

responsibility for a long-range capital program approved by the Treasury Board in 1974 and funded at a level of \$20 million annually; the object of the program is to increase Crown ownership of office and living accommodation abroad as an economic alternative to escalating rental costs. The bureau manages a realty inventory valued at approximately \$250 million; annual budgets total \$30 million.

During 1978, the bureau continued with design work and negotiations on a number of projects in Belgrade, Lagos, Mexico, Moscow, Paris, Tokyo and Washington; an agreement was signed in Peking to acquire a site and begin planning for the design and construction of an office, an official residence and staff accommodation.

Acquisition of properties was concentrated during the year on western hemisphere countries where good economic opportunities became available. Chancery purchases were completed in Georgetown (site), Kingston and Lima (addition), as well as Bordeaux. New official residences were purchased in Bridgetown, Lima, Hong Kong and Atlanta. In total, some 30 staff quarters were also acquired in locations such as Bridgetown, Buenos Aires, Lima, Port of Spain, Santiago, Kinshasa, Lusaka, Nairobi, Manila, Tokyo and Oslo.

Other activities of note during the year included leasing of property in Kuwait for the opening of the new post, the completion of an annex to the Cairo Chancery, and redevelopment of the New Delhi official residence compound. The 1978 budget for furniture, furnishings and vehicles was about \$5 million.

#### Communications

Telegraphic traffic during 1978 approached two and a half million messages, of which approximately half were carried for departments other than External Affairs.

A new high-capacity computerized message switch was installed in Ottawa that permitted the realignment of most of the telegraphic circuits serving posts abroad. The establishment of direct links with headquarters largely eliminated major overseas relay operations and made possible controls and operating disciplines that had previously been impossible. Network performance was improved, with considerable reduction of personnel costs abroad.

New communications equipment was prepared, installed and activated at many posts abroad. The continuing re-equipment program is improving traffic-handling capabilities and yielding additional personnel savings overseas. Several new systems were developed further as pilot projects for future application. Telephone services in Ottawa and abroad were developed to meet special requirements and to achieve operational economies.