

"performance indicators". These are statistical measures of activity or workload that can be converted into resources (manpower and supporting facilities) needed to meet a given workload. Thus, in the case of External Affairs, one example of a performance indicator (for the Passport Division) would be the number of passports issued. Once this figure has been converted into the number of manhours, passport blanks, postage, etc. needed to supply a passport to an approved applicant, it can be used both for projecting future resource requirements and as a measure of the resources that should have been used to process the number of passports actually issued.

In using performance indicators of this type, it is possible to introduce varying degrees of sophistication into the projection of future demand for services. Thus, in the example given above, a projection of the number of passports likely to be issued over the next five years could range from a simple percentage increase, based on the average increase experienced over the last five years, to complex assessments based on projected population and income levels, travel trends, and the effect of such influences as the probable economic condition of the country, the introduction of jumbo jets, the number of immigrants likely to be returning for visits to their respective homelands, etc. etc.

It is possible to conclude, even from this very brief discussion of program budgeting, that this approach to budgetary control is most effective for those types of government operations where the objectives of a given program can be clearly spelled out, where the benefits and costs of alternative methods of achieving these objectives