

Treasury

Business Plan 1999-2000 to 2001-02 - *restated*

Accountability Statement

As a result of government reorganization announced on May 25, 1999, the Ministry Business Plans included in Budget '99 have been restated to reflect the new Ministry organizations as at November 17, 1999.

The restated Business Plan for the Ministry of Treasury for the three years commencing April 1, 1999 was prepared in accordance with the Government Accountability Act and the government's accounting policies. All of the government's policy decisions as at February 23, 1999 with material economic or fiscal implications have been considered.

The Ministry's priorities outlined in this Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.

For information, the restated Business Plan includes 1999-2000 Second Quarter forecast information that reflects developments that have occurred during the 1999-2000 fiscal year.

[original signed]

Stockwell Day
Provincial Treasurer
November 17, 1999

The Province of Alberta's Vision

A vibrant and prosperous province where Albertans enjoy a superior quality of life and are confident about the future for themselves and their children.

Treasury's Mission

To provide excellence in financial management, services and advice to achieve a healthy and sustainable financial condition for the province with the lowest possible taxes for Albertans.

Treasury's Values and Principles

- ◆ Foster and promote respect for clients and co-workers.
- ◆ Develop a professional working environment that encourages objectivity, integrity and equality.
- ◆ Enhance the quality of work by seeking and using the input of staff, clients and interested parties.
- ◆ Develop excellence through teamwork, shared services and partnering.
- ◆ Promote innovation, resourcefulness and efficiency in producing results.
- ◆ Ensure continuance in professional expertise through succession planning and staff development.

Treasury's Core Businesses

1. Provide analysis and recommendations to the Provincial Treasurer and Treasury Board.
2. Maintain a framework that fosters government accountability.
3. Administer and collect tax revenue.
4. Manage the province's financial assets and liabilities.
5. Foster a fair and efficient financial marketplace.
6. Provide financial services through Alberta Treasury Branches, Alberta Municipal Financing Corporation and Alberta Pensions Administration Corporation.

Treasury Goals for 1999-2002

1. A healthy and sustainable financial position.
2. Appropriate financial and performance information available to allow Albertans to hold government accountable.
3. A fair, competitive and simple provincial tax system managed efficiently and effectively.
4. Investment returns maximized and borrowing costs minimized subject to acceptable risk.
5. An efficient, fair and competitive capital market and an efficient and fair regulatory environment for financial institutions.
6. Quality financial services to Albertans through Alberta Treasury Branches, Alberta Municipal Financing Corporation and Alberta Pensions Administration Corporation.

Goals, Strategies and Outputs, Outcomes, and Performance Measures

In support of goals 1 to 6, following are the:

- ◆ strategies (how we are going to go about achieving the goals),
- ◆ outcomes (the expected results), and
- ◆ performance measures (how we will know if we have achieved the goals and what the target expectations are).

Note: In addition to the Treasury Department, the Treasury Ministry's Goals, Strategies, Outcomes and Performance Measures reflect activities of Alberta Government Telephones Commission and its subsidiaries, Alberta Heritage Savings Trust Fund, Alberta Insurance Council, Alberta Municipal Financing Corporation, Alberta Pensions Administration Corporation, Alberta Securities Commission, Alberta Treasury Branches and its subsidiaries, Chembiomed Ltd. (in liquidation), Credit Union Deposit Guarantee Corporation and its subsidiary, Gainers Inc. and its subsidiaries and N.A. Properties (1994) Ltd.

Goal 1: A healthy and sustainable financial position.

Related Core Government Measures: Net Debt, Debt Reduction, Provincial Credit Rating

Strategies/Outputs	Outcomes	Performance Measures/Targets*
<ul style="list-style-type: none"> ◆ Pay down the province's net debt in accordance with the <i>Balanced Budget and Debt Retirement Act</i> and plan to retire the province's accumulated debt in accordance with the <i>Fiscal Responsibility Act</i>. ◆ Establish a prudent economic cushion in the fiscal plan that if realized can be used, under the <i>Fiscal Responsibility Act</i>, for Albertans' relative priorities of paying down accumulated debt, higher spending and tax rebates. ◆ Advise and support the Provincial Treasurer and Treasury Board on business planning and budgeting, economic and fiscal policies and prudent forecasts of fiscal and economic conditions. ◆ In co-operation with Executive Council, co-ordinate an overall government business plan, including key government-wide performance measures. ◆ In consultation with ministries, strengthen the planning, budgeting and reporting processes for infrastructure programs. ◆ Develop and communicate common economic and financial assumptions for business planning across government. ◆ Monitor achievement of business and fiscal plans/goals. ◆ In consultation with ministries, establish standards, policies and guidelines for overall government that facilitate sound financial administration within ministries, reduce overlap and duplication and simplify, reduce or eliminate regulation. ◆ With ministries, continue refining the three year business planning processes and reporting, including the ongoing review of core businesses and shared services opportunities. 	<ul style="list-style-type: none"> ◆ The province's finances are in order and the debt burden for Albertans is reduced. ◆ Ministry business plans and related performance measures are congruent with and linked to the overall government business plan and government performance measures. ◆ The government fiscal plan is integrated with the business plans. ◆ Financial plans, policies and laws that ensure Alberta's finances are well managed. 	<ul style="list-style-type: none"> ◆ Debt Reduction: - Net Debt; target: \$0. <p style="text-align: center;">THEN</p> <ul style="list-style-type: none"> - Accumulated Debt Reduction; target milestones as identified in the <i>Fiscal Responsibility Act</i>. ◆ Alberta's credit rating; target: best in Canada.
<ul style="list-style-type: none"> ◆ Refine and present Alberta's position on federal-provincial fiscal arrangements to the federal government. The position includes working with other provinces and issuing joint provincial statements requesting equal treatment. 	<ul style="list-style-type: none"> ◆ Alberta is treated equally. 	<ul style="list-style-type: none"> ◆ Canada Health and Social Transfer (CHST) from the federal government; target: per capita cash transfer equal to other provinces.
<ul style="list-style-type: none"> ◆ Continue discussions with the federal government with respect to the employment insurance (EI) system benefits, surpluses, and premiums which are unnecessarily high. 		<ul style="list-style-type: none"> ◆ Insurance benefits maintained. ◆ Premiums reduced to long-term break-even level. ◆ Separate EI fund and EI policy returned to an insurance-based program.
<ul style="list-style-type: none"> ◆ Facilitate further examination of the Canada Pension Plan in the context of the reform principles presented to Finance Ministers by the Provincial Treasurer. 	<ul style="list-style-type: none"> ◆ A Canada Pension Plan that is affordable, credible, accountable and viable in the long term. 	<ul style="list-style-type: none"> ◆ Agreement among Finance Ministers on further appropriate reforms to the Canada Pension Plan.
<ul style="list-style-type: none"> ◆ Facilitate the move of the Local Authorities and the Universities Academic Pension Plans toward non-statutory status. 	<ul style="list-style-type: none"> ◆ Accountability for the pension plans is aligned with plan stakeholders. 	<ul style="list-style-type: none"> ◆ Pension Plan Board resolutions for autonomy are implemented.
<ul style="list-style-type: none"> ◆ Control the cost of risk and increase accountability of departments and agencies for protecting public assets from accidental loss. 	<ul style="list-style-type: none"> ◆ Public assets are protected from risk of significant accidental loss. 	<ul style="list-style-type: none"> ◆ Condition of the Risk Management Fund; target: fund assets and liabilities balance. ◆ Satisfaction of ministries with services provided; target: 4 out of 5 satisfied or very satisfied.

* key performance measures appear in bold

Goal 2: Appropriate financial and performance information available to allow Albertans to hold Government accountable.

Related Core Government Measures: Provincial Credit Rating

Strategies/Outputs	Outcomes	Performance Measures/Targets*
<ul style="list-style-type: none"> ◆ Provide reliable, relevant, understandable and comparable information about the government's: <ul style="list-style-type: none"> - plans and goals; - strategies to implement plans; - performance measures; - audited actual results achieved compared to plans; and - overall financial picture. 	<ul style="list-style-type: none"> ◆ Public understanding of the government's performance and financial position. ◆ Communication of clear, understandable and reliable information to the public so it may judge government performance and handling of government finances. 	<ul style="list-style-type: none"> ◆ Portion of Albertans aware of government performance and handling of government finances; target: 4 out of 5 Albertans aware. ◆ Portion of Albertans aware of government's budget situation for the coming year; target: 4 out of 5 Albertans aware.
<ul style="list-style-type: none"> ◆ Work with ministries to refine ministry responsibility and accountability for financial management, including the reporting of results and business outcomes at the ministry level. 	<ul style="list-style-type: none"> ◆ Ministries are responsible and accountable for their internal financial management. 	<ul style="list-style-type: none"> ◆ Satisfaction of the Auditor General with the government's accountability system; target: Auditor General satisfied or very satisfied. ◆ Satisfaction of deputy heads with the government's accountability system; target: all satisfied or very satisfied.
<ul style="list-style-type: none"> ◆ Work with ministries to facilitate costing of services provided and allocate significant costs to outputs. 	<ul style="list-style-type: none"> ◆ Ministries understand the cost of all services they provide. 	<ul style="list-style-type: none"> ◆ Significant program costs are reported in the ministries' consolidated financial statements; target: a positive observation or a lack of criticism from the Auditor General respecting cost allocations attributable to ministries.

* key performance measures appear in bold

Goal 3: A fair, competitive, and simple provincial tax system managed efficiently and effectively.

Related Core Government Measures: Taxation Load, Job Growth

Strategies/Outputs	Outcomes	Performance Measures/Targets*
<ul style="list-style-type: none"> ◆ Ensure that Alberta's personal tax system promotes self-reliance and wealth creation, and is fair to Albertans. ◆ [Updated] Implement the new personal income tax system. <ul style="list-style-type: none"> - Implement the announced elimination of the 8% surtax effective January 1, 2000. 	<ul style="list-style-type: none"> ◆ A tax system that encourages Albertans to work and that supports families. ◆ High employment participation rates. 	<ul style="list-style-type: none"> ◆ Provincial tax load for a family of 4; target: lowest in Canada. ◆ Personal income tax load; target: lowest in Canada. ◆ Employment participation rate; target: highest in Canada.
<ul style="list-style-type: none"> ◆ Enhance the competitiveness of Alberta's corporate tax systems (including income, capital, insurance, commodity and property taxes) with those of other jurisdictions. ◆ Implement government approved changes to the Alberta Royalty Tax Credit Program. 	<ul style="list-style-type: none"> ◆ A competitive corporate tax regime that attracts business and investment. ◆ A better targeted royalty program. 	<ul style="list-style-type: none"> ◆ Provincial tax load on businesses; target: the lowest in Canada. ◆ Percentage growth in business registrations; target: 3%. ◆ Job growth; target: 155,000 new jobs from December, 1996 to December, 2000.
<ul style="list-style-type: none"> ◆ Maintain an effective and affordable tax system through protection of the tax base. 	<ul style="list-style-type: none"> ◆ High rate of voluntary compliance with tax programs. ◆ Low level of outstanding disputes. ◆ Fair and consistent treatment of taxpayers. 	<ul style="list-style-type: none"> ◆ Voluntary compliance rate; target: 97%.
<ul style="list-style-type: none"> ◆ Reduce the cost of tax compliance to taxpayers by simplifying legislation and systems. ◆ Reduce the cost of tax administration to government by expanding the use of electronic commerce (e-commerce) and by co-operating with other jurisdictions. 	<ul style="list-style-type: none"> ◆ Low costs of tax administration for both taxpayers and government. ◆ Increased harmony of tax programs between governments and reduced overlap and duplication. ◆ Increased number of business entities utilizing e-commerce for tax compliance. 	<ul style="list-style-type: none"> ◆ Satisfaction with tax administration; target: 85%. ◆ Satisfaction with compliance costs; target: 80%. ◆ Costs to process tax returns; target: 6% reduction from 1998-99. ◆ Use of e-commerce; target: 15,000 Alberta businesses by the end of the 1999 tax year.

* key performance measures appear in bold

Goal 4: Investment returns maximized and borrowing costs minimized subject to acceptable risk.

Related Core Government Measures: Net Debt, Taxation Load, Provincial Credit Rating

Strategies/Outputs	Outcomes	Performance Measures/Targets*
<ul style="list-style-type: none"> ◆ Continue to implement restructured Alberta Heritage Savings Trust Fund. ◆ Provide a wide range of investment products to client investment funds (e.g., Heritage Fund, public sector pension funds). ◆ Analyze new products and implement those that contribute to investment or liability objectives. ◆ Continue to use a mix of direct investment and external investment management firms. ◆ Review each client relationship to ensure that the mix of products is consistent with the client's investment objective and risk profile. ◆ Continue to improve the quality of investment performance measurement and client reporting. ◆ Enhance the management of risk by implementing new monitoring and analytical tools. ◆ Build and maintain the internal investment capability. 	<ul style="list-style-type: none"> ◆ Efficient and prudent management of the province's financial assets and liabilities. ◆ Efficient and prudent management of assets of other funds invested by the Provincial Treasurer. 	<ul style="list-style-type: none"> ◆ Annualized rates of return on investments based on market values. Following is an example of the application to the Heritage Fund: Heritage Fund Transition portfolio; target: return at least equal to the cost of the province's Canadian dollar debt. Heritage Fund Endowment Portfolio; targets: a) return exceeding the cost of the province's debt over a four year period; b) return at least equal to the return on a benchmark portfolio. Returns will also be compared to other major Canadian investment funds and to the rate of inflation. ◆ Total Cost of Debt compared to Benchmark Portfolio ◆ Market Spreads - Alberta's cost of borrowing, compared to the federal government's cost; target: the lowest spread of any province.
<ul style="list-style-type: none"> ◆ Improve the information provided to investors in Province of Alberta debt issues and to credit rating agencies, in cost effective ways. ◆ Concentrate cash and facilitate receipts and disbursements via efficient systems and banking arrangements using the latest technological developments in electronic commerce. 	<ul style="list-style-type: none"> ◆ Investors and credit rating agencies understand the province's financial position. ◆ All cash balances invested. 	<ul style="list-style-type: none"> ◆ Satisfaction of investors and credit rating agency personnel; target: 4 out of 5 satisfied or very satisfied. ◆ Rate of return on Consolidated Cash Investment Trust Fund; target: return equal to or greater than ScotiaMcLeod 91 Day Treasury Bill Index.
<ul style="list-style-type: none"> ◆ Sell and wind-up non-core financial assets including those of the AGT Commission and N.A. Properties. ◆ Manage contingent liabilities under loan guarantees. 	<ul style="list-style-type: none"> ◆ Increasing focus on market investment activity. 	<ul style="list-style-type: none"> ◆ Dollars received; target: better than book value. ◆ Assets remaining to be disposed of; target: zero. ◆ Amount of contingent liabilities under administration; target: zero, excluding ongoing programs.

* key performance measures appear in bold

Goal 5: Promote an efficient, fair and competitive capital market and an efficient and fair regulatory environment for financial institutions.

Related Core Government Measures: GDP, Job Growth

Strategies/Outputs	Outcomes	Performance Measures/Targets*
<ul style="list-style-type: none"> ◆ Reduce, simplify and harmonize financial sector regulation by: <ul style="list-style-type: none"> ◆ assessing and defining the respective roles of departments, agencies (e.g. Alberta Insurance Council, Credit Union Deposit Guarantee Corporation and Alberta Securities Commission) and jurisdictions, including exploring the extent to which related services could be provided on a co-operative basis (Municipal Affairs with respect to the <i>Fair Trading Act</i>, the <i>Financial Consumers Act</i> and the <i>Cost of Credit Disclosure Act</i>, and Labour with respect to the <i>Employee Pension Plan Act</i>); ◆ responding to major initiatives such as the report of the federal (MacKay) Task Force on the Future of the Canadian Financial Services Sector; and ◆ developing the capability to allow financial institutions to meet regulatory filing requirements electronically. 	<ul style="list-style-type: none"> ◆ An efficient and fair regulatory environment for financial services. ◆ An efficient capital market in Alberta and confidence in that market. 	<ul style="list-style-type: none"> ◆ Satisfaction of financial institutions with the efficiency and fairness of regulatory environment; target: 4 out of 5 satisfied or very satisfied. ◆ Alberta's market share of investment capital maintained.
<ul style="list-style-type: none"> ◆ Develop, simplify, monitor and enforce legislation regarding the solvency and governance of Alberta incorporated credit unions, insurers, loan and trust corporations and Alberta Treasury Branches. 	<ul style="list-style-type: none"> ◆ Sound business practices by provincially incorporated financial institutions. 	<ul style="list-style-type: none"> ◆ Percentage of Alberta credit unions that have the legislated minimum capital requirements (greater of 4% of total assets excluding SC Financial Ltd. Debentures and 8% of risk weighted assets); target: 100%. ◆ Equity in the Credit Union Deposit Guarantee Corporation's Deposit Guarantee Fund as a percentage of credit union assets; target: 1.1% for 1999.
<ul style="list-style-type: none"> ◆ Develop, simplify and enforce market conduct legislation respecting financial institutions and intermediaries carrying on business in Alberta by: <ul style="list-style-type: none"> ◆ participating in an interprovincial forum to coordinate securities and financial institution regulation of market conduct; ◆ assessing the impact of the evolution of electronic distribution of financial products and other market innovations; ◆ working with industry and stakeholders to implement a privacy code for personal information held by financial institutions and intermediaries; ◆ assisting consumers with complaints about financial services; ◆ reviewing the insurance contracts provisions of the <i>Insurance Act</i> and proposing amendments; and ◆ finalizing amendments to the market conduct and corporate regulation parts of the <i>Insurance Act</i>. ◆ Seek opportunities to reform automobile insurance tort provisions. 	<ul style="list-style-type: none"> ◆ A fair financial services marketplace where consumers have the right to choose. ◆ Unbiased mechanisms for consumers to seek redress. ◆ Fair compensation for claimants and more stable automobile insurance premiums. 	<ul style="list-style-type: none"> ◆ Satisfaction of consumers with the quality of assistance, advice, and information provided; target: 4 out of 5 satisfied or very satisfied. ◆ Tort reform proposals accepted by the government and implemented.

* key performance measures appear in bold

📌 Growth Summit Highlight

Goal 6: Quality financial services to Albertans through Alberta Treasury Branches, Alberta Municipal Financing Corporation and Alberta Pensions Administration Corporation.

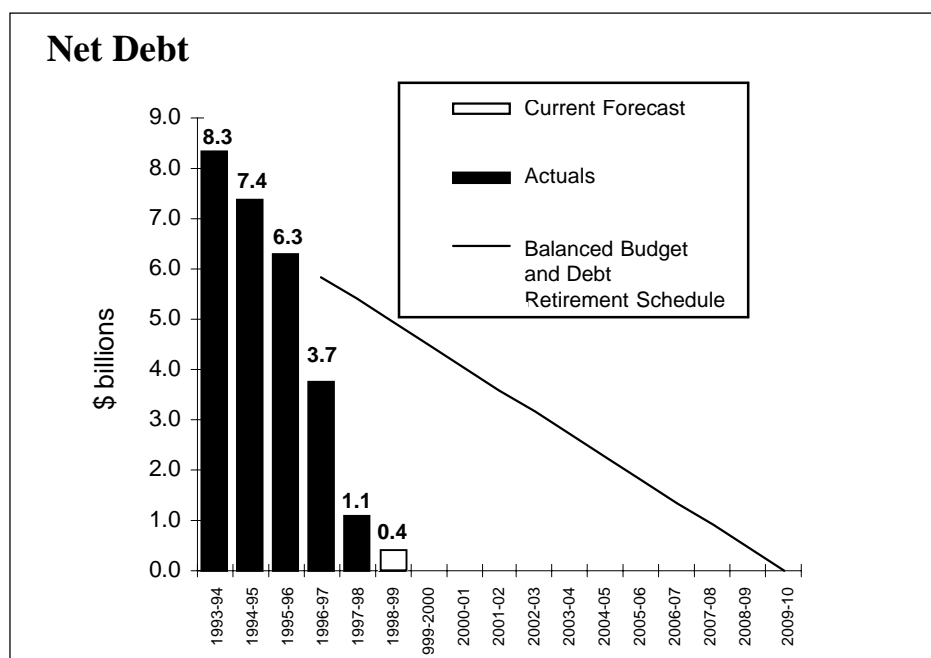
Related Core Government Measures: GDP and Job Growth

Strategies/Outputs	Outcomes	Performance Measures/Targets
<ul style="list-style-type: none"> ◆ Provide financial services through Alberta Treasury Branches based on sound banking and business principles to all Albertans with a focus on independent business, personal and agri-industries lending through Alberta Treasury Branches. 	<ul style="list-style-type: none"> ◆ Provide personalized financial services to Albertans throughout the province. ◆ Profitable operation of Alberta Treasury Branches. 	<ul style="list-style-type: none"> ◆ Meet and exceed customer expectations in its three target markets (i.e. independent business, personal and agri-industries lending). ◆ Achieve productivity, efficiency and loan loss ratios comparable to the major banks.
<ul style="list-style-type: none"> ◆ Provide local authorities with funding for capital projects at the lowest possible cost, consistent with the viability of the Alberta Municipal Financing Corporation (AMFC). ◆ Consult with Albertans and reform AMFC corporate governance rules where necessary. 	<ul style="list-style-type: none"> ◆ Access for local authorities to financing at or near the province's cost of borrowing. ◆ Improved corporate governance rules. 	<ul style="list-style-type: none"> ◆ Alberta local authorities cost of borrowing from AMFC is lowest among Canadian municipalities.
<ul style="list-style-type: none"> ◆ Provide quality pension administration services to Alberta's public sector pension employees and employers and to the boards of those plans through Alberta Pensions Administration Corporation at the lowest possible cost. 	<ul style="list-style-type: none"> ◆ Accurate and timely payment of pension benefits. ◆ Timely, accurate and understandable pension information provided to employees, employers and boards. 	<ul style="list-style-type: none"> ◆ Satisfaction of client employees and employers with products and services; target: 4 out of 5 satisfied or very satisfied.

Key Performance Measures

Net Debt

The Net Debt measure compares the net debt (referred to as net financial debt in the Consolidated Financial Statements) of the province against the targets set out under the *Balanced Budget and Debt Retirement Act* and the province's annual budget.



Total Cost of Debt

This measures the total cost of carrying the debt portfolio, including cash interest costs and the change in the market value of debt outstanding. The market value cost of debt is calculated at market values, using the time-weighted method (the standard industry measure reflects the economic cost of the debt). This cost is compared to the market value cost of debt of a benchmark portfolio, which is a theoretical portfolio of Alberta bonds developed by a major Canadian investment dealer.

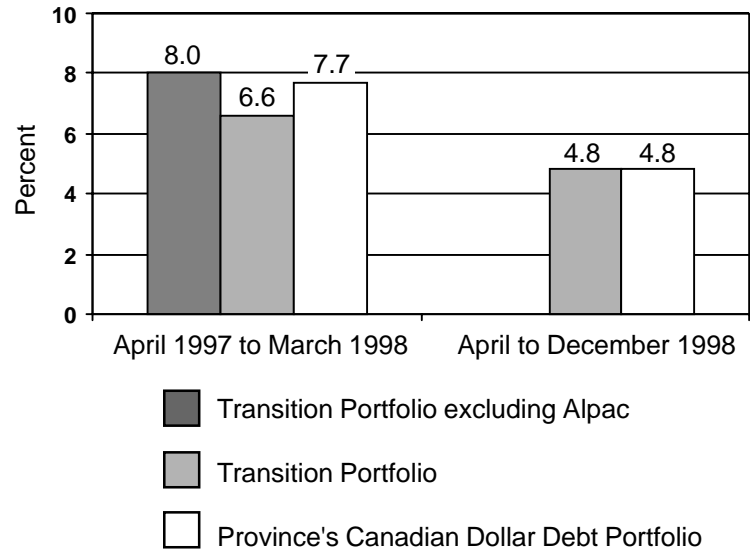
Market Value Cost of Debt

	Year Ended March 31, 1998	
	Alberta Debt Portfolio (%)	Benchmark Portfolio (%)
Canadian Dollar Portfolio	7.7	8.0
US Dollar Portfolio (in Canadian dollars)	10.1	9.2
Total Portfolio in Canadian Dollars	8.5	8.4

Return on Investment Compared to Cost of Debt

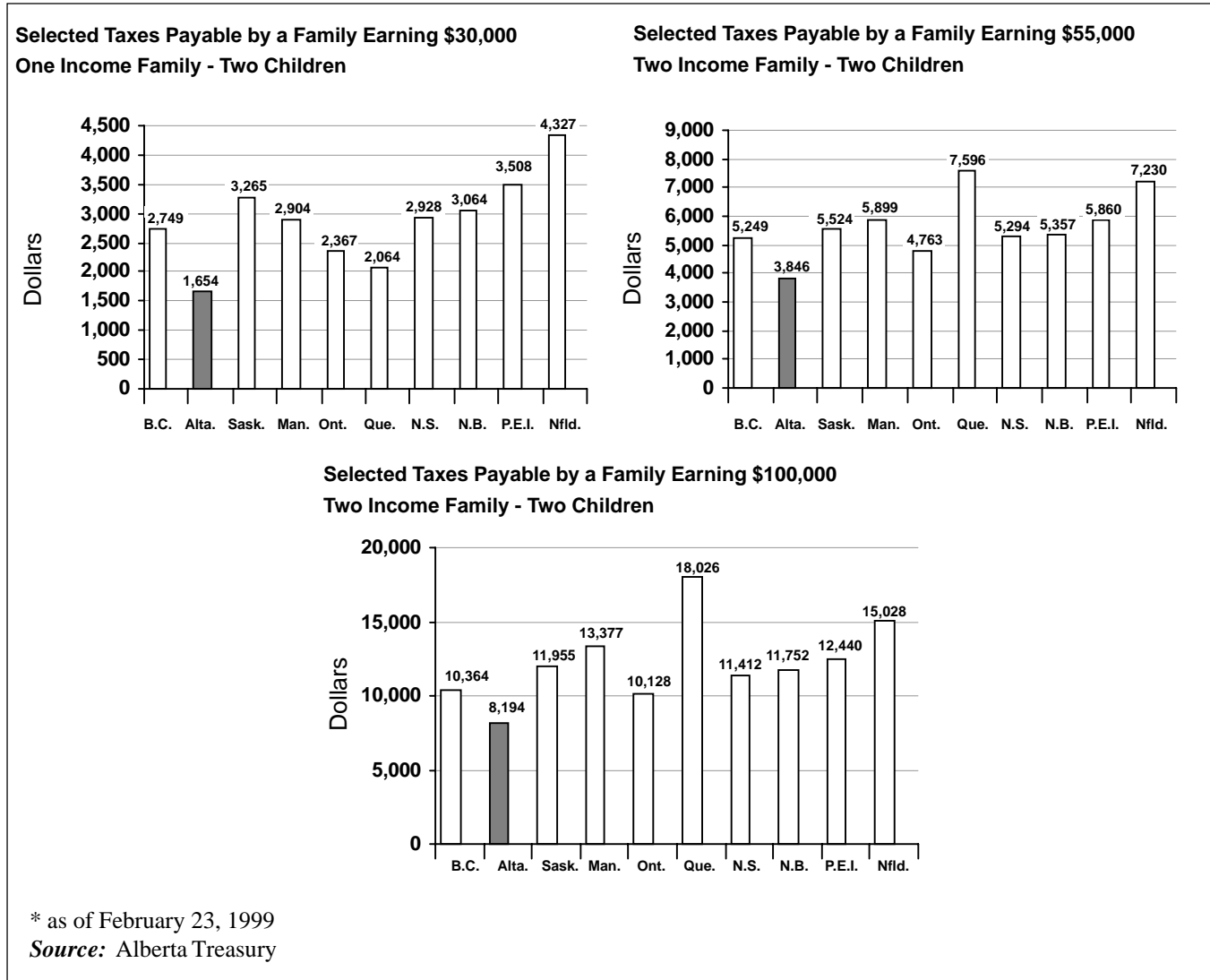
The return on Heritage Fund investments is greater than or equal to the cost of debt.

Return on Heritage Fund Transition Portfolio versus Cost of Canadian Dollar Debt



Taxation Load on a Family of Four*

This measure compares typical taxes payable, including provincial income, sales, payroll, fuel and tobacco taxes (excluding federal taxes), and health care insurance premiums payable by a family with two children earning \$30,000, \$55,000 and \$100,000.

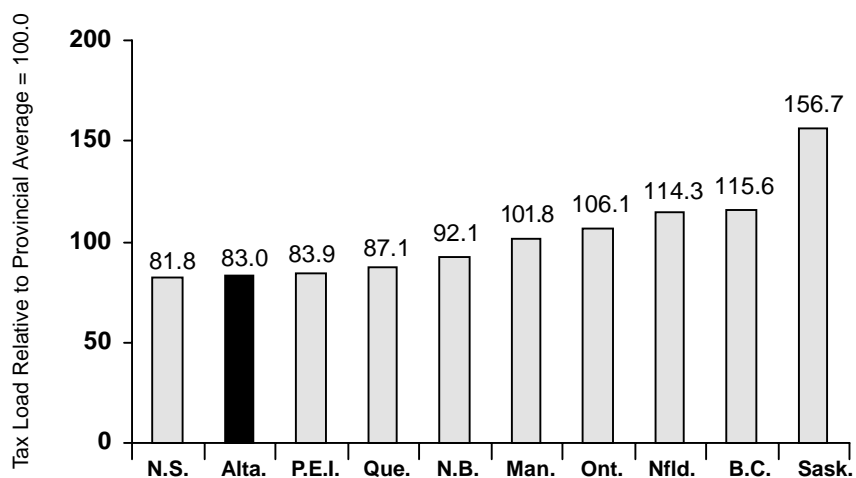


Taxation Load on Businesses

This measure compares provincial tax load on businesses and includes business income taxes, capital taxes, and insurance premium revenues.

Provincial Tax Load on Businesses 1998-99

(% of Provincial average)



Source: Federal Department of Finance, Second Estimate, October 1998

Investment Capital Raised in Alberta

This measure provides information on the value of investment capital raised in Alberta compared to the total value of investment capital raised in Canada.

Investment Capital Raised in Alberta

	1996-97	1997-98
Alberta - capital raised	\$7.3 billion	\$9.7 billion
Canada - capital raised	\$86.5 billion	\$109.7 billion
Percent of capital raised in Alberta	8.4%	8.8%

Alberta Heritage Savings Trust Fund - Transition Portfolio

The market value rate of return (includes income received and realized and unrealized capital gains or losses) is compared to the cost of the province's Canadian dollar debt portfolio, measured on the same basis.

Transition Portfolio Performance (period ending March 31, 1998)

	Market Returns		
	Last 3 Months*	Last 6 Months*	1 Year
Transition	2.3	3.2	6.6
Transition Excluding Alpac	2.3	3.3	8.0
Liability Portfolio	2.0	2.8	7.7

* Returns are not annualized

Alberta Heritage Savings Trust Fund - Endowment Portfolio

The market value rate of return (includes income received and realized and unrealized capital gains or losses) is compared to the return on a hypothetical benchmark portfolio.

Endowment Portfolio Performance (period ending March 31, 1998)

	Actual Fund- Market Return		Benchmark - Market Return	
	Weightings at 31-Mar-98	1 year	Index Weight	1 year
Short-term fixed income	3.9%	3.8%	SCM 91 Day T-Bill Index	3.0% 3.6%
Long-term fixed income	45.2%	10.7%	SCM Bond Universe Index	47.0% 13.2%
Canadian Equities (Public)	28.7%	40.9%	TSE 300 Index	30.0% 31.3%
Canadian Equities (Private)	0.6%	11.5%		
Foreign Equities	20.4%	29.8%	MSCI World Index (excluding Canada)	15.0% 35.9%
Real Estate	1.2%	21.7%	Russell Canadian Property Index	5.0% 16.6%
Total Portfolio	100.0%	21.4%	Total Portfolio	100.0% 21.9%

TREASURY
MINISTRY INCOME STATEMENT

(thousands of dollars)

	Comparable 1998-99 Actual	Restated 1999-2000 Budget	1999-2000 Forecast	Restated 2000-01 Target	Restated 2001-02 Target
REVENUE					
Internal Government Transfers	200	18,396	43,396	46,489	51,605
Income Taxes	6,259,679	6,078,553	6,791,384	6,440,626	6,822,597
Other Taxes	1,065,858	1,121,654	1,098,832	1,147,043	1,178,931
Alberta Royalty Tax credit	(249,486)	(256,000)	(298,000)	(241,000)	(191,000)
Transfers from Government of Canada	3,692	3,883	3,883	3,883	3,883
Investment Income	1,627,806	1,408,965	1,526,280	1,349,356	1,271,067
Premiums, Fees and Licences	12,320	13,352	30,387	13,902	14,502
Net Profit from Commerical Operations	124,376	98,016	166,940	132,276	175,941
Other Revenue	32,759	26,801	34,486	28,127	28,288
MINISTRY REVENUE	8,877,204	8,513,620	9,397,588	8,920,702	9,355,814
EXPENSE					
Program					
Fiscal Planning and Accountability	8,762	8,924	9,192	9,876	10,090
Liability Management	1,876	1,908	1,927	1,896	1,871
Tax and Revenue Collection	113,866	36,640	37,210	35,026	35,968
Investment Management	56,360	65,075	66,467	72,152	74,783
Banking Arrangements	1,560	1,778	1,919	1,856	1,912
Regulation of Capital Markets	10,092	11,696	11,487	12,866	14,153
Regulation of Financial Institutions and Insurance Companies	2,628	2,807	2,730	3,196	3,201
Government Risk Management and Insurance	5,911	6,761	6,820	7,894	7,596
Pensions	81,844	92,887	79,214	94,593	95,055
Financial Assistance to Farmers and Small Businesses	6,913	4,700	4,500	3,300	2,600
Financing to Local Authorities	463,079	438,842	436,586	407,241	344,113
Valuation Adjustments and Other Provisions	(5,628)	13,000	27,700	8,000	8,000
Program Expense	747,263	685,018	685,752	657,896	599,342
Debt Servicing Costs					
Department Voted	111,715	101,033	101,033	90,570	80,424
Department Statutory	1,257,302	980,000	950,000	895,500	871,000
Ministry Debt Servicing Costs	1,369,017	1,081,033	1,051,033	986,070	951,424
MINISTRY EXPENSE	2,116,280	1,766,051	1,736,785	1,643,966	1,550,766
Gain (Loss) on Disposal of Capital Assets	(138)	-	-	-	-
MINISTRY NET OPERATING RESULT	6,760,786	6,747,569	7,660,803	7,276,736	7,805,048

TREASURY						
CONSOLIDATED NET OPERATING RESULT		Comparable	Restated	Restated	Restated	
(thousands of dollars)		1998-99	1999-2000	1999-2000	2000-01	
		Actual	Budget	Forecast	Target	
					Target	
Ministry Revenue		8,877,204	8,513,620	9,397,588	8,920,702	9,355,814
<i>Inter-ministry consolidation adjustments</i>		(135,782)	(137,099)	(163,445)	(161,750)	(156,607)
Consolidated Revenue		8,741,422	8,376,521	9,234,143	8,758,952	9,199,207
Ministry Program Expense		747,263	685,018	685,752	657,896	599,342
<i>Inter-ministry consolidation adjustments</i>		(19,229)	(23,599)	(24,102)	(24,435)	(24,667)
Consolidated Program Expense		728,034	661,419	661,650	633,461	574,675
Ministry Debt Servicing Costs		1,369,017	1,081,033	1,051,033	986,070	951,424
<i>Inter-ministry consolidation adjustments</i>		(1,206)	(1,170)	(3,170)	(1,166)	(1,162)
Consolidated Debt Servicing Costs		1,367,811	1,079,863	1,047,863	984,904	950,262
Consolidated Expense		2,095,845	1,741,282	1,709,513	1,618,365	1,524,937
Gain (Loss) on Disposal of Capital Assets		(138)	-	-	-	-
CONSOLIDATED NET OPERATING RESULT		6,645,439	6,635,239	7,524,630	7,140,587	7,674,270

