9</b>	0.9	0.9
Provision for employee termination benefits	0.3	<b>0.3</b>	0.3	0.3
Sub-total	(1.5)	<b>(1.4)</b>	(1.4)	(1.4)
Working capital change	(0.1)	<b>(0.2)</b>	(0.2)	(0.2)
Net financial resources (provided by) used in operating activities	(1.6)	<b>(1.6)</b>	(1.6)	(1.6)
<b>Investing Activities:</b>				
Capital assets:				
Net Acquisitions	0.5	<b>0.5</b>	0.5	0.5
Net financial resources (provided by) used in investing activities	0.5	<b>0.5</b>	0.5	0.5
<b>Authority (provided) used during the year</b>	(1.1)	<b>(1.1)</b>	(1.1)	(1.1)
<b>Net authority (provided) used at the start of year</b>	17.8	<b>9.6</b>	8.5	7.4
<b>Reduction of drawdown authority limit</b>	(4.9)	...	...	...
<b>Authority to write off accumulated deficit related to ERI/EDI and WFAD Costs</b>	(2.2)	...	...	...
<b>Net authority (provided) used at the end of year</b>	9.6	<b>8.5</b>	7.4	6.3
Authority Limit	25.1	<b>25.1</b>	25.1	25.1
<b>Unused authority carried forward</b>	15.5	<b>16.6</b>	17.7	18.8

Totals may not add up due to rounding.

**Table 19: Translation Bureau Revolving Fund**

**Statement of Operations**

(millions of dollars)	Forecast 1998-99	<b>Planned 1999-00</b>	Planned 2000-01	Planned 2001-02
<b>Revenue</b>	99.8	<b>118.7</b>	119.1	119.5
<b>Expenses</b>				
Operating:				
Salaries and employee benefits	71.4	<b>79.4</b>	79.0	79.1
Amortization	1.4	<b>1.2</b>	1.0	1.0
Other Operating Costs	37.4	<b>44.4</b>	42.4	40.7
Interest	0.1	<b>0.1</b>	0.1	0.1
<b>Total Expenses</b>	110.2	<b>125.1</b>	122.5	120.9
<b>Surplus (Deficit)</b>	(10.4)	<b>(6.5)</b>	(3.4)	(1.4)

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

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

(millions of dollars)	Forecast 1998-99	<b>Planned 1999-00</b>	Planned 2000-01	Planned 2001-02
<b>Operating Activities:</b>				
(Surplus) Deficit	10.4	<b>6.5</b>	3.4	1.4
Less items not requiring use of funds:				
Amortization	1.4	<b>1.2</b>	1.0	1.0
Provision for employee termination benefits	1.1	<b>1.1</b>	1.1	1.1
Sub-total	7.9	<b>4.2</b>	1.3	(0.7)
Working capital change	(0.9)	<b>(0.1)</b>	(0.1)	(0.1)
Payments on and change in provision for employee termination benefits	1.0	<b>1.0</b>	1.0	1.0
Net financial resources (provided by) used in operating activities	8.0	<b>5.1</b>	2.2	0.2
<b>Investing Activities:</b>				
Capital assets:				
Net Acquisitions	1.2	<b>1.2</b>	1.2	1.2
Net financial resources (provided by) used in investing activities	1.2	<b>1.2</b>	1.2	1.2
<b>Authority (provided) used during the year</b>	9.2	<b>6.4</b>	3.4	1.4
<b>Net authority (provided) used at the start of year</b>	1.2	<b>(2.1)</b>	(0.8)	0.6
<b>Authority to write off accumulated deficit related to ERI/EDI and WFAD Costs</b>	(3.5)	<b>...</b>	...	...
<b>Authority to delete operating losses</b>	(9.0)	<b>(5.1)</b>	(2.0)	...
<b>Net authority (provided) used at the end of year</b>	(2.1)	<b>(0.8)</b>	0.6	2.0
Authority Limit	75.0	<b>75.0</b>	75.0	75.0
<b>Unused authority carried forward</b>	77.1	<b>75.8</b>	74.4	73.0

Totals may not add up due to rounding.

**Table 20: Defence Production Revolving Fund**

**Note:** Parliament authorized a total drawdown of \$100 million for the Defence Production Revolving Fund. No activities are anticipated over the planning period.

**Table 21: Loans, Investments and Advances by Program**

(millions of dollars) <b>PROGRAM</b>	Forecast 1998-99	<b>Planned 1999-00</b>	Planned 2000-01	Planned 2001-02
<b><u>GOVERNMENT SERVICES</u></b>				
Seized Property Working Capital Account	1.0	<b>1.0</b>	1.0	1.0
<b>Total Program</b>	1.0	<b>1.0</b>	1.0	1.0
<b><u>CROWN CORPORATIONS</u></b>				
Queens Quay West Land Corporation	45.8	<b>45.8</b>	45.8	45.8
<b>Total Program</b>	45.8	<b>45.8</b>	45.8	45.8
<b>TOTAL DEPARTMENT</b>	46.8	<b>46.8</b>	46.8	46.8

**Totals may not add up due to rounding.**



**Table 22: Statutes and Regulations Administered by the Department**

Public Works and Government Services Canada administers in total or in part, the following Acts and Regulations:

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

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

◆ Regulations:

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

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

◆ Regulations:

- Technical Data Control Regulations, SOR/86-345

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

◆ Regulations:

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

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

◆ Regulations:

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

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

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

(Certain provisions of Part II)

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

◆ Regulations:

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

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

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

◆ Regulations:

- Crown Corporation Grants Regulations , SOR/81-10 30
- Interim Payments and Recovery of Overpayments Regulations, SOR/81-226
- Municipal Grants Regulations, 1980, SOR/81-29

***National Flag of Canada Manufacturing Standards Act, 1984, c. 28 (R.S.C. 1985 Chap. N-9)***

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

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

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

◆ Regulations:

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

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

◆ Regulations:

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

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

◆ Regulations:

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

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

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

◆ Regulations:

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

**Proposed Regulations**

**Amendments to the Municipal Grants Act**

- ◆ This Bill updates the *Municipal Grants Act* and attendant Regulations in order to improve the fairness and equity of Payments in Lieu of Taxes for the federal government and municipalities where federal property is situated. The legislation will improve the fairness and equity of the program by articulating the joint commitment of the federal and municipal governments, improving the dispute resolution process and ensuring payments are made on time.

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**C. Internet Site**

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