

Woods, Gordon & Co.

MANAGEMENT CONSULTANTS

15 WELLINGTON STREET WEST, TORONTO 1, CANADA

TELEPHONE 368-4761 (AREA CODE 416)

May 15, 1968

Mr. T.H. Bennett
Director-General, Finance and
Administration
Department of External Affairs
Ottawa, Ontario

Dear Mr. Bennett:

As requested by you, we have carried out a brief study of the Property Management Division of the Department of External Affairs. Our original terms of reference consisted of -

- (a) Assisting the personnel of the Division in the preparation of the five-year program review submission to the Treasury Board, particularly in relation to the forecasting of the Department's capital requirements, and
- (b) preparing recommendations for improvement in the planning and control of capital activities, particularly in connection with the Department's long-term plans for property acquisition abroad.

However, as the study developed it became obvious that item (a) above was well advanced and it was not necessary for us to spend as much time on this subject as originally anticipated. When this was brought to your attention, you requested that we study the possibility of using a working capital advance to finance the acquisition of properties abroad, along the lines of the arrangement outlined in your memorandum to Mr. M. Grant dated March 25, 1968.

Generally speaking, we found that existing procedures are reasonably satisfactory. At the same time we believe scope exists for improvement at the planning stage of projects through the transfer of some of the work presently done by the Property Acquisition group to the Program Planning group and through the use of network diagrams, at least for the planning and design stages and, where possible, for the actual construction of buildings.