



# Privy Council Office

## Performance Report

For the period ending  
March 31, 1999

Canada

## **Improved Reporting to Parliament Pilot Document**

The Estimates of the Government of Canada are structured in several parts. Beginning with an overview of total government spending in Part I, the documents become increasingly more specific. Part II outlines spending according to departments, agencies and programs and contains the proposed wording of the conditions governing spending which Parliament will be asked to approve.

The *Report on Plans and Priorities* provides additional detail on each department and its programs primarily in terms of more strategically oriented planning and results information with a focus on outcomes.

The *Departmental Performance Report* provides a focus on results-based accountability by reporting on accomplishments achieved against the performance expectations and results commitments as set out in the spring *Report on Plans and Priorities*.

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## Foreword

On April 24, 1997, the House of Commons passed a motion dividing on a pilot basis what was known as the annual *Part III of the Estimates* document for each department or agency into two documents, a *Report on Plans and Priorities* and a *Departmental Performance Report*.

This initiative is intended to fulfil the government's commitments to improve the expenditure management information provided to Parliament. This involves sharpening the focus on results, increasing the transparency of information and modernizing its preparation.

This year, the Fall Performance Package is comprised of 82 Departmental Performance Reports and the government's report *Managing for Results - Volumes 1 and 2*.

This *Departmental Performance Report*, covering the period ending March 31, 1999, provides a focus on results-based accountability by reporting on accomplishments achieved against the performance expectations and results commitments as set out in the department's pilot *Report on Plans and Priorities* for 1998-99. The key result commitments for all departments and agencies are also included in Volume 2 of *Managing for Results*.

Results-based management emphasizes specifying expected program results, developing meaningful indicators to demonstrate performance, perfecting the capacity to generate information and reporting on achievements in a balanced manner. Accounting and managing for results involve sustained work across government.

The government continues to refine and develop both managing for and reporting of results. The refinement comes from acquired experience as users make their information needs more precisely known. The performance reports and their use will continue to be monitored to make sure that they respond to Parliament's ongoing and evolving needs.

This report is accessible electronically from the Treasury Board Secretariat Internet site:  
<http://www.tbs-sct.gc.ca/tb/key.html>

Comments or questions can be directed to the TBS Internet site or to:

Planning, Performance and Reporting Sector  
Treasury Board Secretariat  
L'Esplanade Laurier  
Ottawa, Ontario, Canada  
K1A 0R5  
Tel: (613) 957-7042  
Fax (613) 957-7044

# **Privy Council Office**

## **Performance Report**

**For the  
period ending  
March 31, 1999**

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The Right Honourable Jean Chrétien  
Prime Minister of Canada

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The approaching millennium affords Canadians the opportunity to reflect on their shared achievements and to look ahead to the challenges that await us in the 21<sup>st</sup> Century. Canadians should be proud of their accomplishments and of their ongoing commitment to Canada and their fellow Canadians. It is because of their commitment that Canada enjoys the reputation it does as the best country in the world in which to live.

As Prime Minister, I will do all that is possible to protect that reputation. I will continue to rely on the advice and support of the Privy Council Office in implementing the Government's agenda and in responding to the priorities of Canadians. As one of our great national institutions, the Public Service of Canada can be relied upon to deliver - quickly and efficiently - quality services and programs to citizens.

I am pleased to present the *1998-99 Departmental Performance Report* for the Privy Council Office which reports on its performance in achieving the priority commitments made in the *1998-99 Report on Plans and Priorities*.

## II DEPARTMENTAL OVERVIEW

### A. Mandate, Vision and Mission

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The Queen's Privy Council for Canada was established through the *Constitution Act, 1867* to advise and assist the Queen's representative, the Governor General. The Cabinet, which acts formally as the Privy Council, carries out this role.

The Privy Council Office (PCO) also came into being at Confederation. As the Prime Minister's department, PCO provides non-partisan advice on Government policies and priorities, and on the Government's organization and its relations with Parliament, the provinces, and other institutions. PCO also advises on the breakdown of responsibilities among Ministers, appointments of Deputy Ministers, and on special matters, such as national security. As well, PCO is the secretariat for the Cabinet and its committees.

The Prime Minister's Deputy Minister has carried the title Clerk of the Privy Council since 1867. A second title, Secretary to Cabinet, was added in 1940. Changes to the *Public Service Employment Act* in 1992 brought a third title, Head of the Public Service, and responsibility for the quality of Public Servants' work.

The department's Program, called the Privy Council Program, comprises five business lines: Office of the Prime Minister, Ministers' Offices, Privy Council Office, Commissions of Inquiry and Task Forces and Corporate Services.

The Program provides for the operation and support of the central decision-making mechanism of the Government.

The core component of the Privy Council Program is the Privy Council Office business line whose mission statement follows:



#### ***Our Mission***

***To serve Canada and Canadians by providing the best non-partisan advice and support to the Prime Minister and Cabinet.***

#### ***Our Values***

***We recognize the special need of the Prime Minister for timely advice and support. We dedicate ourselves to our work and to the effective functioning of Government. We believe that integrity, judgment and discretion are essential to achieving our mission. We believe that people are the strength of PCO.***

## **B. Operating Environment**

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As the Privy Council Office is both the Cabinet Secretariat and the Prime Minister's source of advice on a range of policy and operational issues and matters relating to the management of the federation, the Privy Council Office operates in a complex, ever-changing and demanding environment.

The Privy Council Office must be sensitive to the priorities of Canadians and offer strategic advice in the best interests of Canadians and Canada. The Privy Council Office is non-partisan and needs to balance diverse and, at times, competing perspectives. Sensitivity and accuracy are essential.

In providing support, the Privy Council Office must create and build links among issues while being aware of the broader context. The Privy Council Office also works with government departments and agencies to develop a shared understanding of the Government's priorities.

In advising the Prime Minister and the ministry, the Privy Council Office operates in a dynamic, multi-level environment. It works with provincial and territorial governments, takes account of regional issues, and must be attuned to international developments and their implications for the country.

The Privy Council Office does not deliver "programs" in the same manner as most government departments. As a central agency, the mandate of the Privy Council Office is essentially fulfilled through a briefing and coordination function. The Privy Council Office operates in a very dynamic environment and responds to Government priorities which are, in turn, a function of a variety of factors including economic, social, intergovernmental and international.

As the next millennium approaches, Canadians are facing changes brought on by the global economy, driven by technology and information. These changes are as profound as those of the Industrial Revolution and are creating both dramatic challenges and opportunities for growth and development. Government and other public institutions have an important role to play in helping to equip Canadians for success in the 21<sup>st</sup> century.

This translates into new demands being made on the Privy Council Office, its management and its employees. Since the Office must react quickly to the needs of the Government, pressures of time and effectiveness of response are important considerations.



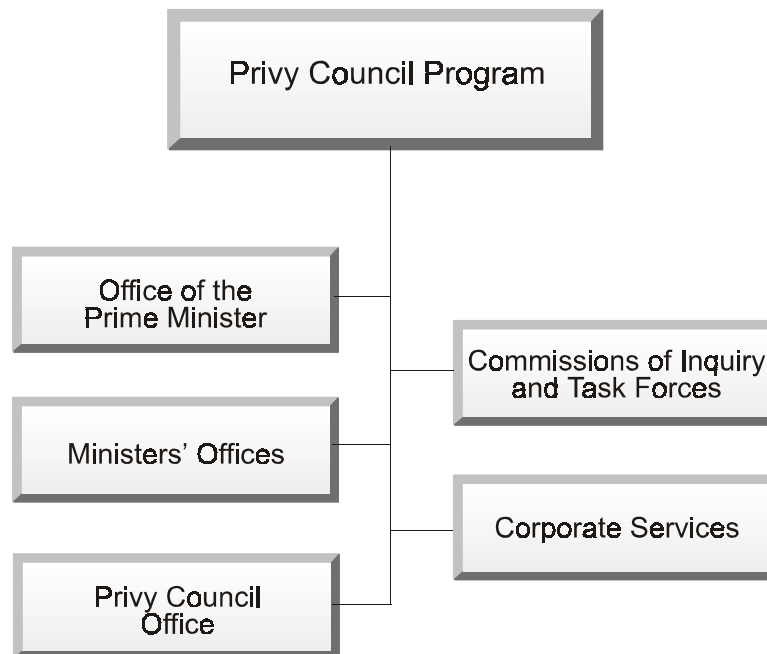
## C. Departmental Organization

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The Privy Council Program operates in a complex, multi-level environment and is carried out primarily in Ottawa. An exception is the work of the commissions of inquiry and task forces, which may operate across Canada, as required.

In 1998-99, the Privy Council Program consisted of five business lines. See Figure 1.

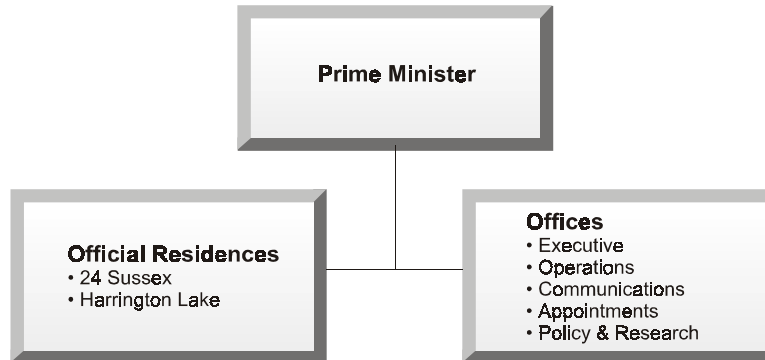
*Figure 1: Program Structure*



### **Business Line 1 – Office of the Prime Minister**

The objective of the *Office of the Prime Minister* business line is to provide advice, information and special services to support the Prime Minister as Head of Government and Chairman of Cabinet. This includes liaison with Ministers; issues management; communications; planning and operations related to the international community; and support for certain political responsibilities, including relations with the Government caucus. The office is under the direction of the Prime Minister's Chief of Staff.

**Figure 2: Office of the Prime Minister Business Line Organization Chart**

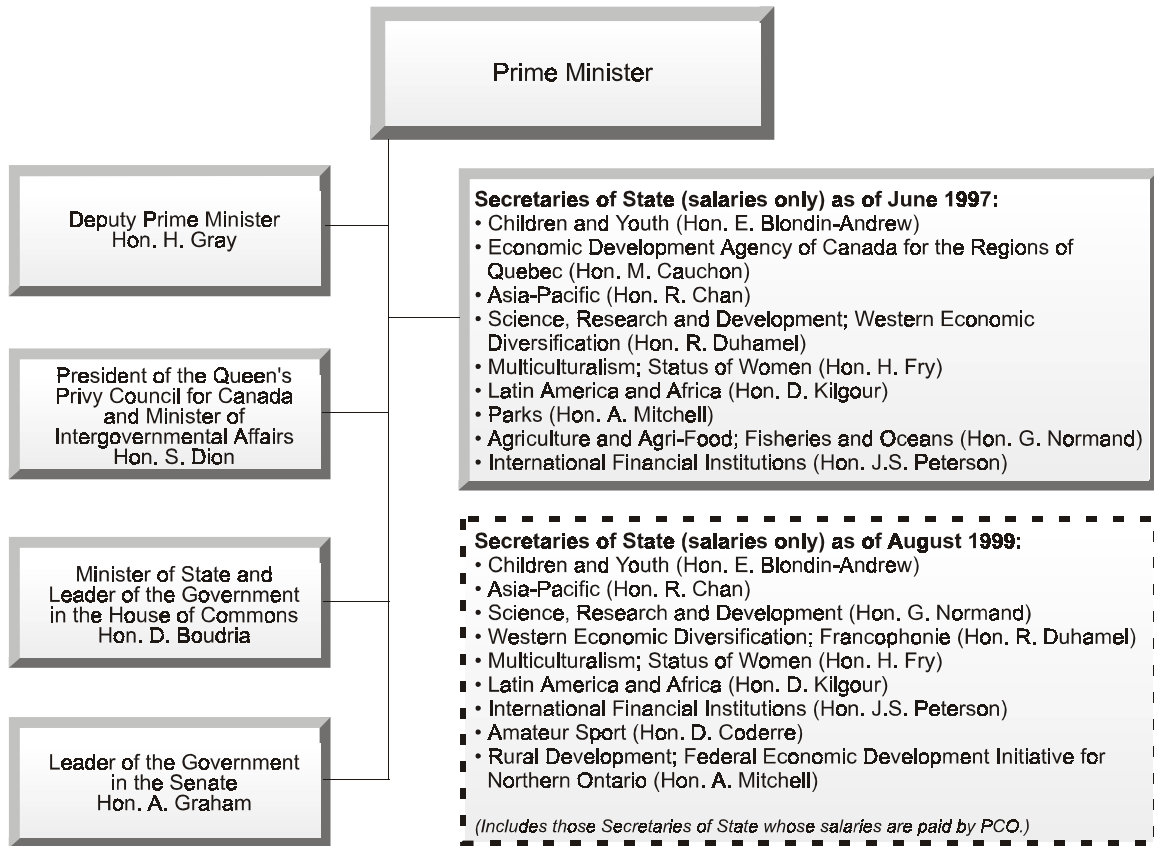


### **Business Line 2 – Ministers' Offices**

The objective of the *Ministers' Offices* business line is to provide advice, information and support services to the Deputy Prime Minister, the President of the Privy Council and Minister of Intergovernmental Affairs, the Leader of the Government in the House of Commons, and the Leader of the Government in the Senate.

The Ministers' Office business line consists of the Office of the Deputy Prime Minister, which undertakes specific functions delegated by the Prime Minister; the Office of the President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, which oversees federal, provincial and territorial relations; the Office of the Minister of State and Leader of the Government in the House of Commons, which is responsible for the Government's legislative program in the House of Commons; and the Office of the Leader of the Government in the Senate, which manages the Government's legislative program in the Senate. This business line is also responsible for the payment of the salaries and allowances for secretaries of state who assist Cabinet Ministers. An executive assistant to each Minister is responsible for managing each of the above offices.

**Figure 3: Ministers' Offices Business Line Organization Chart**



### **Business Line 3 – Privy Council Office**

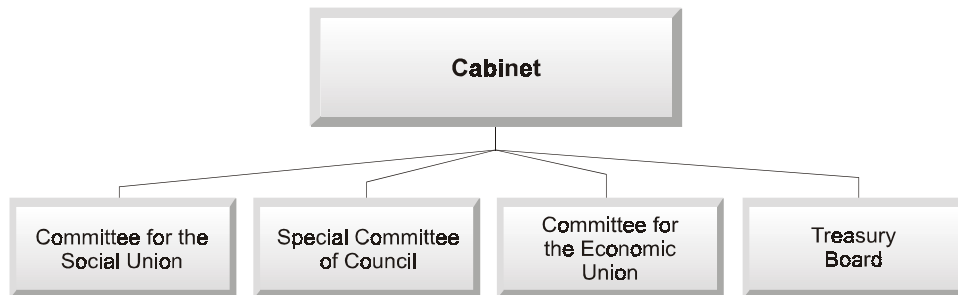
The objective of the *Privy Council Office* business line is to support the Prime Minister and Cabinet in the operation of the central policy decision-making process and to provide advice and information to the Prime Minister in the discharge of his responsibilities as Head of Government and Chairman of Cabinet. This also includes providing the necessary support to the four Ministers in the Privy Council Program as well as the Minister designated as the Federal Interlocutor for Métis and Non-Status Indians.

Fulfilling this objective involves working with federal departments and agencies to provide the best non-partisan advice and information. It also involves being attuned to the priorities of Canadians to offer strategic advice in the best interests of the country. The Privy Council Office works with provincial and territorial governments to understand regional issues and must be knowledgeable about international developments and their implications for Canada.

Another aspect of the responsibility of the Privy Council Office business line is to ensure that the Public Service as an institution has the capacity to serve Canadians and their elected representatives in the years ahead. As the responsibilities of Government are redefined, the role of this business line is to advise the Prime Minister and other Ministers on priorities for change to enable the Public Service to adapt effectively.

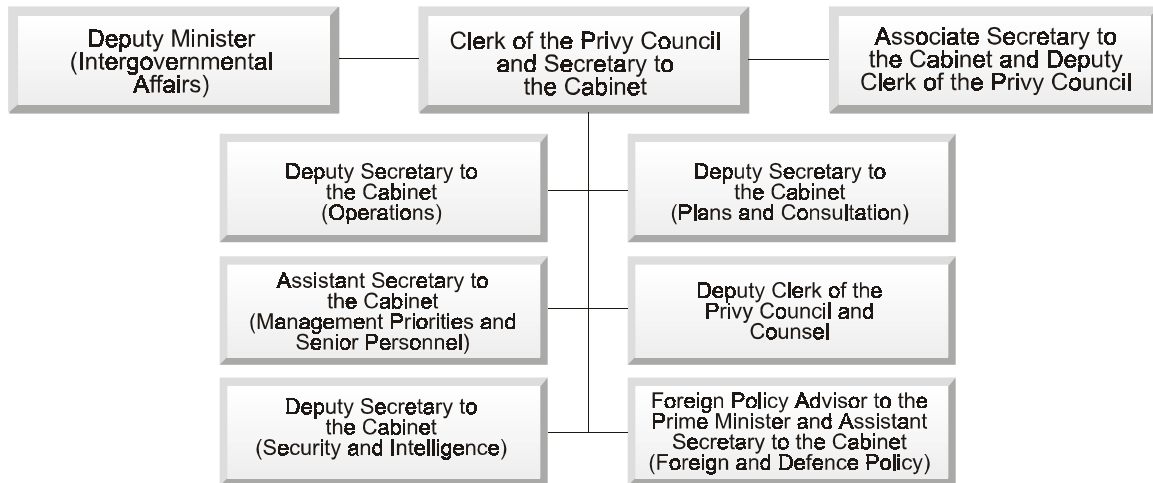
As the secretariat to the Cabinet, the role of the Privy Council Office business line is to provide policy information and advice to the Prime Minister, to Cabinet and to three of the four Cabinet committees. (The fourth committee, Treasury Board, is supported by the Treasury Board Secretariat, a separate department of Government.) See Figure 4. This role also includes providing support and planning to the Ad Hoc Committee of Cabinet on Government Communications, which provides a strategic overview to Government communications, helping to improve coordination and consistency across departments.

**Figure 4: Cabinet Committees**



The Privy Council Office business line consists of the following branches: Intergovernmental Affairs, Operations, Plans and Consultation, Management Priorities and Senior Personnel, Deputy Clerk of the Privy Council and Counsel, Security and Intelligence and finally, Foreign and Defence Policy. The Clerk of the Privy Council and Secretary to the Cabinet is accountable for the management of this business line and reports directly to the Prime Minister.

**Figure 5: Privy Council Office Business Line Organization Chart**



#### **Business Line 4 – Commissions of Inquiry and Task Forces**

The objective of the *Commissions of Inquiry and Task Forces* business line is to gather information and to report under specific terms of reference and to carry out short-term projects. One or more commissioners manages each independent commission.

During the 1998-99 fiscal year, this business line consisted of the Indian Specific Claims Commission.

#### **Business Line 5 – Corporate Services**

The objective of the *Corporate Services* business line is to provide cost efficient and effective financial, administrative, information management and personnel services in support of departmental operations and systems.

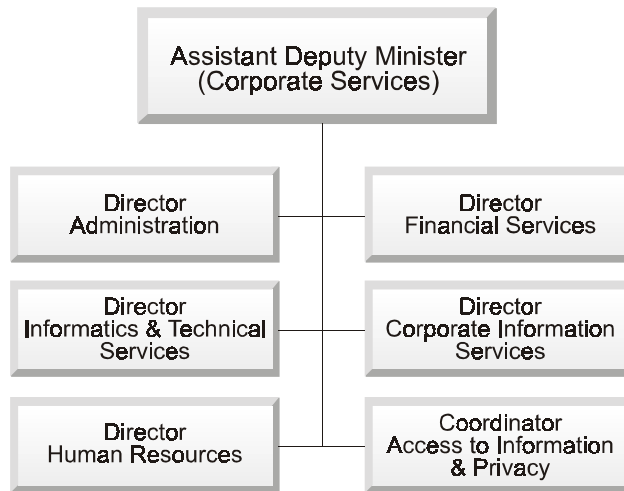
This includes common and specialized services. Common services are provided to the other business lines. They include managing financial, administrative, information management, informatics, technical and human resources services as well as co-ordinating responses to requests for access to information under the *Access to Information and Privacy Acts*.

Specialized services include operating the Prime Minister’s switchboard, managing a correspondence unit responsible for non-political, non-personal mail addressed to the Prime Minister and Ministers in his portfolio, and providing technical support for the Prime Minister’s tours.

As well, this business line provides certain administrative services to commissions of inquiry and task forces.

The Corporate Services business line consists of Administration, Financial Services, Informatics and Technical Services, Corporate Information Services, Human Resources and Access to Information and Privacy. The Assistant Deputy Minister of Corporate Services manages this business line.

**Figure 6: Corporate Services Business Line Organization Chart**



### III DEPARTMENTAL PERFORMANCE

#### A. Performance Expectations

<b>Chart of Key Results Commitments Privy Council Office (PCO)</b>		
to provide Canadians with:	to be demonstrated by:	achievements reported in:
<p>good Government by providing the best non-partisan advice and support to the Prime Minister and Cabinet</p>	<ul style="list-style-type: none"> <li>• providing policy advice and support to the Prime Minister and to other Ministers within the Prime Minister's portfolio: the Deputy Prime Minister, the President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, the Minister of State and Leader of the Government in the House of Commons and the Leader of the Government in the Senate;</li> <li>• ensuring the efficient operation of the Cabinet decision-making process in accordance with the principles of responsible government, as well as the Prime Minister's design;</li> <li>• ensuring interdepartmental policy coordination on major policy issues supporting the Government's priorities;</li> <li>• ensuring interdepartmental coordination and leadership on Public Service reform initiatives to support the Government's priorities; and</li> <li>• providing a cost efficient system to handle the volume of correspondence that Canadians address to their Prime Minister.</li> </ul>	<p>Performance Report, Section III, p. 11-19</p> <p>Performance Report, Section III, p. 11-19</p> <p>Performance Report, Section III, p. 11-19</p> <p>Performance Report, Section III, p. 11-19</p> <p>Performance Report, Section III, p. 11-19</p>

## **B. Departmental Performance Accomplishments**

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This section reports on the commitments made in the *1998-99 Report on Plans and Priorities*. In general, the Program is committed to helping the Government achieve its priorities and develop future plans and objectives. It also plays an important role in ensuring the Public Service of Canada remains a vital and efficient institution.

The following chart summarises the financial information for the Program and includes three figures to show the following:

- what the plan was at the beginning of the year (**Planned Spending**);
- what additional spending Parliament approved for the Privy Council Office to reflect changing priorities and unforeseen events (**Total Authorities**); and
- what was actually spent (**1998-99 Actuals**).

<b>Privy Council Office</b>	
Planned Spending	\$73,417,210
Total Authorities	\$84,896,398
<b>1998-99 Actuals</b>	<b>\$83,056,559</b>

PCO started the year with authorities of \$73.4 million. Supplementary estimates and year-end adjustments of \$11.5 million were approved during the fiscal year, increasing the total authorities to \$84.9 million. In 1998-99, PCO spent \$83.1 million with the lapse of approximately \$1.8 million due primarily to lower than planned operating costs and contribution payments.

The Privy Council Office (PCO) fills a dual role within the Government of Canada.

As the Prime Minister's department, PCO works with departments across government to provide advice, information and services to the Prime Minister in his capacity as head of Government and to other Ministers within the Privy Council Program.

As a central agency, PCO deals in varying degrees with government-wide issues. At times, PCO assumes a leadership role, overseeing, coordinating and monitoring the issues, projects and priorities that come before it. On other occasions, PCO is a participant, assisting and working with other government departments in their work.

These diverse roles – that of a leader and participant – are evident in PCO's ongoing activities. However, no matter its role, all PCO initiatives support its mandate: to provide the best non-partisan advice and support to the Prime Minister and Cabinet.



In 1998-99, PCO actively worked toward several key priorities such as, contributing to ongoing efforts to improve and widen Canadians' access to government services and programs; constantly promoting horizontal management across government by challenging other departments to consider and consult all stakeholders in the development of policies and programs; and promoting Public Service renewal initiatives.

### **Improving service for Canadians**

The PCO is very much a part of ongoing initiatives to improve the delivery of programs and services to Canadians. In the past year, it continued to advise Ministers on measures to ensure that the Public Service adapts to the changing expectations of citizens.

Through its representation on the Treasury Board Senior Advisory Committee, PCO provided advice and guidance to the Secretary of the Treasury Board on a range of service delivery initiatives. One was the development of a Strategic Information Management/Information Technology Infrastructure to provide a reliable, secure and adaptive electronic infrastructure. This will lead to citizen-centred service delivery approaches for a wide range of government services. Another project is Service Canada, a government-wide initiative led by Treasury Board to provide a one-stop access to a range of government services. In the shorter term, Canadians will gain better access to information and services through kiosks, by telephone and over the Internet. As services will have a "common look and feel," Canadians will be able to find them more easily across departments and delivery channels. At the same time, citizens will gain a better understanding of the value of federal programs and services in their lives. PCO also worked closely with other central agencies and government departments to ensure that communications initiatives helped Canadians gain access to information on government programs and services.

PCO's support to the Prime Minister and Ministers was instrumental in the creation of two new service agencies. Specifically, PCO helped to assess the business case in the formation of the Parks Canada Agency and the Canada Customs and Revenue Agency both designed to improve service to Canadians. It provided support and advice to the Prime Minister, Ministers and their departments from conceptualization, through legislative development and their adoption by Parliament.

Canadians forwarded 375,000 pieces of correspondence to the Prime Minister in the past year, down slightly from the previous year. Canadians' use of electronic mail, however, rose substantially. A total of 26,000 electronic messages were sent to the Prime Minister, up from just 7,000 two years ago. In the past year, a Year 2000 compliant correspondence management system was implemented as part of Treasury Board's common systems initiative. As a result of the change, and the accompanying training needs, responses to general correspondence took one week longer than the normal five weeks. Primary mail, however, as well as requests for Prime Ministerial greetings and special messages, were processed within normal time lines.

Finally, PCO has been reviewing and streamlining its Access to Information process since 1997-98. PCO was successful in eliminating its Access backlog and improving timeliness. To make significant progress in meeting Access deadlines, PCO is considering adding resources targeted at the most strategic parts of the process. This should improve monitoring/follow-up capacity, training of PCO staff for maximum effectiveness, and further refine the procedures. These efforts will enable PCO to improve timeliness and to meet deadlines required by the Act.

### **Working with other countries**

Throughout the year PCO actively provided support to the Prime Minister on foreign and defence policy developments. The Prime Minister visited a number of countries, including the United States, Mexico, Cuba, Britain, Ukraine, China, Italy and Poland. In addition, the Prime Minister received visits from delegations and heads of state of some 20 countries. A highlight was the visit of South Africa's former President Nelson Mandela in September 1998.

The Prime Minister attended the Summit of the Americas in Santiago, the CARICOM Summit in Nassau and the NATO Summit – celebrating its 50<sup>th</sup> anniversary – in Washington. PCO provided advice and support during the conflict in Kosovo, specifically on Canada's participation in the air campaign, the subsequent ground peace enforcement operation and the provision of humanitarian and law enforcement assistance. The Prime Minister received similar support in shaping the Government's non-proliferation policy following the testing of nuclear weapons by India and Pakistan.

PCO supported Canada's successful election to a sixth term on the United Nations Security Council. And it played a coordinating role with many other departments and agencies in disaster relief efforts to Central America following Hurricane Mitch.

While PCO supported efforts throughout the year to improve Canadian exports and strengthen bilateral and multilateral trade agreements, it was particularly active in helping the Prime Minister prepare to promote Canadian economic interests at the G-8 summit in the United Kingdom, the APEC Conference in Kuala Lumpur and the World Economic Summit in Zurich.

### **Working with the provinces and territories**

PCO provides strategic advice on the management of the federation and on the promotion of national unity. PCO supports the Prime Minister and the Minister of Intergovernmental Affairs in the overall management of federal-provincial relations, including the provision of strategic advice on the conduct of bilateral and multilateral meetings, on the management of intergovernmental issues and on national unity.

PCO worked closely with the Department of Justice in analysing and preparing the Government's response following the Supreme Court of Canada's ruling on the unilateral declaration on independence of Quebec in August 1998.

PCO also anticipates and assesses provincial and territorial positions on federal-provincial issues and monitors important events such as the Annual Premiers' Conference, the Western Premiers' Conference, the Atlantic Premiers' Conference and federal-provincial-territorial meetings. In 1998-99, there was one First Ministers Meeting, in February 1999, which signed the Social Union Framework Agreement and discussed health funding. PCO worked in the preparation of this meeting, notably through assisting the Social Union Task Force throughout 1998 in negotiating a new collaborative approach.

PCO supports a strong collaborative approach to relations with provincial and territorial governments. On-going liaison with provincial and territorial representatives is viewed as an opportunity to exchange information and to gain a better understanding of provincial realities, concerns and priorities. Such communication increases opportunities for consensus-building and cooperative relationships with and among Canada's provinces and territories.

Over the last year, PCO also monitored almost 50 federal-provincial-territorial ministerial meetings and attended a significant number of them. By organizing and coordinating meetings of federal, provincial and territorial officials, PCO strived to ensure that initiatives would promote positive and constructive intergovernmental relations – or help to avoid irritants – and respect the spirit of the social union.

By monitoring economic and social issues to be considered by Cabinet, and providing advice as necessary, PCO also helped to ensure provincial considerations would be reflected. This was particularly relevant on files such as the National Children's Agenda, the National Child Benefit, the Federal Disabilities Strategy, the Youth Employment Strategy, and on issues such as health, international trade negotiations, climate change and the Rural Dialogue.

PCO monitors, on an ongoing basis, public debates concerning constitutional issues in order to assess their importance in relation to the evolution of the federation and national unity. PCO examines and assesses constitutional amendment proposals coming from the provinces and advises the Minister of Intergovernmental Affairs and the Prime Minister on these issues. If necessary, PCO liaises with the Department of Justice on these issues.

In 1998-99, PCO monitored the adoption on April 26, 1999, of a constitutional amendment by the Newfoundland House of Assembly, which would change the official name of the province to Newfoundland and Labrador in preparation for the tabling of a similar amendment in the House of Commons and Senate in the fall of 1999.

### **Working with other departments**

Issues that come before the Government and the Public Service today are increasingly complex and frequently involve several departments. As a result, PCO worked closely with other departments throughout the year to develop the mechanisms necessary to ensure that common issues were handled in a consistent manner and that all departments with a role to play were involved and encouraged to contribute. This work helped government change the way it develops policies and delivers programs.

The Government responded to the growing complexity of issues that come before it by increasing its commitment to horizontal management. In 1998-99, that commitment was evident in many PCO activities. For example, PCO worked with other departments to support the new Climate Change Secretariat which, in conjunction with the provinces and territories, manages the national process to develop a strategy to implement the Kyoto Protocol. PCO also set up a Voluntary Sector Task Force to support 17 departments in the development of a government-wide approach to strengthen the capacity of the sector and its contribution to Canadian society. PCO's commitment to horizontal management was evident in its involvement in the Canadian Biotechnology Strategy, which provides strategic direction for key science-based departments. PCO ensured that departments advanced the Government's long-term objectives while maintaining a balanced point of view on the many difficult issues that biotechnology raises. PCO also helped to ensure a coherent federal approach to the implementation of the Social Union Framework Agreement, encouraging other departments to integrate the Social Union Framework Agreement principles, especially those relating to collaborative practices, into their policy and program development.

PCO worked with other departments to support the Government's long-standing objective of strengthening the federation. For example, PCO collaborated closely with the Department of Canadian Heritage on a proposal to expand exchange programs through the creation of an information access system thereby increasing the knowledge of Canadians about their country.

PCO played a leading role, in collaboration with the Department of Foreign Affairs and International Trade, in moving forward with the Government's commitment to propose "the creation of an international forum of federations where federal countries can exchange ideas and information, compare their experiences, and devise new solutions to common problems." Following consultations with a group of leading Canadians, a model for a non-governmental organization was developed. The Committee for the Forum of Federations was subsequently established and, while promoting the concept of an ongoing forum, began organizing the International Conference on Federalism to be held in Mont Tremblant Quebec in October 1999.

One of PCO's objectives is to develop mechanisms to provide the most efficient support to the Cabinet Committees. In this regard, PCO worked to promote interdepartmental cooperation and collaboration in policy development and communications activities. For

example, last fall, PCO gathered information and prepared case study analysis for Cabinet Committees on key aspects of the Canada's economy; considering issues from an integrated, multi-disciplinary perspective.

Throughout the year, PCO regularly participated in interdepartmental processes to review policy and program proposals going forward to Cabinet Committees and Cabinet; provided policy and communications advice to departments; helping to ensure that proposals reflected and supported government-wide priorities. PCO's involvement in the interdepartmental working group related to the Canadian Rural Partnership, for example, challenged participating departments to "think rural" in their policy and planning initiatives.

PCO worked closely with departments on key legislative initiatives, providing policy and communications guidance as required. It worked with individual departments to facilitate consideration of such legislation as the *Canadian Environment Protection Act, 1998* (Bill C-32) and the *Personal Information Protection and Electronic Documents* (Bill C-54).

In 1998-99, PCO also advised and assisted other departments in the implementation of major programs. For instance, PCO worked with other departments to help develop, implement and communicate the *Canadian Fisheries Adjustment and Restructuring Plan* and the *Agricultural Income Disaster Assistance Program*.

As an organisation, PCO continued its effort to implement the recommendations of the Report of the Independent Review of the Panel on Modernization of Comptrollership in the Government of Canada by starting to implement new processes and structures in line with the Government's Financial Information Strategy (FIS). This included the purchase of a new integrated financial and material management system (Free Balance) which meets Year 2000 requirements. The implementation of Free Balance began with the evaluation of existing processes, business transactions and chart of accounts to culminate in a full implementation of several of its modules April 1, 1999. Work will continue over the next two fiscal years to meet other FIS requirements.

### **Supporting the Government program**

PCO actively supported the Government's program in Parliament in 1998-99. It coordinated departmental legislative initiatives, supported and advised the Prime Minister, Ministers in his portfolio and the Clerk on a legislative agenda to implement key elements of the Government's economic and social strategy. It ensured coordination and consultation among federal departments in bringing forward some 40 legislative initiatives and coordinated draft legislation for Cabinet consideration and authority to introduce. It provided communications advice and guidance to departments on those same initiatives as well as on other issues which the Government deals with in carrying out its duties. In addition, PCO made a key contribution to the interdepartmental team that developed the new Cabinet directive on law making, which will build capacity and improve the policy development and legislative processes. As well, resources were

consolidated within PCO to strengthen support to the Special Committee of Council in its Governor-in-Council's responsibilities. In 1998-99, the Special Committee of Council approved more than 1,200 submissions for new or amended Orders in Council, including some 400 regulatory orders.

PCO supported the Ad Hoc Cabinet Committee on Communications, which provided advice and guidance to Ministers and departments, ensuring that government communications was coherent across departments, and helping Canadians gain better understanding and access to information on policies, programs and services.

PCO advised the Prime Minister and Ministers in his portfolio on legal, policy, communications and procedural issues, the Government's overall program in Parliament, and legal proceedings with government-wide implications or relating to the Prime Minister's prerogatives. In addition, PCO provided support to Ministers and departments on the interpretation of Cabinet confidences and the preparation of Government's legislation and regulations.

PCO also assisted the Leaders of the Government in the House of Commons and the Senate with the Government's legislative agenda in Parliament. A key activity was updating Canada's electoral framework through amendments to the *Canada Elections Act*.

### **Renewing the Public Service**

The Clerk's Annual Report to the Prime Minister identified three areas for action in regard to the Public Service: strengthening policy capacity, modernizing service delivery and improving people management. PCO showed leadership in all three areas by working collaboratively with departments, Deputy Minister Champions and the central agencies to move the renewal agenda forward.

Through its work with the Treasury Board Secretariat, the Public Service Commission, the Canadian Centre for Management Development, The Leadership Network and Deputy Minister Champions, PCO played a key role in developing the overarching renewal framework, identifying corporate priorities and developing solutions. Work in the area of improving human resources management - *La Relève* - has been particularly intense.

By advising the Clerk on the strategic management of committee agendas (including the Committee of Senior Officials and Deputy Ministers Retreats), PCO helped to keep the issue of Public Service renewal a top corporate priority and provided advice on the definition and evolution of the management agenda.

During the period 1998-99, in order to retain, motivate and attract knowledge workers, new and improved development programs were implemented; awards programs were renewed; networks were created; Regional Councils were revitalized; Deputy Minister

Champions were named to address a range of issues, including the needs of functional communities; an enhanced career support and management system was implemented for Assistant Deputy Ministers; learning advisory panels for middle managers and other communities were established; and work continued to streamline and reform staffing and classification systems as well as the business planning process.

As an organization, PCO continued to implement its own action plan in support of *La Relève*, the government-wide initiative to ensure a modern and vibrant Public Service in the future. It took action on three priorities: career management workshops, a junior officer training program for administrative staff, and upward feedback for managers. Through a one-day colloquium, “Investing In Our Future,” employees discussed *La Relève* priorities and initiatives.

### **Addressing compensation**

The issue of compensation, a key factor in the Public Service’s ability to attract and retain a high calibre of employees, was also addressed by PCO. The salary recommendations in the January 1998 report of the Advisory Committee on Senior Level Retention and Compensation were implemented for Governor in Council appointees. Work was also done on the implementation of other Committee recommendations. In particular, PCO conducted a review of CEO compensation in Crown corporations and worked with the Treasury Board Secretariat in providing information and recommendations to the Committee.

PCO also collaborated with the Treasury Board Secretariat on a variety of other human resource management policies and issues, including collective bargaining, pay equity, pension reform and the Universal Classification System.

### **Recognizing the value of employees**

PCO was especially active in the pride and recognition component of *La Relève*. Efforts to recognize the contribution of employees across the Public Service were implemented. PCO participated in the following activities:

- the first annual Head of the Public Service Awards (designed to recognize excellence at all levels of the Public Service);
- the Outstanding Achievement Awards;
- the TBS Awards of Excellence;
- National Public Service Week; and
- the national capital region event for the week – *Proudly Serving Canadians*.

In addition, PCO participated in developing *Rediscovering Public Service*, a project which will bring together senior public servants from federal, provincial, and municipal governments with leaders from the private and voluntary sectors as well as academics and media representatives, in the fall of 1999.

### **Values and ethics**

Values and ethics were a major item on the federal government agenda and PCO efforts constituted a key part of the ongoing program to further develop and promote a values-based Public Service. PCO helped regional councils deliver values and ethics workshops, examined other policy questions in the values and ethics field, and provided general leadership through the Deputy Minister Values and Ethics Champion and related support within PCO.

### **Indian Specific Claims Commission**

The Indian Specific Claims Commission conducts impartial inquiries when a First Nation disputes rejection of their specific claim by the Minister of Indian Affairs and Northern Development, or when a First Nation disagrees with the compensation criteria used by government in negotiating the settlement of their claim. As well as conducting formal inquiries, the Commission at the request of the government or First Nation, provides or arranges mediation regarding claims.

The Commission has worked with the Joint First Nations/Canada Task Force on the Reform of Claims Policy in developing options for presentation to the Minister of Indian Affairs and Northern Development, regarding possible structural or administrative changes to the claims process. In the meantime, the Commission continues to work within its original mandate.

In 1998-99, three new reports were issued on claims while six are in progress. Fourteen claims inquired into by the Commission previously were accepted for negotiation. This brings to 46 the number of claims that have been completed and reported on, 23 of which have been settled or accepted for negotiation.

Commissioners, seeing evidence that there is a lack of understanding among Canadians about the claims issue and the historical and legal issues surrounding them, continue to develop a public education and awareness plan. They were encouraged to do so by the Minister of Indian Affairs and Northern Development and the National Chief in December 1998.



## **IV CONSOLIDATING REPORTING**

### **A. Year 2000 (Y2K) Readiness**

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On the Year 2000 front, as of March 31, 1999, PCO's Readiness project was 98% complete. Mission critical systems have been evaluated and are scheduled for completion by the end of September 1999. The project includes developing a contingency plan and ensuring backup facilities are in place to make sure business continues. The contingency plan was completed by June 30, 1999 with the installation and testing of contingency measures to be completed by the fall of 1999.

## **V FINANCIAL PERFORMANCE**

### **A. Financial Performance Overview**

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This section provides a financial performance overview using a set of various financial tables. The format of these tables is standard throughout the federal government. All figures reported under “Planned Spending,” “Total Authorities” and “Actual” columns of the Financial Tables correspond to amounts published in the 1998-99 Main Estimates and in the 1998-99 Public Accounts.

In 1998-99, only the following Financial Tables were applicable to PCO’s operations:

- 1 - Summary of Voted Appropriations
- 2 - Comparison of Total Planned Spending to Actual Spending
- 3 - Historical Comparison of Total Planned Spending to Actual Spending
- 7 - Non-Respendable Revenues by Business Line
- 9 - Transfer Payments

## B. Financial Summary Tables

**Financial Table 1 – Summary of Voted Appropriations**

<b>Financial Requirements by Authority (thousands of dollars)</b>			
<b>Vote</b>	<b>1998-99</b>		
	<b>Planned Spending</b>	<b>Total Authorities</b>	<b>Actual</b>
<b>Privy Council Office</b>			
1 Program expenditures	65,162.0	76,180.5	<b>74,364.9</b>
(S) The Prime Minister's salary and motor car allowance	72.0	74.0	<b>74.0</b>
(S) President of the Privy Council -- Salary and motor car allowance	48.6	50.0	<b>50.0</b>
(S) Leader of the Government in the Senate -- Salary and motor car allowance	48.6	50.0	<b>50.0</b>
(S) Ministers without Portfolio or Ministers of State -- Motor car allowance	22.0	22.7	<b>22.7</b>
(S) Contributions to employee benefit plans	8,064.0	8,470.0	<b>8,470.0</b>
(S) Spending of proceeds from the disposal of surplus Crown assets	-	49.2	<b>25.0</b>
<b>Total Department</b>	<b>73,417.2</b>	<b>84,896.4</b>	<b>83,056.6</b>
Note: Total authorities are Main Estimates plus Supplementary Estimates plus other authorities			

## Financial Table 2 – Comparison of Total Planned Spending to Actual Spending

<b>Departmental Planned versus Actual Spending by Business Line (thousands of dollars)</b>									
<b>Business Lines</b>	<b>FTEs</b>	<b>Operating</b>	<b>Capital</b>	<b>Voted Grants &amp; Contri- butions</b>	<b>Subtotal: Gross Voted Expendi- tures</b>	<b>Statutory Grants and Contri- butions</b>	<b>Total Gross Expendi- tures</b>	<b>Less: Respend- able Revenue*</b>	<b>Total Net Expendi- tures</b>
<b>Office of the Prime Minister</b>	85	6,242.9	-	-	6,242.9	-	6,242.9	-	6,242.9
<i>(total authorities)</i>	<i>85</i>	<i>6,244.3</i>	-	-	<i>6,244.3</i>	-	<i>6,244.3</i>	-	<i>6,244.3</i>
<b>(Actuals)</b>	<b>87</b>	<b>6,411.9</b>	-	-	<b>6,411.9</b>	-	<b>6,411.9</b>	-	<b>6,411.9</b>
<b>Ministers' Offices</b>	82	7,589.3	-	-	7,589.3	-	7,589.3	-	7,589.3
<i>(total authorities)</i>	<i>82</i>	<i>7,671.3</i>	-	-	<i>7,671.3</i>	-	<i>7,671.3</i>	-	<i>7,671.3</i>
<b>(Actuals)</b>	<b>80</b>	<b>6,988.3</b>	<b>25.6</b>	-	<b>7,013.9</b>	-	<b>7,013.9</b>	-	<b>7,013.9</b>
<b>Privy Council Office</b>	348	30,947.0	-	1,942.0	32,889.0	-	32,889.0	-	32,889.0
<i>(total authorities)</i>	<i>366</i>	<i>34,352.1</i>	-	<i>4,442.0</i>	<i>38,794.1</i>	-	<i>38,794.1</i>	-	<i>38,794.1</i>
<b>(Actuals)</b>	<b>341</b>	<b>33,817.9</b>	<b>120.0</b>	<b>4,049.4</b>	<b>37,987.3</b>	-	<b>37,987.3</b>	-	<b>37,987.3</b>
<b>Commissions of Inquiry and Task Forces</b>	-	4,902.0	-	-	4,902.0	-	4,902.0	-	4,902.0
<i>(total authorities)</i>	<i>-</i>	<i>5,203.9</i>	-	-	<i>5,203.9</i>	-	<i>5,203.9</i>	-	<i>5,203.9</i>
<b>(Actuals)</b>	<b>-</b>	<b>3,807.7</b>	<b>76.8</b>	-	<b>3,884.5</b>	-	<b>3,884.5</b>	-	<b>3,884.5</b>
<b>Corporate Services</b>	200	19,794.0	2000.00	-	21,794.0	-	21,794.0	-	21,794.0
<i>(total authorities)</i>	<i>200</i>	<i>23,859.6</i>	<i>3,123.2</i>	-	<i>26,982.8</i>	-	<i>26,982.8</i>	-	<i>26,982.8</i>
<b>(Actuals)</b>	<b>202</b>	<b>25,123.5</b>	<b>2,635.5</b>	-	<b>27,759.0</b>	-	<b>27,759.0</b>	-	<b>27,759.0</b>
<b>Total</b>	715	69,475.2	2000.00	1,942.0	73,417.2	-	73,417.2	-	73,417.2
<i>(total authorities)</i>	<i>733</i>	<i>77,331.2</i>	<i>3,123.2</i>	<i>4,442.0</i>	<i>84,896.4</i>	-	<i>84,896.4</i>	-	<i>84,896.4</i>
<b>(Actuals)</b>	<b>710</b>	<b>76,149.3</b>	<b>2,857.9</b>	<b>4,049.4</b>	<b>83,056.6</b>	-	<b>83,056.6</b>	-	<b>83,056.6</b>
<b>Other Revenues and Expenditures</b>									
<b>Non-respendable Revenues **</b>									-
<i>(total authorities)</i>									-
<b>(Actuals)</b>									<b>(590.2)</b>
<b>Cost of Services provided by other departments</b>									9,496.0
<i>(total authorities)</i>									9,712.0
<b>(Actuals)</b>									<b>10,236.0</b>
<b>Net Cost of the Program</b>									82,913.2
<i>(total authorities)</i>									94,608.4
<b>(Actuals)</b>									<b>92,702.4</b>
* These revenues were formerly called "Revenues Credited to the Vote"									
** These revenues were formerly called "Revenues Credited to the Consolidated Revenue Fund"									
<b>Note:</b> Numbers in italics denote Total Authorities for 1998-99 (Main & Supplementary Estimates & other authorities). Bolded numbers denote actual expenditures/revenues in 1998-99 .									

### Financial Table 3 – Historical Comparison of Total Planned Spending to Actual Spending

<b>Departmental Planned versus Actual Spending by Business Line (thousands of dollars)</b>					
<b>Business Lines</b>	<b>1996-97 Actual</b>	<b>1997-98 Actual</b>	<b>1998-99</b>		
			<b>Planned Spending</b>	<b>Total Authorities*</b>	<b>Actual</b>
Office of the Prime Minister	5,832.8	6,047.3	6,242.9	6,244.3	<b>6,411.9</b>
Ministers' Offices	3,788.5	5,444.9	7,589.3	7,671.3	<b>7,013.9</b>
Privy Council Office	29,597.8	30,838.8	32,889.0	38,794.1	<b>37,987.3</b>
Millennium Planning **	-	1,218.5	-	-	-
Commissions of Inquiry and Task Forces	17,188.1	10,916.7	4,902.0	5,203.9	<b>3,884.5</b>
Corporate Services	23,292.3	25,340.3	21,794.0	26,982.8	<b>27,759.0</b>
<b>Total</b>	<b>79,699.5</b>	<b>79,806.5</b>	<b>73,417.2</b>	<b>84,896.4</b>	<b>83,056.6</b>

\* Total Authorities are Main Estimates plus Supplementary Estimates plus other authorities.

\*\* Effective March 12, 1998, the Millennium Bureau of Canada was established as a separate agency and is no longer reported under the Privy Council Office.

Explanation of variance between Planned Spending and Total Authorities:  
 During 1998-99, additional funding of \$11.5 million was obtained for the following items:

- \$3.5 million to support various Committees, the Social Union Task Force and the Year 2000 Planning & Coordination Group;
- \$2.8 million for the 1997-98 operating budget carry forward which was used to alleviate internal pressures such as Year 2000 initiatives;
- \$2.5 million for contribution payments (for further details, see Table 9);
- \$2.3 million in compensation for collective bargaining; and
- \$0.4 million for adjustments to contributions to employee benefit plans.

## Financial Table 7 – Non-Respendable Revenues by Business Line

Non-Respendable Revenues by Business Line (thousands of dollars)					
Business Lines	1996-97 Actual	1997-98 Actual	1998-99		
			Planned Revenues	Total Authorities	Actual
Office of the Prime Minister	-	-	-	-	-
Ministers' Offices	-	-	-	-	-
Privy Council Office	-	-	-	-	-
Millennium Planning *	-	-	-	-	-
Commissions of Inquiry and Task Forces	-	-	-	-	-
Corporate Services	-	-	-	-	-
<b>Subtotal</b>	-	-	-	-	-
Tax Revenues	15.0	5.0	-	-	<b>51.6</b>
Non-Tax Revenues	357.6	425.8	-	-	<b>538.6</b>
<b>Total Non-respendable Revenues **</b>	<b>372.6</b>	<b>430.8</b>	-	-	<b>590.2</b>
* Effective March 12, 1998, the Millennium Bureau of Canada was established as a separate agency and is no longer reported under the Privy Council Office.					
** In PCO, non-respendable revenues were due to year-end adjustments.					

## Financial Table 9 – Transfer Payments

Transfer Payments by Business Line (thousands of dollars)					
	1996-97 Actual	1997-98 Actual	1998-99		
			Planned Spending	Total Authorities	Actual
<b>GRANTS</b>					
Office of the Prime Minister	-	-	-	-	-
Ministers' Offices	-	-	-	-	-
Privy Council Office	48.0	48.0	48.0	48.0	<b>48.0</b>
Millennium Planning *	-	-	-	-	-
Commissions of Inquiry and Task Forces	-	-	-	-	-
Corporate Services	-	-	-	-	-
<b>Total Grants</b>	<b>48.0</b>	<b>48.0</b>	<b>48.0</b>	<b>48.0</b>	<b>48.0</b>
<b>CONTRIBUTIONS</b>					
Office of the Prime Minister	-	-	-	-	-
Ministers' Offices	-	-	-	-	-
Privy Council Office	1,348.0	1,138.7	1,894.0	4,394.0	<b>4,001.4</b>
Millennium Planning *	-	-	-	-	-
Commissions of Inquiry and Task Forces	-	-	-	-	-
Corporate Services	-	-	-	-	-
<b>Total Contributions</b>	<b>1,348.0</b>	<b>1,138.7</b>	<b>1,894.0</b>	<b>4,394.0</b>	<b>4,001.4</b>
<b>Total Transfer Payments</b>	<b>1,396.0</b>	<b>1,186.7</b>	<b>1,942.0</b>	<b>4,442.0</b>	<b>4,049.4</b>
* Effective March 12, 1998, the Millennium Bureau of Canada was established as a separate agency and is no longer reported under the Privy Council Office.					
<u>Explanation of variance between Planned Spending and Total Authorities.</u>					
Through Supplementary Estimates, the Privy Council Office was authorized an additional \$2.5 million in contributions to support Aboriginal communities and associations representing off-reserve aboriginal peoples, and the Committee for International Forum of Federations.					

## VI OTHER INFORMATION

### A. Contacts for Further Information and Departmental Web Sites

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#### Privy Council Office Bureau du Conseil privé

*Proudly Serving  
Canadians*

*Fiers de servir les Canadiennes  
et Canadiens*

#### Contacts for Further Information and Departmental Web Sites

#### Personnes ressources pour obtenir des renseignements supplémentaires et sites Web

Publications /  
Public Inquiries

(613) 957-5153

Publications /  
Renseignements publics

Human Resources

(613) 952-4800

Ressources humaines

Prime Minister

<http://pm.gc.ca>

Premier ministre

Minister Boudria

<http://www.pco-bcp.gc.ca/lgc>

Ministre Boudria

Minister Dion

<http://www.pco-bcp.gc.ca/aia>

Ministre Dion

Privy Council Office

<http://www.pco-bcp.gc.ca>

Bureau du Conseil privé

Indian Specific Claims  
Commission

<http://www.indianclaims.ca>

Commission sur les revendications  
particulières des Indiens

Canada





## **B. Legislation Administered and Associated Regulations**

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### **Prime Minister**

<i>Canadian Centre for Management Development Act</i>	1991, c.16, s.20, as amended
<i>Constitution Acts</i>	
<i>Governor General's Act</i>	R.S. 1985, c.G-9, as amended
<i>Inquiries Act</i>	R.S. 1985, c.I-11, as amended
<i>Ministries and Ministers of State Act</i>	R.S. 1985, c.M-8
<i>National Round Table on the Environment and the Economy Act</i>	1993, c.31
<i>Public Service Rearrangement and Transfer of Duties Act</i>	R.S. 1985, c.P-34
<i>Royal Style and Titles Act</i>	R.S. 1985, c.R-12
<i>Royal Style and Titles (Canada) Act</i>	1947, c.72 (see also R.S.C. 1970, c.12)
<i>Salaries Act</i>	R.S. 1985, c.S-3, as amended

### **President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs**

<i>Canadian Transportation Accident Investigation and Safety Board Act</i>	1989, c.3, as amended
<i>Oaths of Allegiance Act</i>	R.S. 1985, c.O-1
<i>Parliamentary Employment and Staff Relations Act</i>	R.S. 1985, c.33 (2nd Supp.), as amended
<i>Public Service Staff Relations Act</i>	R.S. 1985, c.P-35, as amended
<i>Representation Act, 1974</i>	1974-75-76, c.13, as amended
<i>Representation Act, 1985</i>	1986, c.8, as amended

### **Minister of State and Leader of the Government in the House of Commons**

<i>Elections Canada Act</i>	R.S. 1985, c.E-2, as amended
<i>Electoral Boundaries Readjustment Act</i>	R.S. 1985, c.E-3, as amended
<i>Electoral Boundaries Readjustment Suspension Act, 1994</i>	1994, c.19
<i>Parliament of Canada Act</i>	R.S., 1985, c.P-1, as amended
<i>Referendum of Canada Act</i>	1992, c.30, as amended

## **C. Statutory Annual Reports and Other Departmental Reports**

### **Annual Report to the Prime Minister on the Public Service of Canada**

Pursuant to Section 47.1 of the *Public Service Employment Act*, the Clerk of the Privy Council, as Head of the Public Service, shall submit a report on the state of the Public Service each fiscal year to the Prime Minister. This report is then tabled in the House of Commons by the Prime Minister.