

## Budget

Departmental expenditures for the fiscal year 1984-85 totalled approximately \$872 million. This included operating and capital expenditures, grants and contributions and other transfer payments in connection with the Canadian Interest Abroad Program (including passport operations), the Grains and Oilseeds Program and the World Exhibitions Program.

Operating and maintenance expenditures of approximately \$506 million were incurred for the management and co-ordination of operations at headquarters and missions and included salaries, wages and other personnel costs, rental of properties abroad, travel, communications and costs for the conduct of foreign operations.

Capital expenditures of approximately \$69 million included \$37 million for the purchase and replacement of vehicles, furnishings and equipment and \$32 million for the Long-Range Capital Program (LRCP). The objective of this program is to stabilize rental costs through increased Crown ownership of office and living accommodation abroad.

Expenditures of approximately \$150 million for grants, contributions and transfer payments were largely non-discretionary and arose from Canada's membership in such international organizations as the UN, NATO, the OECD and the Commonwealth.

Major budget expenditures	
<b>Operations</b>	(\$ millions)
Relations with foreign governments	96
International trade	97
Assistance to other programs	194
Consular services to Canadians abroad	15
Information and cultural relations	38
Headquarters administration and operational support	43
Contributions to employee benefit plans	23
<b>SUB TOTAL</b>	<b>\$506</b>
<b>Capital</b>	
Construction and acquisition of real property	32
Replacement of equipment	37
<b>SUB TOTAL</b>	<b>\$ 69</b>
<b>Grants and contributions</b>	
International organizations	105
International trade development	34
Information and cultural relations	11
<b>SUB TOTAL</b>	<b>\$150</b>
World exhibitions program	\$ 10
Grains & oilseeds program	
- Operating	120
- Grants and operating	17
<b>TOTAL</b>	<b>\$872</b>

## Physical resources

The Physical Resources Bureau, which was reorganized in 1984-85, continued to provide all owned accommodation (through purchase or design and construction), all Crown-leased official residences and chanceries and certain leased staff quarters, as well as supporting materiel assets, interior design and maintenance services for the Department's overseas operations. The Bureau promoted Canadian works of art through displays at headquarters and at posts abroad. It also continued to have responsibility for the Department's Long-Range Capital Program. In 1984-85, the estimated value of the Department's real property inventory was some \$700 million; approximately \$37.3 million was spent on the construction and acquisition of real property under the LRCP.

In 1984-85, construction of the new chancery in Belgrade and extensive renovations to the official residence in Rome were completed, and work was near completion for the embassy complex in the new diplomatic quarter of Riyadh. Work proceeded on a major renovations program for MacDonald House, London, including provision of a new official residence. A building was also purchased in Kinshasa to be renovated for use as a chancery. Construction of the Department's first Canadian component (pre-engineered) chancery building was initiated in Bridgetown, potentially a model for other posts in future years.

Design work neared completion for major chanceries or embassy complexes in Lagos, Peking and Washington, and construction is due to commence in 1985-86. There was also considerable activity in connection with the embassy site in Tokyo, including a proposal call for possible joint venture redevelopment of the compound.

The Bureau completed purchase of an addition to the chancery in Kingston, Jamaica, and a new official residence in San José, Costa Rica, and renovation and fit-up of the recently acquired Paris OECD chancery was accomplished. In addition, 17 staff quarters were purchased in Harare, Kingston, Lima, Lisbon and London. Progress was made under a Crown lease conversion program in phasing out private leasing of staff accommodation in Paris, Rome and other posts.

During the year, site visits and feasibility studies for potential maintenance purposes were carried out for posts in need of professional services and also for new embassy construction and acquisition projects in Madrid, Oslo, Amman, Colombo, Dhaka, Bogota, Buenos Aires, Port of Spain, Los Angeles, Minneapolis and Washington. In addition, review continued of potential construction projects in Algiers, Dakar, Dar-es-Salaam and Seoul.

The Bureau completed provision of leased office and residential properties for a new post in Abu Dhabi. Seven leased chanceries, including those in Bonn (Annex), Budapest, Manila and Melbourne, as well as the official residence in Kuwait, were replaced or upgraded. The Department also completed a move into a renovated residential compound in Bucharest.