



Human Resources Development Canada

Performance Report

For the period ending
March 31, 2001

Canada

Improved Reporting to Parliament Pilot Document

Each year, the government prepares Estimates in support of its request to Parliament for authority to spend public monies. This request is formalized through the tabling of appropriation bills in Parliament.

The Estimates of the Government of Canada are structured in several parts. Beginning with an overview of total government spending in Part I, the documents become increasingly more specific. Part II outlines spending according to departments, agencies and programs and contains the proposed wording of the conditions governing spending which Parliament will be asked to approve.

The *Report on Plans and Priorities* provides additional detail on each department and its programs primarily in terms of more strategically oriented planning and results information with a focus on outcomes.

The *Departmental Performance Report* provides a focus on results-based accountability by reporting on accomplishments achieved against the performance expectations and results commitments as set out in the spring *Report on Plans and Priorities*.

The Estimates, along with the Minister of Finance's Budget, reflect the government's annual budget planning and resource allocation priorities. In combination with the subsequent reporting of financial results in the Public Accounts and of accomplishments achieved in Departmental Performance Reports, this material helps Parliament hold the government to account for the allocation and management of funds.

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Foreword

In the spring of 2000 the President of the Treasury Board tabled in Parliament the document “Results for Canadians: A Management Framework for the Government of Canada”. This document sets a clear agenda for improving and modernising management practices in federal departments and agencies.

Four key management commitments form the basis for this vision of how the Government will deliver their services and benefits to Canadians in the new millennium. In this vision, departments and agencies recognise that they exist to serve Canadians and that a “citizen focus” shapes all activities, programs and services. This vision commits the government of Canada to manage its business by the highest public service values. Responsible spending means spending wisely on the things that matter to Canadians. And finally, this vision sets a clear focus on results – the impact and effects of programs.

Departmental performance reports play a key role in the cycle of planning, monitoring, evaluating, and reporting of results through ministers to Parliament and citizens. Earlier this year, departments and agencies were encouraged to prepare their reports following certain principles. Based on these principles, an effective report provides a coherent and balanced picture of performance that is brief and to the point. It focuses on results – benefits to Canadians – not on activities. It sets the department’s performance in context and associates performance with earlier commitments, explaining any changes. Supporting the need for responsible spending, it clearly links resources to results. Finally the report is credible because it substantiates the performance information with appropriate methodologies and relevant data.

In performance reports, departments strive to respond to the ongoing and evolving information needs of parliamentarians and Canadians. The input of parliamentarians and other readers can do much to improve these reports over time. The reader is encouraged to assess the performance of the organization according to the principles outlined above, and provide comments to the department or agency that will help it in the next cycle of planning and reporting.

This report is accessible electronically from the Treasury Board of Canada Secretariat Internet site:

<http://www.tbs-sct.gc.ca/rma/dpr/dpre.asp>

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Departmental Performance Report For the period ending March 31, 2001

Approved by:



The Honourable Jane Stewart, P.C., M.P.
Minister of Human Resources Development Canada



The Honourable Claudette Bradshaw, P.C., M.P.
Minister of Labour and Federal Co-ordinator on Homelessness

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Highlights

The Government of Canada's overarching goals continue to be to build a stronger, ever more inclusive Canada and to secure a higher quality of life for all Canadians. The mandate of Human Resources Development Canada (HRDC) is to assist in achieving these goals by reaching Canadians of all ages as they progress through the stages of life – children, youth, working age adults and seniors, as well as those with distinct needs – people with disabilities, Aboriginal people and homeless Canadians.

HRDC focuses on helping Canadians to get the information they need, tools and opportunities to become more self-reliant, invest more in themselves and be more adaptable. This is a human development approach that aims to link and ensure complementarity between employability and social development. It recognizes that our society suffers when people lack the skills and opportunities to work and that the economy suffers when people feel a decline in the quality of life of their communities.

During 2000-2001, HRDC focused on meeting many important social and economic priorities set by the Government.

Meeting the Needs of Canadians for a Higher Quality of Life

The Government of Canada is pursuing a series of policy and program initiatives that involve contributions from many departments to improve inclusion for citizens of all ages and backgrounds in our economy and society. As one of the major departments that project the social face of government to millions of Canadians, we carried out over the last year the policy development, program implementation and partnership building necessary to generate results at each stage of the human life cycle and for those with distinct needs.

➤ **Children and Families**

Reducing child poverty and ensuring that all Canadian children get the good start they need in life was a high priority for the Government of Canada throughout 2000-2001. HRDC, with provincial and territorial governments, had a key role in administering and proposing measures to help children and families. During 2000-2001, we made significant progress in the following areas:

- ◆ Increasing the National Child Benefit, which is the cornerstone of our strategy, by establishing a more secure and uniform level of basic income support for children in low-income families across the country;
- ◆ Launching the agreement signed by First Ministers, with the exception of the Premier of Quebec, on an Early Childhood Development initiative that focuses on prenatal period to age six; and

- ◆ Implementing changes to the *Employment Insurance Act*, to allow parents of children born or placed for adoption on or after December 31, 2000 to receive a year of combined Employment Insurance maternity and parental benefits, consistent with the National Children's Agenda and the Government's 1999 Speech from the Throne commitment to recognize the key role parents play in the development of children in the critical first year.

➤ **Youth**

The Canada Student Loans Program is a major support for access to post-secondary education for Canadians. We fulfilled our March 9, 2000 commitment to provide a seamless program transition and uninterrupted access to post-secondary education funding at the expiry of current risk-shared arrangements with banks and other financial institutions on July 31, 2000. As of August 2000, the Government of Canada began to finance all new Canada Student Loans directly and we contracted with two service providers to administer and manage the loans.

We also expanded understanding and awareness of youth-specific occupational health and safety issues to help address the high serious injury rate among young workers. Our Labour Program, in partnership with provincial and private sector stakeholders, organized the first National Youth Conference on Occupational Safety and Health. This conference brought together government, industry and youth representatives from across the country. It helped clarified priorities for action on youth workplace injuries.

➤ **Working Age Adults**

In keeping with the Government's commitment to ensure that the Employment Insurance (EI) program reflects the contemporary needs of the economy, the labour market and workers, we supported Bill C-2 which amended the *Employment Insurance Act*. This legislation reflected the Government's commitment to monitor and evaluate the impacts of the 1996 EI reforms and to address weaknesses. It dealt with issues including ending the process that reduced benefit rates for some people with previous EI claims, the "clawback" of benefits from higher income earners, coverage for parents returning to the workforce after staying home with young children and ensuring access to the improved parental benefits for people under EI Fishing regulations.

We also supported the legislative process and implementation of Bill C-12 that updated Part II of the *Canada Labour Code* on health and safety issues. Building on consultations with major labour and employer groups, the legislative changes clarified and strengthened the processes to be followed in the exercise of the rights to:

- ◆ know about hazards in the workplace and how to deal with them;
- ◆ participate in health and safety matters; and
- ◆ refuse dangerous work.

This legislation created a better balance between the role of government and that of employers and employees. The government now acts increasingly as a guide and a facilitator when resolving employees' and employers' issues.

➤ **Seniors**

HRDC took important steps in our management of the Canada Pension Plan (CPP) during the year. We worked toward better informing Canadians about CPP and the retirement income system by mailing out almost 10 million Statements of Contributions. These statements identified individual contributions and estimated benefits and resulted in many Canadians reviewing their personal retirement income plans.

➤ **Aboriginal People**

In the January 2001 Speech from the Throne, the Government of Canada reinforced its commitment to strengthening its relationship with Aboriginal people. HRDC is working with other government departments to develop strategies to meet the social and human development needs of Aboriginal people, including children, persons with disabilities, and homeless people.

HRDC continued collaborative efforts with the provincial and territorial governments in implementing the National Child Benefit (NCB) initiative. Under the NCB, income support is provided to families with children through the Canada Child Tax Benefit. The Aboriginal population participates broadly in the NCB through provincial and territorial initiatives along with a component to help First Nations communities across the country improve the services and supports for their children. In April 2001, *The National Child Benefit Progress Report: 2000* was released, which reported that the percentage of families with children living in low-income has dropped.

The Aboriginal Human Resources Development Strategy (AHRDS) integrates most of HRDC's Aboriginal programming, including labour market programs and programs for youth, Aboriginal people living in urban areas, persons with disabilities and First Nations and Inuit childcare. During the year, the AHRDS assisted 35,502 Aboriginal clients at a cost of \$342.9 million. 2,003 clients returned to school and 11,944 became employed or self-employed resulting in \$8.8 million in savings to the EI Account and to social assistance programs.

The new Aboriginal homelessness initiative under the Urban Aboriginal Strategy was delivered mainly through the existing AHRDS. The projects were aimed at facilitating the transition of at-risk Aboriginal people to the labour market. As of March 31, 2001, \$5.3 million was approved under the Urban Aboriginal Strategy – Homelessness for 10 projects addressing Aboriginal homelessness issues across the country.

➤ **People with Disabilities**

The Government of Canada endorsed an action plan to develop initiatives that support integrating Canadians with disabilities into mainstream society. As the lead department for the Government of Canada on the Federal Disability Strategy, and as a complement to the long-standing efforts by HRDC's Employment Equity program, HRDC led the work

for a co-ordinated government-wide approach to these issues. Building on the framework “*In Unison, Future Directions to Address Disability Issues for the Government of Canada: Working Together for Full Citizenship*” we continued to make progress working with the provinces and territories, as well as with groups representing people with disabilities, Aboriginal people and others on how best to ensure access and inclusion of persons with disabilities.

A key to our efforts was to focus on the employability of people with disabilities. We did this through our Social Development Partnerships Program and other steps to help Canadians with disabilities find skills and jobs.

We also began a new client-centred approach for the delivery of CPP disability benefits. For example, we now provide personal contact with individual applicants as soon as they apply for benefits and deal with them over the phone throughout the process to explain decisions and options, including for people whose applications are not accepted.

➤ **Homelessness**

Building on the original 1999 Government of Canada announcement of the National Homelessness Initiative, HRDC received \$432 million over three years to help support a range of actions to address homelessness issues. Expectations were high from the communities who shared our commitment to homelessness for this program to be innovative, imaginative and proactive while achieving responsive service and clear accountability to the Canadian public. The development of initiatives therefore focused on the importance of working with organizations and other partners in these communities.

Most of our funding was directed toward the Supporting Communities Partnership Initiative (SCPI). SCPI funds broadly based community initiatives to identify local priorities and effective ways to bring resources and people together to deal with them. Other components of the new funding enabled us to contribute to local projects designed to meet immediate needs, especially for young people and Aboriginal people who were homeless or at risk of it, as well as to add to the research and planning necessary to better understand and deal with homelessness issues.

Meeting the Expectations of Canadians for Effective Management

A major focus of action for HRDC in 2000-2001 was improving how we manage programs and services. We supported these efforts with added attention to service delivery and our internal human resource strategies.

➤ **The Action Plan on Grants and Contributions**

A great deal of public attention was paid to HRDC’s efforts to implement the Six Point Action Plan on Grants and Contributions during 2000-2001. Quarterly progress reports demonstrated that we completed almost all of our main commitments and that we were on schedule to complete the remaining two. These comprehensive efforts were aimed

at putting essential controls in place, backing them up with clear policy direction and improving staff training and support, with the objective of strengthening our management control framework. Monitoring demonstrated significant measurable improvements in the overall administration of grants and contributions since the 1999 Internal Audit that led to the Action Plan. A series of independent observers including the Auditor General and the House of Commons Standing Committee on Public Accounts recognized the progress that HRDC achieved as well as the need to achieve both responsive service to clients and clear accountability to taxpayers. For example, the Auditor General stated in his remarks to the Standing Committee on Public Accounts on March 20, 2001 that “we found that the Department was making good progress in implementing corrective action”.

While progressing on this front, we continued to implement other measures such as the Program Management Initiative and Modern Comptrollership practices. Both initiatives help to support stronger management and administration, including in grants and contributions. We also followed through on the government decision to close down the Canada Jobs Fund. The associated funding that had not been committed to agreements was redirected to the federal government’s regional development agencies.

➤ **Improving Service Delivery**

As a department with which millions of Canadians deal each year, HRDC has done much to improve service quality. During 2000-2001, we added to the improvements already achieved by meeting our initial Government On-Line target of putting key information and forms on the Internet and through our work on key clusters in the new Government of Canada website. We also launched a work-life balance website and provided on-line access to collective bargaining agreements for employers, unions and others interested in those issues. We worked with Industry Canada to bring a new Employers On-Line service to small and medium-sized businesses seeking information on human resource issues.

As computer systems are essential to HRDC services to Canadians, we introduced an Information Technology Vision to guide choices among the new investments we will have to consider. We matched this with an Information Technology Infrastructure Renewal Project that reflects the demands of Government On-Line. In these and initiatives to move service on-line, HRDC placed a high priority on resolving security and privacy issues.

To ensure a fair, consistent and equitable treatment to all HRDC debtors we continued work on a harmonized departmental accounts receivable system and revising, standardizing and updating recovery policies for program receivables.

The development of the new Canada Student Loans initiative acknowledged the importance of quality service by making client satisfaction a key performance indicator in our contracts with service providers.

➤ **Building a Workplace of Choice**

Changing workplace needs, the challenge of attracting and retaining people with the competencies and skills that we require to serve Canadians well, and ensuring that HRDC offers a workplace of choice, led to new initiatives designed to address our human resource needs. These included work to develop a recruitment and retention strategy, learning and development resources for new employees, managers and other staff, as well as a review to identify barriers faced by workers or potential employees from groups designated under the *Employment Equity Act*.

Looking Ahead

In support of the Government's goals of building a stronger, ever more inclusive Canada and securing a higher quality of life for all Canadians, HRDC delivers a broad and diverse range of programs and services to Canadians of all ages. HRDC helps children, youth, working age adults and seniors, as well as people with disabilities, Aboriginal people and homeless Canadians to get the information they need, tools and opportunities to become more self-reliant, invest more in themselves and be more adaptable. To fulfill this mandate requires coherent and integrated policies, programs and service delivery across the department, across government where applicable, and with other partners where appropriate. Canadians expect better, more efficient and more responsive delivery as well as greater accountability and transparency.

HRDC is committed to continuing to respond to the needs and expectations of Canadians. Through Government On-Line, we have started work internally and in collaboration with other departments and agencies to provide the best possible access to programs and services, based on what our clients want. Throughout 2001-2002, we will expand on our citizen-focused approach by providing simplified and streamlined services through a comprehensive mix of channels (in-person, on-line, telephone, mail). Overall, our goal will be to modernize service to Canadians.



In the 2001 Speech from the Throne, the Government of Canada reaffirmed its commitment to creating opportunity for all Canadians. We emphasized our belief that including all Canadians to the fullest extent possible in our society and economy strengthens Canada's success. During the 2000-2001 fiscal year, Human Resources Development Canada (HRDC) played a pivotal role in achieving this goal.

Everyone, from children to seniors, can benefit from HRDC programs, services, and innovations. Canada Education Savings Grants for children and the Canada Pension Plan and Old Age Security for seniors are examples of how HRDC works for Canadians of all ages and stages in life. As this Report also shows, HRDC is increasingly investing in Canada's future. In particular, our focus on skills and learning is designed to help Canadians embrace the challenges of our changing economy with confidence.

From our investments in community literacy programs for families and early childhood development, to our support for post-secondary students through Canada Student Loans and Canada Study Grants, to our efforts with employers, unions and educators to improve skills on the job, HRDC works to help Canadians gain the skills and learning they need at every stage of life. During 2000-2001, we launched consultations that will guide us in doing even more in the future.

In that work and across our other initiatives, HRDC's contributions to Canadians are built on a balance of partnerships and leadership. Over the past year, we extended parental benefits under Employment Insurance so parents could spend up to a year with their newborn or newly-adopted children. We worked with the provinces and territories on the National Children's Agenda, leading to the historic commitment of First Ministers to address early childhood development issues with the support of an extra \$2.2 billion over five years from the Government of Canada.

These and many other achievements took place in the context of a department that has demonstrably improved how it manages programs and services. We have been recognized for the progress we have made in delivering consistent and effective results. The result is a department that helps Canadians and communities make the most of our ever-changing economy and society.

*The Honourable Jane Stewart, P.C., M.P.
Minister of Human Resources Development Canada*

As Minister of Labour and Federal Co-ordinator on Homelessness, I am responsible for two significant Government of Canada contributions to building a better and more prosperous society.

My goal, as Labour Minister, is the continued promotion of a fair, healthy, safe, stable, cooperative and productive work environment that contributes to the social and economic well-being of all Canadians. During 2000-2001, Labour Program staff worked closely with employers, unions and workers to meet our legislated goals for workplaces under federal jurisdiction. Major legislative reform included changes to the *Canada Labour Code*, designed to improve health and safety in the workplace.



The Labour Program also demonstrated leadership on the international front through our work with the International Labour Organization (ILO). With the co-operation of the provinces and territories, our employer and union partners, we were pleased to be one of the first countries to ratify the ILO Convention on the Elimination of the Worst Forms of Child Labour – an action that promoted Canadian values to the world.

As Federal Co-ordinator on Homelessness, I was pleased to see the progress we made with our partners during 2000-2001 to address an issue of deep concern to many Canadians. All elements of our National Homelessness Initiative began to take shape, including support for initiatives to address immediate homelessness priorities in many communities. We were also able to go beyond that to begin to address the underlying challenges of homelessness.

Through our new Supporting Communities Partnership Initiative, many communities have begun essential work to look at the entire range of local homelessness issues. The results should produce lasting impacts. Communities have begun the important task of identifying resources they can draw on to turn strategies into results for people who are homeless or who are at risk of homelessness.

*The Honourable Claudette Bradshaw, P.C., M.P.
Minister of Labour and Federal Co-ordinator on Homelessness*

Our Mandate

The Government of Canada is committed to helping create a more inclusive, innovative environment for all Canadians. The Government and Parliament have given Human Resources Development Canada (HRDC) a mandate to help achieve these goals by reaching Canadians of all ages and those in groups with distinct needs.

HRDC assists Canadians of all ages as well as those with distinct needs through programs and services such as these:

Children

- Employment Insurance (EI) family income supplement
- First Nations and Inuit childcare
- Canada Education Savings Grant
- Canada Pension Plan (CPP) benefits to dependent children of disabled or deceased contributors
- National Child Benefit
- International Labour Organization Convention on Child Labour
- National Longitudinal Survey on Children and Youth
- Early Childhood Benefits

Youth

- Youth Employment Strategy
- Student Summer Job Action
- Summer Career Placement
- Youth Internship Canada
- Youth Service Canada
- Literacy initiatives for out-of-school youth
- Canada Student Loans
- Canada Study Grants
- Student debt management initiatives
- Youth Occupational Safety and Health
- Youth-at-Risk (including Homelessness)

Working Age Adults

- Employment Insurance Income Benefits
- Employment Benefits and Support Measures
- Promotion of stable, safe, fair, family-friendly and equitable workplaces
- CPP Disability benefits
- Labour laws to protect health, safety, working environment and equality in employment
- Employment Equity, pay equity and fair wages provisions
- Employability Assistance for People with Disabilities
- Opportunities Fund for persons with disabilities
- CPP Survivors benefits
- Urban Aboriginal Initiatives (including Homelessness)
- Older Workers Pilot Projects Initiatives
- Labour Market Information
- Supporting Communities Partnership Initiative
- Assistance for Community Plans
- Community Development Assistance Activities (Planning, Partnership and Decision Making)
- Social Insurance Numbers
- EI Parental Benefits

Seniors

- Canada Pension Plan Retirement benefits
- Old Age Security benefits
- Allowance benefits
- Guaranteed Income Supplement benefits

Under the authority of the *Human Resources Development Act*, we fulfil our mandate to the government and to Canadians by administering **legislation, programs and services** under the *Employment Insurance Act*, the Canada Pension Plan, the *Old Age Security Act*, the *Canada Labour Code*, the *Employment Equity Act* and numerous other laws.

We increasingly fulfil our mandate through **policies and partnerships**. These often involve co-operation with other governments and sectors of society on broad issues such as homelessness; meeting the needs of children; ensuring more productive, fair, safe and secure workplaces; and the adoption of workplace measures to support working parents.

Information is another way we meet our mandate to Canadians. By providing information on retirement income sources, careers, workplace innovations and other topics, we offer citizens reliable facts that they can use to make effective decisions.

We use **evaluations** and **audits** to assess the impacts and effectiveness of our activities. The lessons learned help us improve what we do and how we do it.

In these and other ways, HRDC represents the social face of the Government of Canada. We connect with millions of Canadians at all stages of their lives, often when they face difficult transitions. We reach many other Canadians indirectly. Our Mission expresses our ultimate goal and our Vision guides us on what we do and how we do it.¹

"In leading Canada into the new millennium, [the Government's] overarching goal will continue to be to build a stronger, ever more inclusive Canada and secure a higher quality of life for all Canadians."

[2001 Speech from the Throne]

Our Mission is:

"To enable Canadians to participate fully in the workplace and the community."

Our Vision is to:

- ❖ *take an integrated approach to human development*
- ❖ *enable Canadians to manage transitions in their lives*
- ❖ *provide the highest quality services*
- ❖ *emphasize preventative measures*
- ❖ *act as a leader in policies and programs*
- ❖ *forge partnerships*
- ❖ *build the capacity of communities*
- ❖ *respect our core values*
- ❖ *continue to develop and build on the strengths of our people*

¹ See *Handbook on Values and Ethics in HRDC* at <http://www.hrdc-drhc.gc.ca/dept/mission/handbook.shtml>

How We Serve Canadians

The HRDC Service Delivery Policy commits us to ensure that we design and deliver our services in ways that fully take the interests and priorities of Canadians into account. We deliver our services through people, partnerships and technology.

With more than 25,000 employees, HRDC has many roles in Canadian life. In 2000-2001, to note just a few of them, we administered Labour legislation, answered 13 million phone enquiries in our call centres, distributed Income Security Program benefits to 4.5 million Canadians, provided 2.5 million Canadians with Employment Insurance Income Benefits, issued 1.5 million Social Insurance Numbers and provided \$1.5 billion in loans and study grants to more than 400,000 students. HRDC is also a major information provider on social services, workplace and labour market topics.

Our Department's delivery network has 100 main Human Resource Centres of Canada (HRCCs) and 220 satellite offices for a total of 320 points of service in communities. The delivery network includes 21 call centres (11 Employment Insurance call centres, and 10 Income Security Programs call centres), four regional Information Technology Centres with two satellite sites and more than 5,000 interactive kiosks. Through our Internet website, the Department provides extensive information on HRDC programs and services. HRDC's electronic Job Bank is by far the most popular government website.

"In fulfilling its responsibilities, the Government of Canada will be guided by the values of Canadians. It will work with other levels of government, the private and voluntary sectors, and individual citizens."

[2001 Speech from the Throne]

We now routinely serve Canadians through collaborative arrangements with partners.² Many of these agreements enable provincial and territorial governments and Aboriginal organizations to use HRDC funding to design and deliver programs and services, particularly for shared social and labour market priorities. We also work closely with and through the voluntary sector, the private sector, labour, educators and communities of all kinds to achieve our goals. We expect these partnerships to demonstrate accountability for results and the most effective, appropriate use of public funds.

Our Strategic Outcomes, Service Lines and Measures of Achievement

HRDC has identified stronger management and accountability for results as core departmental goals. One way we are reaching these goals is by updating our Chart of Strategic Outcomes. Our new Chart is based on an integrated approach that operates at three levels:

- ◆ Strategic Outcomes for HRDC at both the service line and HRDC-wide levels;
- ◆ Intermediate Outcomes to demonstrate progress towards these Strategic Outcomes; and

² See Our Main Partners table on [page 115](#).

- ◆ Planned Results to demonstrate performance and the sphere of influence of HRDC programs and services.

The four Strategic Outcomes HRDC strives to achieve for Canadians are:

- ◆ Income security for seniors, persons with disabilities and their children, survivors and migrants;
- ◆ The opportunity to fully participate in the workplace and community;
- ◆ Safe, fair, stable and productive workplaces; and
- ◆ Sustainable and effective program management and service delivery.

We are developing a wide array of performance indicators to measure our progress. This will give a more complete, accurate picture of the Department's performance based on the perspectives of citizens, clients and taxpayers.

Citizens expect the Government of Canada to contribute to making a positive difference in their lives and in the life of their country. We demonstrate these large-scale results through evaluations, special studies, reviews and lessons learned as well as measures reflected in our **Chart of Strategic Outcomes**.

Our **clients** are the Canadians to whom we directly provide services. They expect and deserve the high level of quality service that we express through service delivery and quality measures contained in our **Chart of Strategic Outcomes**, and through our service standards (see page 65 in Sound Departmental Management).

Taxpayers expect us to employ money and people effectively, efficiently and towards the most important results. We express our commitments to them through sustainable and effective management measures contained in our **Chart of Strategic Outcomes**.

Our clients include:

- *members of groups in society who need focused support to enable full workplace and community participation, such as children, youth at risk, older workers, Aboriginal people and people with disabilities*
- *post-secondary students who need financial assistance while studying*
- *parents who are saving for their children's education*
- *those who need assistance to build skills or to return to the labour market*
- *employers, employees/workers and their representatives dealing with workplace related issues*
- *people receiving Employment Insurance benefits*
- *Canadians looking for jobs*
- *individuals who require a Social Insurance Number*
- *people in the voluntary sector*
- *seniors, children, survivors and people with disabilities who are eligible for public pensions*
- *homeless Canadians*

In summary, one day or another, every Canadian is served by HRDC.

To support our Strategic Outcomes, HRDC's programs and services are structured under four core service lines responsible for direct program delivery to Canadians and two others relating to activities that provide support and services to the core service lines. The table below links Strategic Outcomes to service lines and expenditures.

Strategic Outcomes To provide Canadians with:	2000-2001 Expenditures	Human Resources Development Service Lines
Income Security for seniors, persons with disabilities and their children, survivors and migrants Sustainable and effective program management and service delivery	\$44,012M FTEs: 3,747	Income Security (See Page 17)
The opportunity to fully participate in the workplace and community Sustainable and effective program management and service delivery	\$10,087M FTEs: 7,427	Employment Insurance Income Benefits (See Page 27)
The opportunity to fully participate in the workplace and community Sustainable and effective program management and service delivery	\$5,697M FTEs: 3,745	Human Resources Investment (See Page 34)
Safe, fair, stable and productive workplaces Sustainable and effective program management and service delivery	\$168M FTEs: 650	Labour (See Page 52)
Sustainable and effective program management and service delivery	\$951M FTEs: 7,049	Sound Departmental Management (Corporate Services and Service Delivery Support) (See Page 59)
Total HRDC Service Lines	\$60,915M	
Other Costs*	\$142M	
Consolidated Total	\$61,057M FTEs: 22,618	

* Represents miscellaneous items relating to charges and recoveries from provincial governments and other federal departments and agencies for Workers Compensation, the EI Account and CPP.

Chart of Strategic Outcomes

The Chart identifies the four Strategic Outcomes that HRDC endeavours to provide for Canadians. It also identifies areas of performance evidence (referred to as Intermediate Outcomes) that we will use to demonstrate progress. Planned results are included that more specifically outline the sphere of influence of HRDC's programs and services and demonstrate performance in support of expected outcomes in tangible ways.

Our goal is to have a more integrated approach in place to clearly indicate expected outcomes for all of our service lines: Income Security (IS), Employment Insurance Income Benefits (EIIB), Human Resources Investment (HRI), Labour (LAB), Corporate Services (CS) and Service Delivery Support (SDS).

STRATEGIC OUTCOME ⇒ **Income security for seniors, persons with disabilities and their children, survivors and migrants**

Intermediate Outcomes (Performance Evidence)	Planned Results	Service Lines	See Page
Incomes of seniors, persons with disabilities and their children, survivors and migrants	Providing timely and accurate payments of benefits to eligible clients Timely maintenance of contributor and resident information	IS	19
Awareness and understanding of the Canadian retirement income system and ways to achieve income security	Mail-out of Canada Pension Plan statement of contributions to all contributors Communication products and outreach initiatives	IS	21
Strong management and administration of Canada Pension Plan (CPP) Disability programs	Providing timely and accurate disability benefits to eligible clients Case management of clients through all stages of disability adjudication Re-assessments of continuing beneficiary eligibility Assistance to persons with disabilities to return to work	IS	22

STRATEGIC OUTCOME ⇨ **The opportunity to fully participate in the workplace and community**

Intermediate Outcomes (Performance Evidence)	Planned Results	Service Lines	See Page
Income support for eligible Canadians who are temporarily out of the workplace	Providing timely and accurate payments of benefits to eligible clients	EIIB	29
Awareness and understanding of the Employment Insurance (EI) program by Canadians	Increased understanding and awareness of the EI Program and the eligibility requirements	EIIB	30
Attachment to and reintegration into the labour market	Increase Canadians' capacity to manage labour market transitions by providing support and information to prepare for, find and maintain employment	HRI	36
Inclusion in the workplace and community	Improving employment and participation of targeted groups (persons with disabilities, Aboriginal people, youth at risk) in the workplace and community	HRI	38
Educated, skilled and prepared workforce	Promoting lifelong learning and skills development to improve Canadian productivity and competitiveness	HRI	42
Community, private and voluntary sector capacity to promote human development	Increase capacity of partners to more fully participate in the design and delivery of programs, services and policies	HRI	44
Work in partnership to identify and address service gaps for homeless Canadians	Participating Supporting Communities Partnership Initiative (SCPI) communities will invest in priorities identified in plans that address their assets, needs and gaps. These investments will support a continuum of supports approach to improve the integration of services for homeless Canadians	HRI	46

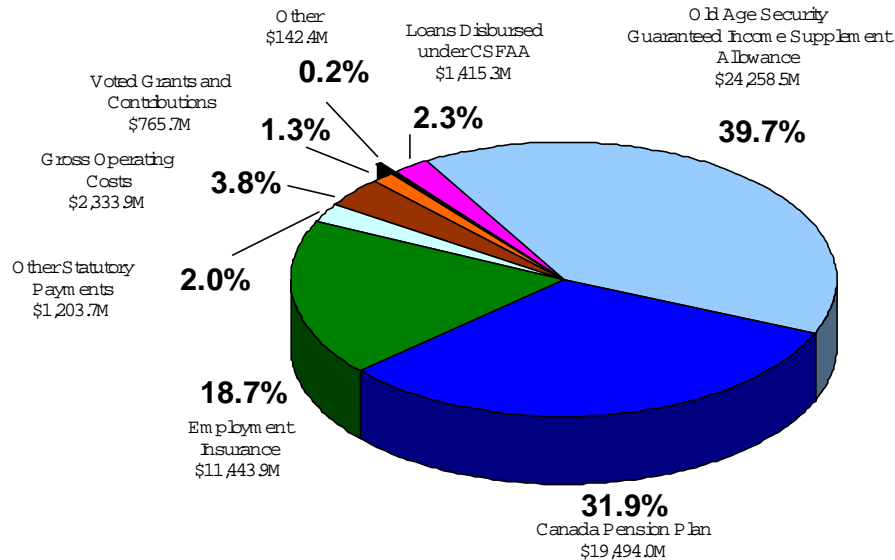
STRATEGIC OUTCOME ⇨ Safe, fair, stable and productive workplaces			
Intermediate Outcomes (Performance Evidence)	Planned Results	Service Lines	See Page
Constructive and stable labour-management relations in federally-regulated workplaces	Assist in building constructive labour-management relationships and the peaceful resolution of collective bargaining disputes to reduce incidence of work stoppages	LAB	53
Health and safety of federally-regulated workplaces	Decrease the number and severity of workplace injuries by providing regulations governing working conditions and conduct inspections to promote and improve compliance	LAB	54
Awareness of occupational health and safety practices and regulations	Increased awareness of health and safety practices and regulations through mid-term assessment in 2003	LAB	55
Fairness of federally-regulated workplaces	Resolution of unjust dismissal complaints	LAB	55

STRATEGIC OUTCOME ⇨ Sustainable and effective program management and service delivery			
Intermediate Outcomes (Performance Evidence)	Planned Results	Service Lines	See Pages
Responsible management of public funds including protection against fraud and abuse	Improve integrity of public funds	All	24, 30, 47, 60
Sound and responsive departmental infrastructure to deliver information and results to Canadians	Delivery and maintenance of information technology support to improve service delivery to Canadians	SDS	61
Productive work environment and sustainable workforce	Progress towards maintaining a workplace of choice	CS	61
Quality service to Canadians	Provide highest quality service to Canadians through service standards which include providing access, speed of payment and service, interactive relationships with clients and improvement of the level of client satisfaction with HRDC services	All	24, 31, 49, 57, 62

2000-2001 Expenditure Profile

Although HRDC has the greatest expenditure on programs and services of any department at \$61 billion, more than \$56 billion, or 92% of this spending goes directly to individual Canadians through Employment Insurance, Canada Pension Plan, Old Age Security programs, Canada Student Loans, Canada Education Savings Grant and other statutory transfer payments.

CONSOLIDATED TOTAL: \$61,057.4M



HRDC's Gross Expenditures	
Budgetary	
Net Operating Costs	848.7
Add Recoveries in relation to:	
Canada Pension Plan	208.7
Employment Insurance Account	1,230.8
Workers Compensation	45.7
	<u>1,485.2</u>
Gross Operating Costs	2,333.9
Voted Grants and Contributions	765.7
Total Gross Expenditures	3,099.6

Other – Workers Compensation and EI/CPP Charges and Recoveries **142.4**

Non-Budgetary	
Loans disbursed under <i>Canada Student Financial Assistance Act (CSFAA)</i>	1,415.3

Statutory Transfer Payments	
Grants and Contributions:	
Old Age Security programs	24,258.5
Other Statutory Payments:	
Canada Student Loans	698.8
Canada Education Savings Grant	433.6
Others	2.3
	<u>1,134.7</u>
Total	25,393.2
Canada Pension Plan benefits	
Employment Insurance benefits	19,494.0
Part I	9,505.0
Part II	1,938.9
	<u>11,443.9</u>
Other Specified Purpose Accounts ^a	69.0

Total Statutory Transfer Payments 56,400.1

a. Includes payments related to Government Annuities Account and Civil Service Insurance Fund.

Policy Accomplishments

During 2000-2001, HRDC continued work to develop social and labour market policies that make a positive difference in the lives of Canada's children, youth, adults, families and seniors and that contribute to meeting the Government of Canada's commitment to secure a higher quality of life for all Canadians. We led policy development in a number of important areas, taking into account the values of Canadians and by working in partnership with other levels of government, communities, the voluntary sector, industry and the academic community.

During the year, we focussed particular policy attention on issues relating to skills and learning, the needs of children and families, employment and expanding participation in society and the economy for Canadians with disabilities. This policy work had impacts on HRDC and broader Government of Canada activities.

Children and Families

Early childhood events establish the foundation for long-term outcomes in learning, behaviour and health so the well-being of today's children is a concern to society. During 2000-2001, HRDC continued to work on the Government of Canada's 1999 and 2001 Speech from the Throne commitments to better support Canada's children and families and to guide the collaboration with provincial and territorial governments in achieving this objective.

In September 2000, the First Ministers of Canada and all provinces and territories, except Quebec, agreed on an initiative to expand and improve early childhood development programs and services.³ As of April 1, 2001, the federal government committed to provide \$2.2 billion over five years through the Canada Health and Social Transfer. The funds will support expansion of provincial programs in four key areas: promoting healthy pregnancy, birth and infancy; improving parenting and family supports; strengthening early childhood development and care; and strengthening community supports. As part of our overall policy support for this initiative, HRDC began work with Health Canada, the Department of Indian Affairs and Northern Development and provincial and territorial governments to meet the First Ministers' reporting commitments.

In the January 2001 Speech from the Throne, the Government of Canada expanded its commitment to meet the early childhood development needs of First Nations and other Aboriginal children. The Ministers of Indian Affairs and Northern Development, Health and Human Resources Development have been working towards the development of a strategy to address this commitment, and we have provided substantial policy support to that process.

HRDC continued collaborative efforts, including policy work, with the provincial and territorial governments in implementing the National Child Benefit initiative. This includes income support to families with children through the Canada Child Tax Benefit and a component to help First Nations communities across the country improve the

³ For further information, see http://socialunion.gc.ca/nca/supporting_e.html

services and supports for their children. In April 2001, *The National Child Benefit Progress Report: 2000* was released, which reported a decline in the percentage of families with children that have low incomes.⁴ While Canada's strong economic performance has been a key factor in this decline, the National Child Benefit initiative has also supported this positive trend by increasing child benefits and services for low-income families and improving work incentives.

During 2000-2001, our policy work was also a critical element in supporting achievement of the Government of Canada's commitment in the 1999 Speech from the Throne to extend and make more accessible Employment Insurance (EI) benefits for parental leave, as described in detail on page 29 in the EI Income Benefit section of this report.

Policy research initiatives such as Understanding the Early Years (UEY) have been a key part of the department's efforts to increase knowledge about children's development. A national research initiative, UEY monitors progress in improving outcomes for young children and catalyzes community action. HRDC has successfully implemented this initiative in thirteen communities across Canada.

Youth

In the 2001 Speech from the Throne, the Government of Canada renewed its commitment to youth by noting that youth-at-risk are among the most likely to drop out of school or to have difficulty in making the transition from school to work. The Government of Canada pledged to "work with its partners to ensure support for youth who particularly need help staying in school or getting their first job."

To improve the effectiveness of youth employment programs, HRDC worked with its provinces and territories throughout 2000-2001 to identify opportunities for greater collaboration on youth-at-risk issues. This was accomplished through both formal and informal joint planning and priority-setting arrangements in many jurisdictions, as well as through cooperation at the local level. Collaboration with the voluntary sector was strengthened through regular consultation with the 21 member National Youth Serving Agency network.

Working Age Adults

➤ Skills and Learning

In its 1999 and 2001 Speeches from the Throne, the Government of Canada committed to building a Skills and Learning Agenda to enable adult workers to increase their skills. The Minister of Human Resources Development has noted the need for a Skills and Learning Agenda to emphasize inclusion for all Canadians, especially those who face challenges in upgrading their skills and enhancing their education. The Minister has also stressed the need for partnerships between the Government of Canada and provinces and territories, employers, the public sector and citizens.

With those factors in mind, we made strides in advancing the Skills and Learning Agenda during 2000-2001. In early 2001, our department supported a series of

⁴ For further information, see <http://socialunion.gc.ca/NCB-progress2000/toceng.html>

National roundtables to hear a broad range of stakeholders speak out on key skills and learning issues. As highlighted in the roundtable reports released in June 2001, the consultations led to a common understanding of the key challenges that face governments, employers, workers, educators and others in building a highly skilled, creative and adaptable workforce.⁵ Moreover, we have undertaken extensive research and analysis of existing support to skills and learning as well as the gaps to be bridged.

➤ **Employment Insurance**

Employment Insurance (EI) policies continue to evolve, based on experience with the program and lessons from other countries. This adaptability ensures the program remains relevant and effective as the labour market and social context changes.

Adjustments to the *Employment Insurance Act* were proposed to Parliament in September 2000 and then, after the election, in February 2001 and adopted by Parliament on May 10, 2001. The changes reflected the realities faced by the workforce, with positive effects for both workers and employers.⁶

We will continue to monitor the EI program to ensure that it is evolving in a way that is responsive to Canada's labour market and is fair to all Canadians. To this end, we will continue to produce an annual Monitoring and Assessment Report through 2006.⁷

➤ **Labour Market Policy**

Factors such as globalization, technological change and the knowledge-based economy are affecting employment and government policy responses in Canada. Based on our assessment of challenges and opportunities, HRDC develops policy ideas and responses that are designed to ensure that Canada has a labour force of sufficient quantity and quality to take advantage of existing and emerging employment opportunities; address barriers that reduce the efficiency of the labour market; support continued growth in labour demand; and assist groups and regions that face additional labour market challenges.

Initiatives aimed at improving labour mobility and addressing the needs of older workers were two notable labour market policy focuses of the past year.

As described in detail on page 38 in the Human Resources Investment section of this report, in 2000-2001, HRDC continued to support the work of the Forum of Labour Market Ministers, which we co-chair, to implement Chapter 7 of the Agreement on Internal Trade on Labour Mobility. Our policy staff have contributed to the work of the provinces, territories and other HRDC branches with self-regulating professions and provincial and territorial trades regulators to assist them to develop labour mobility agreements and protocols. We estimate that most regulated workers will be covered by agreements that make it possible for workers to pursue job opportunities with employers across Canada.

⁵ The HRDC press release with links to the individual reports is available at <http://www.hrdc-drhc.gc.ca/common/news/hrib/01-06-21.shtml>

⁶ These changes are described in the Employment Insurance Income Benefit section of this report, on page 30.

⁷ For further information, see <http://www.hrdc-drhc.gc.ca/ae-ei/loi-law/2000/sum00.shtml>

We continued to examine the impacts of the Self-Sufficiency Project (SSP). The SSP was a partnership between HRDC and the provinces of New Brunswick and British Columbia which encouraged lone parents on welfare towards self-sufficiency by using earning supplements to bridge gaps between total social assistance benefits and income and fringe benefits from employment. The preliminary results of the SSP are very encouraging – of those lone parents offered the earnings supplement, 35% had found full-time employment within one year. Recognizing the significant findings from the project, the Government made a commitment in the January 2001 Speech from the Throne to “test innovations with other provinces and territories, with the longer-term view of developing new measures that help single parents overcome poverty.” HRDC is developing a strategy to address this commitment.⁸

HRDC has also contributed policy support to the development of the Older Workers Pilot Projects Initiative. This initiative, to which the Government of Canada has committed \$30 million over three years until 2003, supports innovative projects that explore ways to address the employment needs of displaced older workers or those who are at-risk of being displaced. The Government of Canada collaborates with the provinces and territories in project design, while the provinces and territories implement the projects. To date, HRDC has signed agreements with Yukon, the Northwest Territories, Newfoundland and Labrador, Quebec and British Columbia.

Persons with Disabilities

The full inclusion of people with disabilities in society is a shared goal in Canada. Working under a common vision of full citizenship, the federal, provincial and territorial Ministers Responsible for Social Services, which HRDC co-chairs, developed a joint policy framework released in 1998: *In Unison: A Canadian Approach to Disability Issues*.⁹ In March 2001, the Ministers released a follow-up document, *In Unison 2000: Persons with Disabilities in Canada*, the first national report on societal indicators and effective practices related to disability.¹⁰ The report was developed in consultation with representatives of the disability and Aboriginal communities and other stakeholder groups.

In the January 2001 Speech from the Throne, the Government of Canada committed to work with provinces, territories and other partners toward a comprehensive labour market strategy. Federal/provincial/territorial work on a labour market needs analysis and a feasibility study for a disability supports tax benefit are expected to lay the foundation for further policy development work.

During 2000-2001, we also contributed to building knowledge and understanding of disability policy issues through shared funding of research projects with provinces and territories. These projects have focused on issues related to improving access to disability support programs and services. Moreover, we provided \$11.5 million over 3 years for the development of the Participation and Activity Limitation Survey which will build a knowledge base to guide policies over the longer term.

⁸ Further information on the projects carried out in New Brunswick and British Columbia is available at <http://www.hrdc-drhc.gc.ca/arb/>

⁹ For further information, see http://socialunion.gc.ca/pwd/unison/unison_e.html

¹⁰ For further information, see <http://dsp-psd.pwgsc.gc.ca/pubs/2/1/MP43-390-2000E-1.html>

Income Security

Our Strategic Outcomes:

To provide Canadians with income security for seniors, persons with disabilities and their children, survivors, and migrants; and

sustainable and effective program management and service delivery.



Canada's public pension system is the Government of Canada's most tangible means of supporting seniors, and is also important for many working-age Canadians with disabilities. The impact of the public pension system is particularly clear for seniors. In 1980, almost 21% of all seniors in Canada were living in poverty. By 1998, this number had been reduced by more than half, so that less than 9% were living in poverty.¹¹ This substantial reduction can be attributed largely to the Canada/Quebec Pension Plans and improvements to the Old Age Security program.

Canada's performance in providing income security for seniors compares very favourably internationally. The poverty rate among Canada's seniors is among the lowest in countries that are members of the Organization for Economic Cooperation and Development. Using relative international standards, there were more than four times as many low-income seniors in the United States and more than twice as many low-income seniors in the United Kingdom.

Ensuring that Canada's public pension system continues to be strong, effective and affordable is a public policy priority. This was reflected in the 1997 decision of the federal, provincial and territorial Ministers of Finance to implement changes to the Canada Pension Plan (CPP) to ensure its long-term sustainability while moderating the costs to future contributors.

"There was a time in Canada when retirement often meant facing a new life of hardship. A generation ago, Canadians set a national goal to eliminate poverty among seniors, and we have made significant progress."

[2001 Speech from the Throne]

Within HRDC, the Income Security programs branch is responsible for achieving sustainable and effective program management and service delivery in a variety of ways. We maintain the complete record of the CPP contributions of more than 12 million CPP contributors. This year, we paid approximately \$19.5 billion in CPP benefits, of which \$2.5 billion was for CPP Disability benefits. We also paid approximately \$24.3 billion in Old Age Security (OAS) pensions. In total, we paid benefits to more than 4.5 million Canadians.

¹¹ Statistics Canada's 1998 "Low-Income Cut-Off" (LICO) data as reported in *Low Income Among Canada's Seniors*, Seniors & Aging Division, HRDC, 2001.

HRDC works closely with other federal departments and the provinces and territories in the ongoing development of policies to ensure that Canada provides basic income security through a strong public pension system. Most recently, we have expanded our efforts to help Canadians better understand the overall retirement income system by communicating directly with almost 10 million CPP contributors and encouraging them to take a more active role in building on their public pensions to achieve their retirement goals.

Some 3,800 HRDC employees help deliver these programs and provide related information to Canadians.

GROSS SPENDING

(millions of dollars)	1998-1999 Actual	1999-2000 Actual	2000-2001		
			Planned Spending	Total Authorities	Actual
Gross Operating Expenditures ^a	271.1	256.1	277.4	274.1	260.0
Old Age Security Related Transfer Payments	22,781.3	23,414.4	24,200.0	24,258.5	24,258.5
Total Gross Expenditures	23,052.4	23,670.5	24,477.4	24,532.7	24,518.5
CPP Benefit payments	18,203.0	18,799.0	19,613.0	19,352.0 ^b	19,494.0
Consolidated Total for IS	41,255.4	42,469.5	44,090.4	43,884.7	44,012.5

Full Time Equivalents	3,345	3,467	3,587	3,752	3,747
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a. For recoveries from the CPP and net expenditures, see Figure 2 on page 75.

b. Total authorities for CPP benefit payments reflect the forecast as reported in the 2001-2002 Report on Plans and Priorities.

Operating Environment and Challenges

As the table above shows, almost all our income security expenditures during 2000-2001 were benefits paid to Canadians. We used less than 1% (\$260 million) to support our day-to-day client services and administration. This compares well with both private and public sector pension benefits administrators and underlines our commitment to effective administration.

Our operational environment is influenced by the projected doubling of client numbers as the baby boom generation ages over the next 15 years. Our response has been to develop a responsive technology framework to support our programs, services and standards. This will also lay the groundwork for meeting our commitments under the Government of Canada's Government On-Line objectives.

Achievements and Their Impact on Canadians

We are reporting our achievements against specific areas of performance that demonstrate progress towards strategic outcomes for our Income Security programs. In our *2000-2001 Report on Plans and Priorities*, we identified the following priorities.

We committed to achieving our strategic outcome of sustainable and effective program management and service delivery by:

- ♦ introducing a client-centred approach to service delivery for persons with disabilities;
- ♦ improving our client feedback systems;
- ♦ developing and enhancing partnerships that translate into better client service; and
- ♦ maintaining progress in key areas including the automatic renewal of our clients' Guaranteed Income Supplement (GIS) benefits and improved client access to our telephone services.

We also committed to improving our program management processes and tools to:

- ♦ ensure that our clients get the benefits for which they are eligible;
- ♦ improve the consistency of our decisions; and
- ♦ help Canadians plan for retirement by increasing their awareness, knowledge and understanding of the public pension system.

We met these two commitments. These priorities were used as a base from which to expand and improve our client-service objectives and improve the management and administration of the OAS and CPP programs. In 2000-2001 we made progress in the areas of: maintaining accurate information on CPP contributors; providing timely and accurate payments to clients; increasing Canadians' awareness and understanding of the Canadian retirement income system; improving the management, administration and delivery of CPP Disability benefits; protecting the public pension system against errors, fraud and abuse; and finally, continuing our efforts to provide the highest quality of service to Canadians.

Results for our Income Security key performance measures are described in detail in the narratives below. A table consolidating them for 2000-2001 is presented on page 26.

Incomes of Seniors, Persons with Disabilities and their Children, Survivors and Migrants

This performance area is defined by results related to the relative importance of the two pension programs to our beneficiaries, the provision of timely and accurate payments of benefits to our eligible clients, and the ongoing up-to-date maintenance of CPP contributor and resident information.

➤ **The Relative Importance of Public Pensions to a Recipient's Total Annual Income**

We wanted to determine the importance of income security benefits to the overall income of our clients. To do that, we analyzed 1998 tax data from Statistics Canada. Our assessment confirmed the importance of the Canadian public pension system to seniors and people with disabilities.

Findings indicated that OAS benefits accounted for 30% of recipients' total annual income. Clients requiring additional support relied on the GIS for another 29%. CPP benefits derived from any one or combination of the benefits available under the CPP accounted for 26% of recipients' total annual income. Clients who receive CPP Disability are more reliant on their benefits than those receiving other public pension benefits; their CPP benefits comprised 61% of their total annual income.

➤ **Timely and Accurate Benefit Payments**

Because of the importance of public pension system payments to Canadians, HRDC uses three key indicators to measure Income Security timeliness and accuracy. These processing measures are defined as the time required (measured in working days) to process new OAS, CPP and CPP Disability applications, from the date of receipt to the date of decision.

In 2000-2001, we used a 28 working-day objective to benchmark the time required to process new applications for OAS and CPP (excluding disability) benefits. We were able to meet the 28 working-day objective for processing new OAS applications (22 days), but averaged 31 working days for CPP (excluding disability) applications. Further analysis showed that more time was required to process CPP survivor and death benefits than retirement benefits, which skewed the average processing times. For CPP retirement benefits, we averaged 27 working days, thus meeting the 28 day target.

We are reviewing how best to measure and report on processing performance and all current measures are under review.

We continued to track the success of the OAS Guaranteed Income Supplement auto-renewal process. In 2000-2001, 66% of all pensioners who filed an income tax return had their eligibility automatically renewed without having to submit a GIS application form. This result met our 66% target. Results demonstrate our progress towards the elimination of duplication of information necessary for applying for GIS benefits. This process increases the accuracy rate for those seniors who are GIS beneficiaries by drawing on their income tax return information.

The indicator for Guaranteed Income Supplement Reverted Accounts measures the percentage of pensioners who did not have their GIS benefits automatically renewed either because they did not indicate on their 2000 income tax return that they wanted to be renewed, or they failed to submit a renewal application.

In 2000-2001, 3% of all renewable GIS accounts were reverted to basic Old Age Security benefits amounts. This result was due largely to the "demutualization" of a number of major insurance companies in 1999. Many seniors with certain types

of insurance policies, including some GIS clients, received dividend payments as part of “demutualization”. In some cases, these payments raised their income to a level where they were no longer eligible for GIS payments.

➤ **Timely Maintenance of Contributor and Resident Information**

Many people are clients of both CPP and OAS programs and similar programs administered by the provinces and territories. To improve service to these Canadians, we set out to enhance our partnerships with other governments by creating or amending agreements that would confirm Income Security client eligibility for provincial benefits and services.

Income Security programs ongoing agreements serve clients in all provinces and territories. In 2000-2001, we renewed agreements with: Ontario, which provides the Guaranteed Annual Income Supplement (GAINS) payable to Guaranteed Income Supplement (GIS) pensioners; Nova Scotia, which provides a pharmacare program to GIS pensioners; and New Brunswick, which provides a Low Income Seniors Benefit (a tax credit for GIS pensioners).

These renewed agreements included stronger privacy elements and, in some cases, extended coverage. For example, Ontario GAINS, was extended to pensioners who qualify for OAS under an international agreement. The New Brunswick agreement was amended to cover Allowance requirements.

Awareness and Understanding of the Canadian Retirement Income System and Ways to Achieve Income Security

This performance area concerns informing Canadians about the current status of their CPP contributions and the Canadian income retirement system.

We promised to provide Canadians with an accounting of their personal contributions to the CPP and to assist Canadians to better understand public pensions and the role of these pensions in Canada’s retirement income system.

➤ **CPP Statement of Contributions Mail-out**

To ensure long-term income security for people who are now of working age, including youth, it is important that they understand how the entire retirement income system works, so they can make effective plans. To support that, in 2000-2001, our Income Security Programs branch mailed out CPP Statements of Contributions (SOC) to 9.8 million people. This began a new annual process that provides details on the contributions that individuals have made to the Canada Pension Plan to date and their estimated benefit levels. By including brochures, we provided information on Canada’s retirement income system. The SOC mail-out also provided an opportunity to correct birth dates, mailing addresses and other pertinent contributor information.

The quality and accuracy of the information in an individual's CPP contribution account is important because we use it to determine retirement benefits. In 2000-2001, 99.9% of the money that Canadians have contributed to the CPP was in the correct account and we continue to work at improving that percentage.

We conducted an independent evaluation of those receiving the SOC 73% of those who read the SOC said they found it very useful for current and future planning. 60% of those who read the information insert reported that they found it very useful. Of those who read the information closely, 75% checked their personal information and 63% said they had a better understanding of our public pensions system, including the benefits they can expect. We also noted that overall more people have a clearer understanding of how the CPP is funded and why recent changes were made. Of those surveyed, 52% recognized that the changes were geared toward the long-term sustainability of the Plan.¹²

➤ **Improving our Information Products and Outreach Activities¹³**

Part of our strategy to improve Canadians' awareness of public pensions as part of the retirement income system was to maintain relationships with key national groups who provide Canadians with information about retirement planning. We participated in events, conferences and national meetings to make presentations, give keynote speeches and provide displays and information. In 2000-2001, we gave more than 3,000 presentations/training sessions and developed 216 new information products, which we distributed to just over 1,700 organizations. We also developed new agreements with more than 1,300 other common service providers such as financial planners, other levels of government and funeral homes.

In 2000-2001, we conducted client focus-testing and evaluations and, based on feedback, made necessary adjustments to our information products.

Strong Management and Administration of Canada Pension Plan Disability Programs

Benefits under the CPP – Disability are an important contribution to the income security of many working age adults with disabilities. In recent years, CPP - Disability has been the focus of substantial HRDC efforts to bring about improvements to program management and that work is ongoing. Accordingly, this performance area is defined by results related to the provision of timely and accurate disability benefits to eligible clients; case management of clients through all stages of disability adjudication; reassessments of continuing beneficiary eligibility; and assistance to persons with disabilities to return to work.

¹² Ekos Research: Statements of Contributions Evaluation, April 5, 2001.

¹³ For further information, see <http://www.hrdc-drhc.gc.ca/isp/common/home.shtml>

➤ **Timely and Accurate Disability Benefits**

Processing measures for timeliness and accuracy are defined as the time required (measured in working-days) to process new CPP Disability applications, from the date of receipt to the date of decision.

We set a 62 working day objective to process initial CPP Disability applications in 2000-2001. The average number of working days to process new applications was 68. We recognize that there are difficulties in achieving the 62 day target because of factors beyond our control, such as time spent waiting for medical information or information from the client.

➤ **Client Case Management**

In 2000-2001, we began to implement a more personalized service approach for the delivery of CPP Disability benefits, based on personal contact with individual clients.

We are calling applicants as soon as they apply for benefits and throughout the process. We also provide applicants who are not eligible for our disability benefits with information on other programs and organizations that may provide assistance.

➤ **Reassessment of Continuing Eligibility**

CPP Disability benefits are not a permanent entitlement – if recipients regain the capacity to work, they cease to be eligible for benefits. Ensuring beneficiaries continue to be eligible for CPP Disability benefits constitutes a vital component of our commitment to protect the integrity of the CPP. When there are indications of a potential change in a beneficiary's situation, we review the case. Beneficiaries are responsible for informing us of their changed status; however, on occasion, a review may be started because information is received directly from a third party. Funds returned to the CPP as a result of a review of continuing eligibility during 2000-2001 resulted in program savings of \$19.9 million.

➤ **Return-to-Work Assistance**

In 2000-2001, consistent with overall commitments of the Government of Canada to better meet the needs of people with disabilities, we developed ways to be more flexible and responsive, especially with respect to returning to work. We have increased efforts to actively support CPP Disability clients' attempts to return to work by strengthening communications on existing work incentives and implementing new measures that are designed to reduce beneficiaries' fears of attempting a return to the workforce. We continue to look at additional means of making this transition to employment even more flexible and to provide other supports to better ensure beneficiaries have made a complete transition.

"Persons with disabilities face barriers to full participation in the economy and society. The Government of Canada will work with the provinces and territories and other partners toward a comprehensive labour-market strategy for persons with disabilities."

[2001 Speech from the Throne]

As part of our commitment to remove barriers that impede a client's effort to re-enter the workforce and participate more fully in the community, we developed the "Allowable Earnings" initiative.¹⁴ A CPP Disability beneficiary can earn up to a certain amount in any year without having to report this income to CPP and without losing any benefits.

Responsible Management of Public Funds

This performance area under the Income Security service line is defined by results related to the protection of the public pension system against errors, fraud or abuse. It is an essential part of achieving our outcome of sustainable and effective program management and service delivery.

➤ **Quality Assurance**

Providing good service to people with disabilities and effective program management is supported by our CPP Disability – Quality Assurance process. It consists of examining recently adjudicated files to detect trends in the adjudication process and compliance with policies, regulations and procedures. The examination provides information on payment accuracy, decision consistency and causes of variance and error. Taken together, they create a detailed picture of business excellence, highlight areas that worked well and areas where improvements need to be made, such as training, policy clarification and/or the need for new adjudication tools.

Quality Service to Canadians

This performance area is measured against results related to the provision of the highest quality service to Canadians through service standards which include providing access, speed of payment and service, interactive relationships with clients and improvement of the level of client satisfaction with HRDC services.

➤ **Telephone Services**

During 2000-2001, our 10 Income Security call centres received 5.3 million calls, 98% of which were able to access our 1-800 system on their first attempt. However, on average, only 81% of callers were able to connect with an agent within the targeted three minutes.

We determined that we did not meet our service goals to Canadians due to a rising volume of calls coupled with a shortage of resources. We developed remedial measures including an action plan that addresses issues such as staffing performance, increased resources and the management of our telephone resources.

¹⁴ For further information, see http://www.hrdc-drhc.gc.ca/isp/cpp/vocational_e.shtml

➤ **Client Feedback Mechanisms**

We committed to improve our client feedback systems to make it easier for clients to comment on their interactions with us. In 2000-2001, we further developed our correspondence tracking to allow us to address client concerns/complaints on a more timely basis and to link inquiries to business process improvements and policy review. Currently, we review speed of service, processing errors, questions on policy and/or legislative interpretations as well as compliments and praise from clients on service quality.

We monitor each client inquiry until complete resolution. Our staff contact clients by telephone within 48 hours of receiving notification to explain what corrective action is being taken and the timeframe for resolution.

➤ **Income Security Information Technology Renewal**

Income Security Information Technology Renewal is a multi-year project (1999 to 2006) to modernize our Income Security computer systems. This project is meant to achieve excellence in our management of program data – how we store and access it, how we use that data to make better decisions and how we will position ourselves to provide services through the Internet by 2004.

This project will enable us to meet the demands of an aging Canadian population, support the Government On-Line commitment, improve information sharing for better service and provide added flexibility to integrate legislative and policy changes into our operational systems. For 2000-2001, we committed to laying the foundation work for this initiative by first gathering the information needed to begin developing new systems.

We began this process with an inventory of the existing systems and processes that we use to deliver pension benefits to Canadians, as well as technologies in use today and in development for the near future. These first steps provided us with the information we needed to start modifications in order to modernize our systems. For example, we piloted a new application, which automates the calculation of OAS Options for the GIS, the Allowance and the Allowance for the Survivor. This translates into improved efficiency and faster service for our clients.

We also developed a strategy to determine the mechanisms needed to combine the different client data files that now exist for individual programs. This preliminary work will eventually give our front-line staff the ability to serve any Income Security client at the first point of contact in an integrated way.

Summary of Performance Measures

We report results for commitments we made in the *2000-2001 Report on Plans and Priorities*. The results and the context in which they were attained were described previously.

Strategic Outcomes To Provide Canadians with:	Demonstrated by:	Objective (O) Result (R)
Income Security for seniors, persons with disabilities and their children, survivors and migrants	<ul style="list-style-type: none"> ➤ The relative importance of public pensions to a recipient's total annual income¹⁵ Recipients' (65 years of age or older) total annual income from Old Age Security, Guaranteed Income Supplement and Canada Pension Plan payments as a percentage of total income from all sources¹⁶ <ul style="list-style-type: none"> • Old Age Security as a percentage of total income from all sources • Guaranteed Income Supplement as a percentage of total income from all sources • Canada Pension Plan as a percentage of total income from all sources Canada Pension Plan Disability recipients' total annual income from CPP payments as a percentage of total income from all sources Percentage of Old Age Security recipients also receiving Guaranteed Income Supplement¹⁷ ➤ Timely and accurate benefit payments Average number of working days to process Canada Pension Plan applications (excluding disability benefits) Average number of working days to process Old Age Security applications Average number of working days to process initial Canada Pension Plan Disability applications¹⁸ Percentage of Guaranteed Income Supplement benefits renewed automatically through clients' tax return data Percentage of Guaranteed Income Supplement accounts returned to basic benefits ("reverted") 	R: 30% R: 29% R: 26% R: 61% R: 36% O: 28 days R: 31 days O: 28 days R: 22 days O: 62 days R: 68 days O: 66% R: 66% O: 2% R: 3%
Sustainable and effective program management and service delivery	<ul style="list-style-type: none"> ➤ Telephone client service <ul style="list-style-type: none"> • Access I: Percentage of callers not receiving busy signal • Access II: Percentage of callers answered by a Service Delivery Agent within three minutes 	O: 95% R: 98% O: 95% R: 81%

¹⁵ These are societal outcome measures used to gauge the effect that public pensions have on our clients' total income. The Government of Canada provides 1/4 to 1/3 of income for Canadian seniors.

¹⁶ Based on 1998 calendar tax data from Statistics Canada. There is a lag in the availability of tax data: 1998 is the most current data available.

¹⁷ Data from 2000-2001. Over 1/3 of seniors receiving OAS also receive additional support. GIS entitlement is not linked to Statistics Canada's Low-Income Cut-Off.

¹⁸ The average number of working days to process initial CPP disability applications was determined based on manual random sampling.

Employment Insurance Income Benefits

Our Strategic Outcomes:

To provide Canadians with the opportunity to fully participate in the workplace and community, and

sustainable and effective program management and service delivery.



Even with Canada's strong job growth, every day some working age Canadians become unemployed through no fault of their own. In response, the Government of Canada has designed and delivered Employment Insurance Income Benefits and predecessor programs since 1941. Along with the human resource investment programs that are described elsewhere in this report, this income support program is a key tool that helps Canadians as they seek new jobs or while they are off work temporarily due to sickness or the birth or adoption of a child.

The most recent evidence shows that four out of five people who held insurable employment and who either had been laid off, quit their job with just cause or were off temporarily due to sickness, the birth or adoption of a child were eligible for Employment Insurance (EI) Income Benefits under the *Employment Insurance Act*. Those who did not qualify usually had insufficient hours of insurable employment. As such, EI Income Benefits are one of the Government of Canada's highest profile programs and an important focus of effective and efficient service to Canadians.

Approximately 8,000 HRDC employees helped to deliver the EI Income Benefits program in 2000-2001. Total gross spending in 2000-2001 was \$10.1 billion.

GROSS SPENDING

(millions of dollars)	1998-1999 Actual	1999-2000 Actual	2000-2001		
			Planned Spending	Total Authorities	Actual
Gross Operating Expenditures ^a	615.3	583.0	507.9	516.8	512.3
Statutory Transfer Payments ^b	0.3	0.2	0.0	0.2	0.2
Total Gross Expenditures	615.6	583.2	507.9	517.0	512.5
El Part I - Benefit payments	9,931.6	9,299.7	9,609.0	9,522.0 ^c	9,505.0
Government Annuities and Civil Service Insurance payments	76.6	72.9	0.0	69.0	69.0
Consolidated Total for EIIB	10,623.8	9,955.8	10,116.9	10,108.1	10,086.5
Full Time Equivalent	7,803	7,755	7,623	7,522	7,427

a. For recoveries from the EI Account and net expenditures see Figure 2 on page 75.

b. Includes Civil Service Insurance Fund actuarial liability adjustment and the provision of Government Annuities Account.

c. Total Authorities for El Part I reflect the forecast for 2000-2001 as reported in the 2001-2002 Report on Plans and Priorities.

Operating Environment and Challenges

Of the \$10.1 billion in spending directly associated with EI Income Benefits, we only needed to allocate \$0.5 billion or 5.1% to costs associated with delivering and managing our services.

It is a measure of the impact of the EI program that, in 2000-2001, we processed 2.7 million applications for Employment Insurance benefits and issued approximately 20 million EI payments to about 650,000 persons. At an average of 18.5 weeks paid per claim, we paid a total of \$9.5 billion in EI Income Benefits to Canadians. Beyond that, we received 29 million phone enquiries through our Interactive Voice Response system, 21 million enquiries were answered by our automated EI telemessage and about 8 million were answered by our Service Delivery Representatives at our EI call centres. We also issued 1.5 million Social Insurance Numbers. Consistent with our commitment to use new technologies to improve service, our clients carried out 8.6 million transactions with us through the use of TELEDEC (declaration of earnings and work while on EI by telephone). We conducted 0.9 million investigations into EI fraud and abuse, and we examined 29,672 appeals to Boards of Referees.

During 2000-2001, the Government made targeted changes to EI a priority and we supported that work. We also improved the overall effectiveness and quality of our services to Canadians. We paid particular attention to introducing a new approach to service delivery that provides as much assistance and information as possible to clients at their first point of contact. In addition, we continued to improve the management of the Social Insurance Number as well as developing key technology initiatives in keeping with our Government On-Line commitments.

Achievements and Their Impact on Canadiens

We are reporting our achievements against specific areas of performance that reflect the needs of working age Canadians, including young workers. They demonstrate progress towards strategic outcomes for the EI Income Benefits service line. The priorities we identified in our *2000-2001 Report on Plans and Priorities* are consistent with those outcomes.

Results for the EI Income Benefits key performance measures are described in detail in the narratives below. A table consolidating the measures to be reported for 2000-2001 is presented on page 33.

Income Support for Eligible Canadians Who Are Temporarily Out of the Workplace

This performance area is defined by results related to the provision of timely and accurate payments of EI benefits to eligible working age Canadians.

In 96.6% of cases, clients received their benefit cheques within 28 days of registration of the claim. Our level of service surpassed the 90% objective in all parts of the country.

A major initiative that we managed during 2000-2001 was to support and implement the expansion of EI parental benefits.

As part of the Government's 1999 Speech from the Throne commitment to address the needs of Canada's families, Parliament passed legislation changing EI special benefits in 2000. The legislation increased the duration of EI parental benefits from 10 to 35 weeks, meaning that the total of maternity and parental benefits payable to new parents expanded from the former six months to a year. Access to these benefits was also improved with a reduction in the number of hours required to qualify for special benefits from 700 to 600. The enhanced parental benefits became available to parents of children born or placed for adoption, on or after December 31, 2000.

"Giving children the best start in life is the best investment we can make in Canada's future. [...] The government will also help parents spend more time caring for young children and ensure they have the resources to meet their children's needs."

[1999 Speech from the Throne – Summary]

In order to make the required administrative changes to maternity, parental and sickness benefits prior to their implementation, our EI Income Benefits program and other branches carried out significant work to revise operational policies, procedures and guidelines, update training material, train staff on the changes and modify benefit payment systems. HRDC and the government supported the changes with a public information campaign. The best evidence of the results of this work was the smooth transition between the old rules and the new ones for clients.

Another significant undertaking in 2000-2001 was providing support to the Minister of Human Resources Development as she introduced legislation to refine portions of the *Employment Insurance Act*. Bill C-44, introduced in the fall of 2000, included proposed amendments to make the EI program more accessible for parents re-entering the labour force; for fishers to enjoy the same level of maternity, parental and sickness benefits as other claimants; and for repeat users of EI Income Benefits to not have their benefit rates reduced. Although Bill C-44 did not complete passage prior to the federal election, the Government re-introduced it as Bill C-2 in February 2001 and considerable work was done in the EI program to prepare for the projected changes. Bill C-2 received Royal Assent on May 10, 2001.

Awareness and Understanding of the Employment Insurance Program by Canadians

This performance area concerns informing Canadians to increase their understanding and awareness of the EI program and the eligibility requirements.

We began planning for what will be an annual national survey, beginning in 2001-2002, that will assess client service and awareness levels. The survey will centre on interviews with current clients and we will report results in next year's departmental performance report.

Another approach to assessing the level of understanding and awareness of the kind of changes that have been made is the percentage of unemployed individuals who are not eligible because they voluntarily left their last employment without just cause. While we can have a limited impact, it is our view that people who are aware of EI eligibility requirements may stay in jobs longer and not leave them without just cause. We communicate this information through work with employers, group information sessions with clients and improved information products that are accessible via the Internet.¹⁹

In recent years, Parliament has made important changes in the EI system designed to increase its impact as a program that supports working age people in staying employed and returning to work when they lose a job. This has been part of aligning the EI Income Benefits program more closely with its strategic outcome of enabling full participation in the workplace and the community.

Responsible Management of Public Funds

As a major income support program, our EI Income Benefits program has always emphasized results related to detection and prevention activities, and reducing incorrect payments of EI benefits. This contributes to our larger commitment to the strategic outcome of sustainable and effective program management and service delivery.

¹⁹ For further information, see http://www.hrdc-drhc.gc.ca/ae-ei/employment_insurance.shtml

In 2000-2001, EI detection and prevention activities identified a total of \$553 million in savings to the EI Account. This level of savings slightly exceeded the projected total of \$550 million for the fiscal year. We introduced a broader based performance measurement system (a “balanced scorecard”) to ensure that we would achieve all aspects of our mandate to prevent, detect and deter EI Income Benefits fraud and abuse.

We also followed through on our commitment for 2000-2001 to implement group information sessions in all our local offices to inform claimants about the EI program and their responsibilities while on claim. As part of the “balanced scorecard”, we introduced new performance measures to track the number of clients who take part in these sessions.

The EI error rate identifies the percentage of incorrect benefit payments. In 2000-2001, the error rate was 6.46%, which represents potential incorrect payments of \$609.6 million. Of the 6.46%, 2.47% was due to HRDC staff errors, 2.36% to claimant errors, 1.40% to employer errors, while miscellaneous errors accounted for 0.23%. To improve the accuracy of benefit payments, we provided our regional operations with an additional \$3 million to implement quality monitoring and quality plans focused on reducing staff errors in processing claimant applications. This was to take the form of a quality monitoring and feedback mechanism for our Human Resource Centres of Canada, to begin in April 2001. This initiative will enable us to detect error trends and introduce corrective measures rapidly.

One of our ongoing priorities in the work to reduce fraud and abuse is to improve the management of the Social Insurance Number (SIN). The number of SIN investigations completed has doubled over the last few years. We improved the training tools for SIN identity fraud. We made an important step forward in relations with provinces when we reached an agreement with the New Brunswick government’s Vital Statistics Division to obtain birth, death and name change information, with due consideration for privacy concerns. Now, information provided by SIN applicants in New Brunswick can be immediately verified for accuracy and the Social Insurance Registry can be updated as needed. We also discussed the possibility of gaining access to similar data with other provincial and territorial vital statistics agencies.

Consistent with a commitment that we had made, we worked with Statistics Canada to conduct a survey in the summer of 2000 to determine the impact and extent of the use of the SIN in the private sector. The results helped us to work with other federal departments to create a strategy to inform Canadians on the proper uses of their SIN.

Quality Service to Canadians

This performance area is measured against results related to the provision of the highest quality of service to Canadians through service standards which include providing access, speed of payment and service, interactive relationships with clients and improvement of the level of client satisfaction.

A major priority for service improvement continued to be improving the percentage of appeals scheduled to be heard by a Board of Referees within 30 days of the appeal being filed. We continued our progress toward the 90% target in 2000-2001, when 86.6% of appeals were scheduled within 30 days, an improvement of three percentage points over the previous year. The continuing improvement is linked to our full implementation of the Appeals Delivery Management System. This automated tracking system has led to improved management of appeals, improved performance, more reliable reporting of results and better service to the Canadians who appeal our decisions.

Another priority was improving the percentage of the 7.7 million calls in 2000-2001 to our call centres that were answered by a Service Delivery Representative within 3 minutes. We are aware that our 79.5% result fell well short of our target objective of 95% and we continue to focus our efforts to improve our service to clients in this area.

One of the challenges in making a major improvement to our call centre performance is that our call backlogs are concentrated at particular times (Mondays and Fridays) but it is difficult to appropriately resource our call centres for only these periods. We have also been adding services (such as renewing claims by phone) that tend to lengthen call durations. Nonetheless, we have made some progress in improving response times and we have an action plan to improve call centre service in 2001-2002.

Our contributions to meeting Government On-Line goals were a final major focus of improved client service for 2000-2001. We had two projects that tested on-line service delivery that could be available to Canadians in the near future. One of these was a successful pilot test of a project to allow individuals to submit applications for EI benefits on-line and securely. We also successfully pilot tested an on-line process through which employers can submit the Record of Employment data that we require to process EI applications. We also reached the Government On-Line target of making all our key EI information products available to the public via the Internet.²⁰

²⁰ For further information, see http://www.hrdc-drhc.gc.ca/ae-ei/employment_insurance.shtml

Summary of Performance Measures

We report results for commitments we made in the *2000-2001 Report on Plans and Priorities*. The results and the context in which they were attained were described previously.

Strategic Outcomes To Provide Canadians with:	Demonstrated by:	Objective (O) Result (R)
The opportunity to fully participate in the workplace and community	<ul style="list-style-type: none"> ➤ Contribution to a smoothly functioning labour market by providing temporary income support Percentage of unemployed individuals who were potentially eligible to receive EI Benefits in 1999²¹ ➤ Effective claims management Percentage of first benefit cheques paid as early as legally possible (within 28 days of registration of Initial and Renewal claims) 	<p>R: 80%</p> <p>O: 90% R: 96.6%</p>
Sustainable and effective program management and service delivery	<ul style="list-style-type: none"> ➤ Effective appeals management Number of appeals scheduled to be heard by the Board of Referees, within 30 days of the filing of an appeal ➤ Effective telephone client service Percentage of callers answered by a Service Delivery Agent within three minutes ➤ Effective investigation and control activities Dollar value of direct savings from detection activities and indirect savings from deterrence and prevention activities 	<p>O: 90% R: 86.6%</p> <p>O: 95% R: 79.5%</p> <p>O: \$550M R: \$553M</p>

²¹ Data for year 2000 not expected before October 2001.

Human Resources Investment

Our Strategic Outcomes:

To provide Canadians with the opportunity to fully participate in the workplace and community; and

sustainable and effective program management and service delivery.



Canada's quality of life is improved when all Canadians have the opportunities and skills to actively contribute to their lives and communities – economically and socially.

Through our Human Resources Investment (HRI) programs and services, HRDC helps to develop Canada's human resources and the capacity of Canadians to participate more fully in the workplace and the community. This reduces the dependence of individuals and communities on government intervention and income support. The result is improved Canadian productivity, opportunity and competitiveness. These in turn, improve the standard of living and quality of life of all Canadians.

Our HRI activities directly assisted approximately 2.9 million Canadians during 2000-2001. Approximately 4,000 HRDC employees helped to deliver these programs and services and provide related information to Canadians of all ages and at all stages in life. Our staff also works with groups with distinct needs such as youth-at-risk, Aboriginal people, homeless people and those at risk of homelessness, as well as Canadians with disabilities. HRI activities include a range of information, co-ordination and advisory services, grants, contributions, loan and statutory programs, as well as access to lifelong learning and skills development, employment and job creation opportunities. We work towards many of our results through partnerships with the provinces and territories, the private and voluntary sectors, education and training sectors, Aboriginal and community-based organizations.

GROSS SPENDING

(millions of dollars)	1998-1999 Actual	1999-2000 Actual	2000-2001		
			Planned Spending	Total Authorities	Actual
Gross Operating Expenditures ^a	320.5	385.1	496.0	468.1	444.1
Non-Statutory Grants & Contributions	1,369.1	884.0	1,017.4	929.9	763.9
Statutory Transfer Payments	1,065.7	1,082.7	1,636.7	1,134.5	1,134.5
Total Gross Expenditures	2,755.3	2,351.8	3,150.1	2,532.5	2,342.5
El Part II - Employment Benefits and Support Measures	1,902.4	1,980.3	2,178.0	2,141.0	1,938.9
Loans disbursed under the <i>Canada Student Financial Assistance Act</i>	N/A	N/A	0.0	1,800.0	1,415.3
Consolidated Total for HRI	4,657.7	4,332.1	5,328.1	6,473.5	5,696.6

Full Time Equivalents	3,463	3,495	3,379	3,817	3,745
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N/A – not applicable

a. For recoveries from the EI Account and net expenditures see Figure 2 on page 75.

Operating Environment and Challenges

As the most diverse area in all of HRDC service lines dealing with the public, our Human Resources Investment operating environment involves continuing responsiveness to changing client, community and partner needs, an active role in many high-profile Government of Canada initiatives and the need to respond to new opportunities and demands. It involves consistent use of evaluations and feedback from Canadians and our partners to focus our programming on those areas where we can best help to achieve our strategic outcomes for Canadians of all ages and those in groups with particular needs.

During 2000-2001, the primary focus throughout our Human Resource Investment service line was to improve our management of grant and contribution programs.²² In addition to the actions noted elsewhere in this report, we restructured how we organize our work. The former Human Resources Investment branch was divided into three new groups: the Employment Programs branch, which deals mainly with employment programs delivered at the regional or local level; the Human Investment Program branch which is responsible for nationally delivered programs; and the National Secretariat on Homelessness. Over the upcoming year, each of the branches will be renewing their key result commitments to ensure they accurately reflect our services and benefits to Canadians and support achievement of our strategic outcomes.

²² More information on our improvements to the management of grants and contributions can be found on [page 47](#).

Beyond the grants and contributions priority, we were involved in a series of major Government of Canada commitments, such as the Skills and Learning Agenda outlined in the January 2001 Speech from the Throne, modernizing our services to Canadians through Government On-Line and an evolving strategy of collaboration with communities to help them assess and address homelessness.

Virtually all of our work is now predicated on partnership-oriented strategies. For instance, programming in areas such as meeting the needs of children, improving access to the skills needed for an efficient labour market, promoting learning, supporting the strengths of Aboriginal communities and addressing the issues of homelessness rely on partnerships with provinces/territories, Aboriginal organizations, the voluntary sector and the private sector. We make our policy and program choices consistent with the principles of the Social Union Framework Agreement, and with decisions of the First Ministers, the Ministerial Council on Social Policy Renewal, the Forum of Labour Market Ministers, Ministers Responsible for Social Services and the Council of Ministers of Education.

Achievements and Their Impact on Canadians

We are reporting our achievements against specific areas of performance that demonstrate progress towards strategic outcomes for the HRI service line. The priorities we identified in our *2000-2001 Report on Plans and Priorities* are broadly consistent with these outcomes. In that report, we identified “Effective Management” as a strategic priority, the projected actions for which are covered by the Responsible Management and Quality Service outcomes and by the corporate outcome of Productive Work Environment and Sustainable Workforce.

Attachment to and Reintegration into the Labour Market

This performance area is defined by results related to an increase in Canadians' capacity to manage labour market transitions by providing support and information to prepare for, find and maintain employment.

Fluctuations in the unemployment rate highlight the importance of HRI programs and services to improve Canadians' capacity to manage labour market transitions – programs that provide support and information to individuals to prepare for, find and maintain employment – with a particular emphasis on meeting the needs of specific groups such as youth, Canadians with disabilities and Aboriginal people, as will be described later in this section. For instance, Youth Internship Canada had 22,828 participants in 2000-2001 at a cost of \$65.4 million.

Part II of the *Employment Insurance (EI) Act* allows for active interventions for individuals who are without work. An “intervention” can include basic help, like creating a résumé or preparing for a job interview, or more long-term assistance, such as participation in a skill development program. In 2000-2001, 477,860 clients participated in 649,430 interventions available as Employment Benefits and Support Measures (EBSM) or similar programs and services under Part II of the *EI Act*. These programs and services accounted for \$1,939 million of total program spending in 2000-2001.

After participating in these programs and services, including those delivered by our partners, 225,429 clients became employed or self-employed during 2000-2001. That represents a clear contribution toward our strategic outcome of full participation for Canadians in the workplace and community. As a result of EI Part I claimants returning to work prior to exhausting their claims, \$739.2 million was realized in unpaid EI benefits over the year, a contribution to our strategic outcome of sustainable and effective program management.²³ Efforts to enhance our accountability framework for the EBSM continued with the development of indicators and a methodology to measure the medium term impacts of the EBSM on our clients. In 2001-2002, the set of proposed indicators and the methodology are expected to be tested in joint pilot arrangements with two or three provinces.

Of the total EI Part II program activity noted above, 46% of the spending was directly carried out by provincial and territorial governments through Labour Market Development Agreements (LMDA) with the Government of Canada. Seven provincial and territorial governments have full responsibility for designing active labour market programs and services, funded through the Employment Insurance Account. The most recent, the Canada-Nunavut Agreement on Labour Market Development, took effect in April 2000. Five other provinces and territories have co-managed LMDA, under which HRDC continues to deliver Canada’s range of Employment Benefits and Support Measures. Each of those provinces or territories and the Government of Canada work together to set annual plans and priorities. In Ontario, HRDC remains fully responsible for active employment programs and services.

Following the June 2000 decision to close down the Canada Jobs Fund, the associated funding that had not been committed to agreements was redirected to the federal government’s regional development agencies. These agencies are well-positioned to deliver a strategic, regionally-specific approach.

Another labour market program designed to sustain workplace participation is HRDC’s Work Sharing program. This voluntary, EI Part I-funded program is designed to avert layoffs due to temporary decreases in operations. It provides Employment Insurance Income Benefits to eligible clients who willingly agree to work a temporarily reduced work week, so that employers can retain workers and employees can maintain skills. In 2000-2001, 16,491 individuals participated in the Work Sharing program, at a cost of \$10.6 million to the Employment Insurance Account.

²³ The *Employment Insurance Monitoring and Assessment Report 2000* provides more detailed information on EBSMs and similar programs. See <http://www.hrdc-drhc.gc.ca/ae-ei/loi-law/eimar.shtml>

HRDC also developed and committed to a three year action plan on Labour Market Information (LMI) to support the Forum of Labour Market Ministers. This will lead to a more coherent, relevant, individualized, accessible and co-ordinated approach to the development and delivery of LMI at the local, provincial and national level.

Labour market mobility was noted as a priority to assist working age Canadians in the Government's 1999 Speech from the Throne. The Government of Canada is working with the provinces, territories and other partners to reduce or eliminate those remaining barriers to labour market mobility that reduce job prospects for Canadians. For example, the Inter-provincial Standards (Red Seal) Program facilitates labour mobility in apprenticeable trades by encouraging all provinces and territories to recognize national standards in those trades. By the end of 2000-2001, 44 Red Seal trades covered at least 80% of all apprentices in Canada, while 13,875 Canadians earned Red Seal endorsement of their skills during 2000. Significant progress was also made during 2000-2001 in developing the Inter-provincial Computerized Examination and Management System – a databank of approximately 22,000 questions, which will accelerate and increase the efficiency and integrity of the Red Seal examination processes.

HRDC advisory, organizational, financial and logistical support helped professional occupational regulatory bodies in removing inter-provincial barriers, consistent with commitments under Chapter 7 of the Agreement on Internal Trade (AIT) on Labour Mobility. As of March 31, 2001, 51 professional occupations (such as architects and pharmacists) were working to remove inter-provincial barriers to worker mobility. HRDC provided financial support to 24 of these professional organizations to facilitate their efforts. It is anticipated that most of the professions will meet their AIT obligations by July 1, 2001, opening more doors for Canadians to take their professional skills anywhere in this country.²⁴

Inclusion in the Workplace and Community

This performance area is defined by results related to the improvement of employment and participation of targeted groups (children, persons with disabilities, Aboriginal people, youth-at-risk) in the workplace and community.

The Government of Canada is deeply interested in addressing issues such as the unemployment rates among youth, Aboriginal people and persons with disabilities that are all well above the national average. The Government is also concerned about homelessness and the needs of children. HRDC has been given much of the mandate to address these issues and to develop ways to assess and report on the outcomes of this work. The work described under this area is complemented by efforts across the Human Resources Investment service line.

²⁴ For further information, see <http://www.hrdc-drhc.gc.ca/stratpol/mobility/index.html>

➤ **Children**

HRDC has a major role in initiatives that the Government of Canada has designed, often with partners, to give Canada’s children the best start possible in life. The most far reaching has been the National Children’s Agenda, a joint federal/provincial/territorial initiative. Other HRI support goes to family literacy initiatives and research into the adequacy, outcomes and cost-effectiveness of childcare and child welfare.

For example, in collaboration with six provinces, we supported the multi-phase “Looking After Children, Assessing Outcomes” project that tested the feasibility and potential impact of a tool that measures the interventions of agencies looking after children in state care. The assessment tool has attracted international attention as a best practice model and is expected to radically improve child welfare and youth practices in Canada. We also supported the “You Bet I Care!” project that produced systematic and comprehensive reports on the quality of child care centres and child care homes in Canada.²⁵

Our First Nations and Inuit Child Care Initiative (FNICC) funds affordable and quality childcare. As a result, Aboriginal parents in First Nations and Inuit communities are better able to join or prepare for participating in the labour market to improve the financial prospects of their families. In 2000-2001, the FNICC supported approximately 7,000 childcare spaces and indirectly supported approximately another 4,900 childcare spaces. The Aboriginal Human Resources Development Strategy, described later in this section, maintains these spaces at a cost of \$41 million annually.

➤ **Youth**

The 2001 Speech from the Throne reaffirmed the Government of Canada’s commitment to fully participate in building Canada’s future for our country’s youth. Youth (aged 15 – 24) unemployment rates improved slightly during 2000-2001 from 13% in the prior fiscal year to 12.8%, however this unemployment rate still remains more than double the rate for either adult men or women.

“The Government will continue to help young Canadians contribute to their country, gain employment, and apply their business and creative skills.”

[2001 Speech from the Throne]

The Youth Employment Strategy (YES) continues to be the focal point for efforts to fulfil the federal government’s commitments to young Canadians. The goal of YES is to improve the employability of youth by helping them get the information, knowledge, skills and work experience they need to make career choices, pursue learning and prepare for and participate in the world of work. HRDC continues to deliver YES in co-operation with 13 federal departments and agencies and through private and voluntary sector partnerships, communities and other governments.

²⁵ More information about the “You Bet I Care!” project can be obtained at the following websites:
<http://www.worklifecanada.ca> and <http://www.childcarecanada.org/research/complete/ybic2.html>

HRDC's Youth Employment Initiatives are part of YES and include three work experience programs: Youth Service Canada (YSC), Youth Internship Canada (YIC) and Student Summer Job Action (SSJA). \$189.1 million in program funds was invested in youth programs and 76,664 youth were served in 2000-2001. Of these participants, 7,942 became employed and 48,087 returned to school. YES also includes an Information and Awareness component designed to support labour market information and career development initiatives for young people, parents and youth serving agencies. Initiatives under this component of YES included a national advertising campaign on employment information for young people, a 1-800 telephone line, a Youth Employment Information website and Youth Info Fairs across the country.²⁶

HRDC launched an Interdepartmental Youth Program Policy Forum to bring together senior level officials to discuss potential new opportunities and co-operative initiatives under YES. Two streams of activity concentrating on Youth-at-Risk and on the Government On-Line (GOL) Youth Cluster resulted from this.²⁷

A number of initiatives under the Government of Canada's Youth Employment Strategy provide unemployed, underemployed and out-of-school youth with the opportunity to acquire transferable skills and meaningful work experience. For example Youth Service Canada, including its Youth-at-Risk elements, helped 3,982 youth gain work experience at a cost of \$32.4 million.

The government decision to allocate new funds to meet the needs of homeless youth was used to enhance existing YES programs targeted at youth who are at risk of not making a successful transition to the labour market. As of March 31, 2001, \$7.3 million was approved under the Youth-at-Risk and Youth Homelessness components for 52 projects addressing youth homelessness issues.²⁸

➤ **Canadians with Disabilities**

HRDC's role as the Government of Canada's focal point for co-ordination and action on disability issues was reinforced during 2000-2001. As part of this, we co-ordinated the efforts of a new Assistant Deputy Minister Steering Committee bringing together 25 departments and agencies to improve coherence and co-ordination of the government's actions on disability. The committee identified disability supports, employment and employability, technology and Aboriginal people with disabilities as key priorities of the Federal Disability Agenda. In addition, four foundation elements were established – accountability, health, knowledge and research and community capacity building.

²⁶ For further information, see <http://www.youth.gc.ca>

²⁷ Work on the Youth Cluster is described later in this section under "Community, private and voluntary sector capacity to promote human development", on [page 46](#).

²⁸ For examples of projects, refer to the National Secretariat on Homelessness website at <http://www.hrhc-drhc.gc.ca/nsh-snsa>

That co-ordinating role reflected our ongoing responsibility for programs and services designed to assist people with disabilities to prepare for, find and maintain work – a basic element in bringing about our strategic outcome of full participation. A highlight for 2000-2001 was our implementation of the February 2000 Budget announcement that the Opportunities Fund (OF) for Persons with Disabilities would become permanent. During the year, it helped 4,186 clients improve their employability. Of the participants in OF programs, 1,971 returned to work. The program was delivered at a cost of \$20.6 million.

The Employability Assistance for People with Disabilities (EAPD) program provided \$189.2 million to provinces for a range of measures to help persons with disabilities prepare for, find and keep employment. The Government of Canada contributes 50% of the cost, up to a maximum, of eligible provincial programs and services. The Government of Canada and the provinces are continuing to work toward full implementation of EAPD, which is scheduled for March 31, 2002. During 2000-2001, the federal and provincial governments also began work to develop the first annual report on EAPD, covering 1999-2000. This report is scheduled for release at the fall 2001 meeting of Ministers Responsible for Social Services.

Our Community Inclusion initiative invested with partners to develop and implement strategies to enable communities to become more inclusive of persons with intellectual disabilities and their families. During the year, about 514 communities were involved in community inclusion activities and 1,775 families and 7,940 individuals with disabilities were assisted.

HRDC also supported research and development into disability issues. For example, the Canadian Council on Rehabilitation and Work developed and managed pre-employment training through partnerships with employers, trainers, service providers, funders and persons with disabilities. The approach has also been an effective tool in building the capacity of community organizations to sustain ongoing relationships with employers.²⁹

➤ **Aboriginal Communities**

2000-2001 was the second year of our new Aboriginal Human Resources Development Strategy (AHRDS). As part of the government's broader Aboriginal agenda, it integrates most of HRDC's Aboriginal programming, including labour market programs and programs for youth, Aboriginal people living in urban areas, persons with disabilities and First Nations and Inuit childcare. This takes place through some 79 Aboriginal Human Resources Development Agreements across Canada.

As we became more efficient and effective in our service delivery, in conjunction with our partners, we exceeded the AHRDS objectives for 2000-2001.³⁰ During the year, the AHRDS assisted 35,502 Aboriginal clients at a cost of \$342.9 million. 2,003 clients returned to school and 11,944 became employed or self-employed resulting in \$8.8 million in unpaid EI benefits and social assistance.

²⁹ For further information, see <http://www.ccrw.org>

³⁰ Objectives were published in the *2000-2001 Report on Plans and Priorities*, on page 32.

The new Aboriginal homelessness initiatives under the Urban Aboriginal Strategy (UAS) were mainly delivered through the existing AHRDS vehicles. These projects were aimed at facilitating the transition of Aboriginal persons at risk of homelessness to the labour market. As of March 31, 2001, \$5.3 million was approved under Urban Aboriginal Strategy – Homelessness for 10 projects addressing Aboriginal homelessness issues.³¹

Educated, Skilled and Prepared Workforce

This performance area is defined by results related to the promotion of lifelong learning and skills development to improve Canadian productivity and competitiveness.

While Canada's economy requires workers with stronger and more varied skills and shortages of skilled workers exist in many occupations and industries, too many Canadians lack the required literacy skills for a knowledge-based economy. HRDC programs and services to address these situations in 2000-2001 took a series of forms, in addition to our work to help develop the government's broader Skills and Learning Agenda.

The largest part of HRDC's financial commitment in this area is our responsibility for the Government of Canada's financial assistance to post-secondary students and for assistance to families that are saving to help their children go to colleges, universities and other training institutions one day. This assistance is part of the reason that in 1998-1999, 34.4% of Canadian young people aged 18-24 were full-time post-secondary students.³²

During 2000-2001 loan year, we assisted approximately 450,000 Canadians to access learning opportunities through provision of a student loan or interest subsidy. About 350,000 Canadians were provided with approximately \$1.6 billion in Canada Student Loans for the 2000-2001 loan year. In addition, approximately another 100,000 students received an interest subsidy for previous loans but did not borrow more during the year. We also provided \$109.4 million in temporary interest relief and debt reduction to approximately 135,000 borrowers having difficulty repaying their loans. Including Canada Study Grants of \$56.6 million, the total program cost of the Canada Student Loans program was \$802.3 million for the 2000-2001 fiscal year. As part of this total cost, about 4,500 Canada Study Grants were provided to students with permanent disabilities at a program cost of \$9.3 million.³³

In July 2000, the risk-shared financing arrangements for Canada Student Loans that we had with banks and other financial institutions ended. As of August 2000, the Government of Canada began to finance directly all new Canada Student Loans, supported by contracts with two service providers to administer and manage the loans. This transition in the delivery of loans from financial institutions to service providers was successful. The take-over of loans processing by service providers have been processed without error in at least 98% of cases.

³¹ For examples of projects, refer to the National Secretariat on Homelessness website at <http://www.hrdc-drhc.gc.ca/nsh-snsa>

³² Education in Canada 2000, table 23, page 95, Statistics Canada.

³³ For further information on the Canada Student Loans, see [page 93](#) and http://www.hrdc-drhc.gc.ca/student_loans/

The Canada Education Savings Grant (CESG) continued to be a success, encouraging Canadians to save for their children's post-secondary education by paying grants of up to \$400 per year to beneficiaries of Registered Education Savings Plans (RESP). As of March 2001, approximately 20% of Canadian children were beneficiaries of an RESP and had benefited from the CESG program, up from 15% in March 2000. We estimate that during 2000-2001, Canadians contributed \$2.17 billion to RESP (\$2.4 billion in 1999-2000) at an estimated cost of \$433.5 million in CESG (\$334 million in 1999-2000) and by March 2001 the total aggregate value of savings in RESP was \$7 billion.³⁴

Beyond these programs and services, we continued ongoing activities that promoted research into and awareness of literacy issues, since higher levels of literacy are important contributors to full participation in society and the economy. For example, the research study "Literacy, Numeracy and Labour Market Outcomes" found that each year of additional education raises annual earnings by about 8.3%.³⁵ In addition, we also promoted the effective use of learning technologies, supported the establishment of learning initiatives with key national partners and encouraged the international mobility of students and faculty.

We also continued our work with partners who share our commitment to learning as a key to full participation towards the development of a lifelong learning culture in Canada. During 2000-2001, we supported projects undertaken by organizations such as Council of Ministers of Education of Canada, Conference Board of Canada, and Organization for Economic Co-operation and Development to address issues such as accessibility to post-secondary education, lifelong learning, and the recognition of prior learning acquired at work or in the community.

Other aspects of our work were aimed at helping employers and working age people to identify and act on their own learning needs or the skill needs of their workplace and industries. As part of that, many Employment Benefits and Support Measures (EBSM) or similar programs help participants prepare for employment by providing the opportunity to develop skills through work experience or training. For example, in 2000-2001, 154,464 working age Canadians participated in "Skills Development" interventions, at a cost of \$812 million. Through this employment benefit, individuals obtain a negotiated level of financial assistance to take the training needed for occupations with good prospects of sustainable employment. Additionally, the Summer Career Placement component of the Student Summer Job Action program helped 49,854 students gain meaningful work experience and earn income to return to school at a program cost of \$91.2 million.

HRDC was instrumental in the creation of the new Canadian Apprenticeship Forum (CAF), which is an industry partnership involving Provincial/Territorial Apprenticeship Board Chairs, labour, business, equity groups and education representatives, as well as the Canadian Council of Directors of Apprenticeship. CAF will address apprenticeship issues while being respectful of provincial/territorial jurisdiction over education and training.³⁶

³⁴ This data is less than the 2000-2001 Report on Plans and Priorities projections, because as the CESG program matures, better information is becoming available.

³⁵ For further information on this study and others, see <http://www.nald.ca/nls/inpub/nlspub0.htm#4>

³⁶ For further information, see <http://www.caf-fca.org>

Through the Sectoral Partnerships Initiative, HRDC supported the work of national sector groups in developing initiatives to improve training of the adult workforce. These included a project to help the mining industry upgrade the skills of its workers in order to deal with technological changes; an Internet-based tool to help employers and employees in the environment industry identify employee skill gaps; and the development of core curriculum for the bioinformatics industry. Several sectors, such as nursing, aerospace and home care undertook detailed studies of their human resource issues and trends. The nursing and home care studies are among the first in a series of sector studies being done with Health Canada in the health care Sector. These joint initiatives will involve most of the major health care professions as represented by their associations. Provincial and territorial governments are being consulted via Health Canada's consultative mechanisms.

HRDC also was influential in bringing together stakeholders in the construction, upstream oil and gas and the advanced wood products manufacturing industries to understand and address their human resource issues. These partnerships are expected to culminate in formalized sector councils in 2001-2002.

To help build support for lifelong learning in industries and workplaces, we continued to support sector councils, which are partnerships between business, labour and other sectors of the economy. This work took many forms; for example the sector councils covering mining and software developed new partnerships with educational and training institutions that will lead to curricula relevant to industry needs. Other sector councils developed national standards for specific occupations that educators can use to shape curricula for programs leading to those occupations.

Some sector councils pursued internship and mentorship programs to facilitate movement into and within industries. For example, Youth Science and Technology Internships provided young Canadians with valuable work experience in sectors including software, aquaculture, textiles, biotechnology, and steel.

Community, Private and Voluntary Sector Capacity to Promote Human Development

An important aspect of our strategic outcome of full participation in the economy and society is the recognition that we cannot achieve this by ourselves. With that in mind, in recent years we have expanded our support for other partners who share our commitment to opening more doors for Canadians. As a result, this performance area is measured against results to increase the capacity of partners to more fully participate in the design and delivery of programs, services and policies.

The Speech from the Throne included as priorities the building of partnerships with, and the capacity of, Canadian communities and the private and voluntary sectors. It recognized that these groups must be included as full partners in the design, ongoing management and delivery of programs and services if Canada is to reach many of its human development goals.

HRDC's commitment to support improved capacity to promote human development through these kinds of partnerships took three major forms in 2000-2001. The first was to support organizations such as the sector councils and those representing people with disabilities. Initiatives to support partnership development in both areas were described earlier in this section. It also includes HRDC's role in the Government of Canada's Voluntary Sector Initiative (VSI).³⁷ The focal point of that work was to foster collaboration between the Government of Canada and voluntary sector. HRDC's Assistant Deputy Minister (ADM) of Human Investment Programs chairs two ADM committees for the VSI and is a member of the joint table which oversees and co-ordinates the VSI as a whole. HRDC also co-led, with Canadian Heritage, the planning for the 2001 International Year of Volunteers.³⁸

HRDC supported research and development in the national voluntary sector. For example, "Our Millennium" was a national initiative engaging Canadians in special projects and efforts to improve the quality of life in communities and recording their stories of community building. In total, 5,550 gifts involving approximately 4.5 million participants were registered in the National Gift Registry at the National Archives. Analysis of the Registry identified key factors for strengthening community capacity and social capital building that will help in our future voluntary sector support efforts.³⁹

Another example of that work was our strengthening of partnerships in the voluntary and private sectors around youth employment issues. We contributed to strengthening the capacity of the National Youth Serving Agencies Secretariat by helping to enhance its linkages and raising awareness of the Secretariat with other organizations.

The second major form of building improved capacity for human development was through expanding and improving information and services. Our commitment has been to provide and ensure access to information and services that help Canadians make more informed decisions about work, learning and social and economic issues. As part of this, we launched or improved many labour market information products. HRDC completed updating the National Occupational Classification (NOC), which is the basis for all labour market information in Canada, in time for Census 2001. The labour exchange service is being enhanced to combine the popular Job Bank and the Electronic Labour Exchange.

Much of our attention was to Government On-Line (GOL) issues. We met the target of providing on-line information and application forms for our key programs and services by December 31, 2000. We contributed to begin work that will give Canadians the ease of a common look and feel for HRDC websites. We also led the work on two clusters of information on the newly revised Government of Canada website: Jobs, Workers, Training and Careers; and Human Resources/Employment.⁴⁰

³⁷ For further information, see <http://www.pco-bcp.gc.ca/volunteer/>

³⁸ For further information on the International Year of Volunteers, see <http://www.iyv2001.org> and <http://www.iyvcanda.org/main.php>

³⁹ For further information on "Our Millennium", see http://www.archives.ca/05/0528_e.html

⁴⁰ For further information, see <http://www.canada.gc.ca>

As well, to ensure that the GOL Youth e-Cluster would be truly reflective of young people's interests, we conducted a recruitment campaign to identify a National Youth e-Cluster Development Team and a Virtual Youth Team in early 2001. Both teams are providing input, feedback and constructive criticism so the e-Cluster contains clear, concise and relevant information on programs and services offered by the Government of Canada of relevance to young people.

As part of the Government of Canada's Connecting Canadians strategy, HRDC continued to develop Community Learning Networks (CLN) with Canadian communities. These local partnerships help communities to build local information and communication and technology based skills and learning capacity. This helps them and the people who live there to better participate in the new economy. These investments are of particular importance to communities undergoing serious economic adjustments and "digital divide" pressures. As of March 2001, CLN were in place in about 300 (10%) of Canadian communities, with half of these in rural areas.

The third major form of building improved capacity for human development related to work under the National Homelessness Initiative, which is described in detail immediately below.

Work in Partnership to Identify and Address Service Gaps for Homeless Canadians

One of the basic elements in full participation is a place to live. Recognizing that homelessness was a growing problem in Canada, the Government of Canada, on December 17, 1999, announced the creation of the National Homelessness Initiative. The National Secretariat on Homelessness was established to support its implementation.

HRDC received \$432 million over three years for:

- ♦ the Supporting Communities Partnership Initiative (\$305 million);
- ♦ enhancements to the Youth Employment Strategy (\$59 million) and the Urban Aboriginal Strategy (\$59 million); and
- ♦ \$9 million for research and planning.

The cornerstone of the National Homelessness Initiative (NHI) is the Supporting Communities Partnership Initiative (SCPI). The three-year SCPI incorporates an approach that is founded on the notion that the most effective approaches to deal with homelessness will be developed by communities, for communities. The intent of SCPI is to provide a flexible means for communities to plan and implement comprehensive local strategies to deal with homelessness. By March 31, 2001, the 61 communities identified as having homelessness problems all had organizational committees in place to develop the co-ordinated strategies necessary to combat homelessness.

From Vancouver to St. John's and Windsor to Iqaluit, communities have succeeded in coming together to identify priorities and begin a process of developing a more sustainable, planned response to homelessness. In consultation with all interested parties, communities have developed plans that assess the gaps in the care that is provided to the homeless and identify how those gaps will be filled. By March 31, 2001, plans had been approved for 7 of Canada's 10 major cities, which receive 80% of the SCPI funding. In total, 12 plans were approved for the 61 identified SCPI communities.

While the development and planning process unfolded, support was provided for actions to address critical needs in the 61 SCPI communities. In all, 95 urgent needs projects in 22 communities for a total of \$14.8 million were approved.

A key object of the SCPI is to provide initial funding and positive incentives that will enable communities to find resources to support their initiatives. As a result, communities have been able to financially engage other federal departments, provincial and municipal governments, the private sector and charitable donations to support identified community initiatives. They have also obtained in-kind services from not-for-profit organizations and the public.

As of March 31, 2001, SCPI communities identified a total of \$561.4 million in non-federal government funding where:

- ♦ provinces and territories agreed to commit \$389.2 million over four years to match the SCPI funding; and
- ♦ SCPI communities identified \$172.2 million from other sources.

As of March 31, 2001, \$126.7 million in federal funding was approved under SCPI to support communities for planning, urgent needs and other projects that addressed gaps for homeless people. These funds are being used to support a variety of projects, from the construction of a new building for homeless services in Calgary to funding a counselling, outreach and overnight shelter for youth-at-risk in Winnipeg.⁴¹

Responsible Management of Public Funds

The performance under the Human Resources Investment service line is defined by results related to the improvement of the integrity of public funds. That work is essential to our achievement of the strategic objective of sustainable and effective program management and service delivery.

Strengthening the management and administration of our grant and contribution programs was a major priority during 2000-2001. Through the combined efforts of various groups within the department, HRI has been active in addressing the management issues identified in the 2000 Internal Audit Report on Grants and Contributions. This work took place through the implementation of the Six-Point Action Plan and other related measures.

⁴¹ For examples of projects, refer to the National Secretariat on Homelessness website at <http://www.hrhc-drhc.gc.ca/nsh-snsa/>

Under the Action Plan, we strengthened our management control framework through such actions as implementing a quality assurance process to detect and correct errors in grants and contributions administration at the earliest possible time. Our national Performance Tracking Directorate, another element of the management control framework, continuously sampled grant and contribution files from across the country to measure compliance with legislation, terms and conditions, and policies. We also strengthened our oversight and follow-through on internal audit recommendations to ensure that recommended corrective actions were implemented.

As part of this comprehensive effort, we took specific steps to ensure that controls are in place, such as providing staff with clear policy directives and work instruments to ensure that all projects are administered consistently and correctly. We also standardized departmental training modules, established mandatory courses and provided appropriate training to managers and staff. By the end of March 2001, more than 1,630 HRDC employees had participated in courses addressing aspects of program administration.

We have been able to show that these measures are having their intended effect. The Performance Tracking Directorate reports from August and December 2000 and from March 2001 concluded that there had been “significant, measurable improvements in the overall administration of grants and contributions since the 1999 Internal Audit Bureau report”. By March 2001, Performance Tracking Directorate assessments showed that the files they reviewed demonstrated a compliance rate of greater than 90% in 54 of the 67 assessment factors for which there were valid results. These assessments also noted areas to be strengthened, taking into account the fact that many of the files reviewed had started in the five months following the launch of the Six-Point Action Plan in February 2000. We had not yet fully implemented many of our actions to strengthen administration by that time. As a result, subsequent Performance Tracking data should show still greater improvements.⁴²

In keeping with our commitment to openness and transparency, we published four quarterly progress reports on the implementation of the Six-Point Action Plan and our other related measures. We supported the Government in responding to the report of the Standing Committee on Human Resources Development and the Status of Persons with Disabilities in the fall of 2000, as well as replying to the Auditor General’s report in October 2000. We will continue to inform Parliament and the public of the impact of our corrective measures through our annual departmental performance reporting.

The measurable improvement that we achieved earned recognition from external observers. In his October 2000 Report, the Auditor General noted that “[...] HRDC is making good progress in meeting the commitments made in the Six-Point Action Plan and other plans formulated to correct identified problems”. As well, on May 17, 2001, the Standing Committee on Public Accounts recognized “the serious efforts made by the department to correct the many outstanding problems in the administration and management of grants and contributions identified by various audits. Much has already been accomplished, there seems to be evidence of improvements”.

⁴² The Performance Tracking Directorate’s reports are available on HRDC’s website at <http://www.hrdc-drhc.gc.ca/dept/reports/index.shtml>

Recognizing that we needed to go beyond improving the management of individual grant and contribution projects, we launched the Program Management Initiative to address the overall management of these programs. During 2000-2001 we focussed our work under the Initiative on making sure we were “doing things right.” By completing the first phase of this initiative, we developed results-based accountability frameworks for each of our grant and contribution programs. These include a full description of the program, a logic model for the funding strategy, description of roles and responsibilities, performance measures, audit and evaluation plans and a reporting framework. This work was completed prior to the deadline of March 31, 2001 and set the stage for additional efforts to take place in 2001-2002.

We also improved the availability and consistency of information on our grant and contribution programs. In December 2000, we published comprehensive information on our departmental website. This included program descriptions, eligibility requirements and information on how to apply. We also provided this information to all Members of Parliament.⁴³

We recognize how important it is to provide the responsive service that Canadians expect. We also know that we must have sound financial controls so that we can be accountable. While we have come a long way in strengthening our controls, we also know that some of our sponsors have only limited administrative capacity and that responding to departmental expectations for documentation and reporting can be challenging. As a result, we need to constantly examine and reduce paper burden while at the same time ensuring that we retain the controls that are necessary for good management and accountability. We are approaching this through careful application of risk management principles.

Quality Service to Canadians

This performance area is measured against results that help to define our strategic objective of sustainable and effective program management and service delivery. They are linked to the provision of the highest quality service to Canadians through service standards which include providing access, speed of payment and service, interactive relationships with clients and improvement of the level of client satisfaction with HRDC services.

The delivery of quality services that respond to the needs of Canadians is a key pillar of the federal government's management framework as set out in *Results for Canadians*. All parts of our Human Resources Investment service line are committed to ensuring that they provide the highest quality of program and services to clients. For example, during 2000-2001, 95.4% of HRI clients paid through HRDC's systems received their first Employment Benefits and Support Measures (EBSM) cheque within 28 days of qualifying for benefits.⁴⁴

⁴³ For further information, see <http://www18.hrdc-drhc.gc.ca>

⁴⁴ Data is only available for provinces and territories where HRDC delivers EBSMs.

The National Homelessness Initiative provided a particular focus for improving service because we wanted to identify and eliminate administrative irritants that would make it more difficult for organizations providing services to homeless people to work with us. Based on a partners survey, we took actions to clarify application requirements and reduce the number of forms that we use. We also developed an application template with an accompanying guide that simplifies application requirements and reduces our need to make requests for more information or clarification. A shorter, less complicated application/contribution agreement for proposals valued at under \$25,000 was also developed.

We also took service quality into account in our redesign of the Canada Student Loans delivery system during 2000-2001. In moving to a system in which the government directly finances the loans, we wanted to ensure that service delivery continued to be of high quality to students. As a result, we made client satisfaction a key performance incentive in our contracts with service providers. In future, student borrowers will be surveyed to measure their satisfaction so that we can ensure a borrower's experience with student loans is significantly improved.

In our *2000-2001 Report on Plans and Priorities*, we identified effective human resources management as a priority for the service line. It is one that is deeply linked to our quality of service. With the division of the old Human Resources Investment branch into three distinct groups, each of those new branches faced the need to reorganize its own human resources.

For example, our Human Investment Programs branch developed a Human Resources Strategy including a recruitment and retention plan, as well as a Workload Management Strategy during 2000-2001. These were developed to address issues identified through employee surveys and other feedback mechanisms, strengthen human resources planning and management and improve workload management. They were also developed to plan for a rising number of employees eligible for retirement, to develop new and enhanced skills among staff as well as to achieve a more diverse and fair workplace.

Summary of Performance Measures

We report results for commitments we made in the *2000-2001 Report on Plans and Priorities*. The results and the context in which they were attained were described previously.

Strategic Outcomes To Provide Canadians with:	Demonstrated by:	Objective (O) Result (R)
The opportunity to fully participate in the workplace and community	<ul style="list-style-type: none"> ➤ Access to employment by all Canadians⁴⁵ Number of clients (EI and CRF) employed or self-employed following Human Resources Investment interventions⁴⁶ Unpaid benefits (EI Part I) resulting from Employment Insurance claimants returning to work before the end of their benefit period following participation in Employment Benefits and Support Measures ➤ Access to learning opportunities Number of Canadians who access learning opportunities as a result of Canada Student Loans, Canada Student Loans - Interest Subsidies and Canada Education Savings Grant programs⁴⁷ Number of youth and Aboriginal clients who return to school following Human Resources Investment program interventions⁴⁸ 	<p>O: 223,527 R: 225,429</p> <p>O: \$719.3M R: \$739.2M</p> <p>O: 415,000 R: 450,000</p> <p>R: 50,090</p>
Sustainable and effective program management and service delivery	<ul style="list-style-type: none"> ➤ Effective administration and financial management practices Implementation of HRDC's action plan within prescribed time frames - Grants and Contributions Action Plan 	<p>O: 100% R: 100%</p>

⁴⁵ The objective differs from those presented in the *2000-2001 Report on Plans and Priorities* as a result of objective setting consultations with the provinces/territories.

⁴⁶ An Intervention refers to a program or service started between April 1, 2000 and March 31, 2001. Depending on the needs of the client more than one intervention may be required to achieve a return to employment. Such a client would only be counted once in the return to employment count.

⁴⁷ Data for CESG is not available.

⁴⁸ Due to lack of historical data, no objective was set for this new measure in the *2000-2001 Report on Plans and Priorities*. The result incorporates those students who have returned to school following a summer work experience provided through Summer Career Placement (SCP). Based on SCP follow-up assessments, 94% of youth clients return to school.

Labour

Our Strategic Outcomes:

To provide Canadians with safe, fair, stable and productive workplaces; and

sustainable and effective program management and service delivery.



The Government of Canada recognizes that strong and sustainable growth depends on partnerships and the promotion of values such as equality, health, safety, co-operation and productivity in workplaces across Canada.

Through our Labour Program, HRDC strives to promote and sustain stable industrial relations and a safe, equitable and productive workplace for the more than one million Canadians and 40,000 work sites under the federal jurisdiction. We provide fire protection services and workers' compensation services for the Government of Canada. We also collect and disseminate labour and workplace information and foster constructive labour-management relations. We encourage and support domestic and international labour co-operation. Much of our work takes place through partnerships with employers, unions, non-governmental organizations, provincial and territorial governments and international organizations. Together, all these actions contribute to achievement of the strategic outcomes that we expect of this program. They are of particular importance to working age Canadians.

Almost 700 HRDC employees provide or directly support the activities of the Labour Program. Total gross spending in 2000-2001 was \$168.4 million.

GROSS SPENDING

(millions of dollars)	1998-1999 Actual	1999-2000 Actual	2000-2001		
			Planned Spending	Total Authorities	Actual
Gross Operating Expenditures ^a	51.4	54.4	59.0	55.2	53.9
Non-statutory Transfer Payments	2.4	2.2	3.9	2.9	1.8
Workers' Compensation payments	102.9	102.1	97.4	112.7	112.7
Consolidated Total for Labour	156.7	158.7	160.2	170.8	168.4
Full Time Equivalent	612	658	673	653	650

a. For detailed financial information, see Figure 2 on page 75.

Operating Environment and Challenges

Workers under federal jurisdiction are generally in industries which are international or interprovincial in scope, as well as a select few deemed to be for the general advantage of Canada. Delivering Labour Program services and meeting our legislated mandates is challenging due to the number of work sites and their locations across Canada. Compounding this is the increasing rate at which technology is altering working life in Canada. HRDC's Labour Program responds to these challenges through consultation and open dialogue with the clients we serve.

A key challenge for labour policy in Canada is the increase in non-standard work. Only one-third of workers in Canada work a standard five day, nine-to-five work week, while there is a rising number of people in contract work or self-employment.

A distinct set of challenges accompany addressing the social and economic impacts of globalization. Canada is attentive to the need to design labour agreements to accompany trade agreements which suit the signatories' labour legislation and industrial relations environment, while ensuring respect for fundamental rights and principles. This is an important aspect of communicating Canadian values and reflecting the interests of working people and employers.

Achievements and Their Impacts on Canadians

We are reporting our achievements against specific areas of performance that demonstrate progress towards strategic outcomes for the Labour service line. The priorities we identified in our *2000-2001 Report on Plans and Priorities* are consistent with these outcomes.

Results for the Labour key performance measures are described in detail in the narratives below. A table consolidating them for 2000-2001 is presented on page 58.

Constructive and Stable Labour-Management Relations in Federally-Regulated Workplaces

Canadians benefit when workplaces are safe, fair, stable and productive. In practice the maintenance of effective labour-management relationships does a great deal to create those benefits. By avoiding work stoppages and encouraging productive approaches to dealing with workplace issues, the benefits reach well outside workplaces, all the way into Canada's economic and social health. Therefore, this performance area is defined by results related to the assistance in building constructive labour-management relationships and the peaceful resolution of collective bargaining disputes to reduce the incidence of work stoppages.

When employer and union representatives are unable to agree on the terms of a collective agreement, HRDC's Labour Program provides dispute resolution assistance through our Federal Mediation and Conciliation Service (FMCS). The FMCS handles between 300-400 cases every year and consistently over 90% of disputes referred to the FMCS for assistance are settled without work stoppage. This is an important contributor to the productivity and health of the Canadian economy. In 2000-2001, the settlement rate was 94%. Of those disputes finalized during the year with FMCS assistance, only 14 involved work stoppages prior to settlement. The resulting days lost represented less than one-twentieth of one per cent of all available working time. The number of days lost due to legal work stoppages was one of the lowest ever recorded.

We continued to offer a comprehensive and innovative Preventive Mediation Program. Through the use of various preventive mediation and alternative dispute resolution techniques, we encouraged unions and employers in the federal jurisdiction to establish and maintain constructive working relationships. For example, in September 2000, an interest-based negotiations skills workshop was provided to AT&T Canada and the United Steelworkers of America. At the end of the workshop, the parties had a new contract, a stronger relationship and an important new tool for the continued management of their partnership.

Another key to better improved labour-management relations was our improvement of access to information on collective bargaining and related issues. During 2000-2001, we expanded our analysis of collective agreements in Canada, increased Internet-based access to the texts of collective agreements and provided a series of publications.⁴⁹ We responded to 6,300 information requests/consultations, up from 5,200 in 1999-2000.

Health and Safety of Federally-Regulated Workplaces

Canadians want safe, healthy workplaces and expect their governments to support workplace partners in achieving that goal. This performance area is defined by results related to the decrease of the number and the severity of workplace injuries by providing regulations governing working conditions and conducting inspections to promote and improve compliance.

Our Labour program continues to promote health and safety in federally-regulated workplaces by conducting inspections, responding to complaints and assisting employers in meeting their obligations and responsibilities. We also continue to focus on a strategy based on partnerships and education as a means of creating lasting voluntary compliance, as opposed to simply enforcing through punitive measures. That positive strategy was reinforced by the passage of Bill C-12 amending Part II (Occupational Health and Safety) of the *Canada Labour Code*, which is described later in this section. In 2000-2001, our Labour Affairs Officers resolved 97.5% of situations of non-compliance (excluding situations of danger) through assurances of voluntary compliance, which was above the target.

⁴⁹ For further information, see http://206.191.16.138/gol/main_e.shtml

As part of this work, we conducted over 4,400 health and safety interventions which included counselling, audits, inspections, complaints investigations, prosecutions and technical surveys. In addition, our officers responded to 97 cases in which employees refused to work based on health and safety concerns and well in excess of 300 hazardous occurrences.

One priority during the year was to look at the workplace health and safety priorities of young people. We helped sponsor the first national conference on youth and health and safety because young people have a third of all lost-time injuries in Canadian workplaces. We worked with groups representing youth, industry and the labour movement. Youth delegates identified major trends affecting youth health and safety in Canada's workplaces. They called for enhanced education and training; improved general awareness for employers and employees; enforcement; attention to the communications skills of supervisors; addressing the availability and cost of information; and a need for national standards and activities falling outside the usual health and safety net. The conference generated a series of recommendations to address these trends. A senior panel of federal and provincial government officials, labour representatives and federal ministers, including the Minister of Labour received them and made commitments to follow up the recommendations from young people.

Awareness of Occupational Health and Safety Practices and Regulations

This performance area is defined by results related to the increased awareness of health and safety practices and regulations through mid-term assessment in 2003.

During 2000-2001, as a result of the passage of Bill C-12 amending Part II of the *Canada Labour Code*, we placed an emphasis on increasing client awareness of the changes to the *Code*. These amendments strengthen the internal responsibility system by giving the workplace partners a stronger role in the identification and resolution of health and safety concerns. Through group sessions and individual visits to workplaces, we reached 12,000 employer and employee representatives. To support that work, we produced educational materials, conducted client information sessions and used the Internet to disseminate information. We saw these measures as first steps to an ongoing, broad-based client education strategy involving links to employer and employee organizations. Another part of that strategy was to invite national employer associations to link their website to our national Labour program website.⁵⁰ This will allow efficient information dissemination to a large audience at minimal cost.

Fairness of Federally-Regulated Workplaces

This performance area is defined by results related to the resolution of unjust dismissal complaints. It largely reflects our responsibility for addressing complaints filed under the *Canada Labour Code*.

⁵⁰ For further information, see <http://labour-travail.hrdc-drhc.gc.ca>

During 2000-2001, the Labour Program conducted over 7,200 labour standards interventions with employers and workers. While labour standards work is principally reactive in terms of responding to complaints, we did significant ground work to reduce our reactive workload through proactive interventions and education. We continue to view close partnership with federally-regulated employees and employers as the key to effective responses.

HRDC's Labour Program continues to meet objectives for timely responses to complaints of unjust dismissals (within two days) and their resolution. The objective regarding resolution is for Labour Affairs Officers (LAOs) to resolve 75% of unjust dismissals, thereby preventing those cases from going to adjudication and incurring high adjudication costs. Our LAOs resolved 76.1% of unjust dismissal complaints in 2000-2001. In addition, we are striving to improve client service in this area by introducing added ways to deal with unjust dismissal complaints. One way was to provide the opportunity for complainants to resolve complaints using self-help kits. We also made a point of trying to resolve complaints by screening and addressing non-complex ones at the first point of contact.

We introduced a pilot project to test an alternate dispute resolution process for unjust dismissals in 2000-2001. The pilot was carried out in the banking sector and, to a lesser extent, the trucking industry. Pilot statistics for the banking sector demonstrated a 91.1% acceptance rate when parties to a complaint were offered mediation and a success rate of 85.4%. Due to the apparent success of the pilot, we rolled out alternate dispute resolution nationally and to all industries on April 1, 2001.

Our Labour Program continues to conduct research on emerging issues in the workplace, explore possible policy options and provide information and assistance to stakeholders. While much of this is designed to meet the needs of working age Canadians and employers, it also responds to the broader interests of all Canadians.

For example, following the October 1999 Speech from the Throne commitment to "make federally-regulated workplaces more family friendly", we worked on ways in which workplaces can provide improved support for working parents. The *Canada Labour Code* was amended to provide job protection for up to a year for parents utilizing the extended period of maternity-parental benefits available under Employment Insurance. All provinces and territories have either amended their labour codes to do the same or are doing so. We launched a new website on Work-Life Balance to provide information on why and how workplace parties can implement measures to enhance work-life balance.⁵¹ We have posted research studies on the site, one on collective agreement provisions supporting work-life balance and the other on workplace-supported childcare experience. Ministers responsible for labour across Canada undertook an information study of work-life balance measures across Canada and agreed to collaborate on information sharing and promotional activities.

In October of 2000, the Minister of Justice and the Minister of Labour appointed Beth Bilson, Dean of Law at the University of Saskatchewan, as Chair of the Pay Equity Task Force, which will review federal pay equity legislation. The report of the Task Force is anticipated in the autumn of 2002.

⁵¹ For further information, see <http://labour-travail.hrdc-drhc.gc.ca/worklife/>

Quality Service to Canadians

As with all parts of HRDC, our Labour Program is improving service to the employers and workers it serves and increasingly to the broader community of Canadians interested in workplace issues. This performance area is measured against results related to the provision of the highest quality service to Canadians through service standards which include providing access, speed of payment and service, interactive relationships with clients and improvement of the level of client satisfaction with HRDC services.

We continued to meet our high standards of Labour Program service to Canadians. For example, our Labour Affairs Officers provided 24-hour emergency response times for fatal accidents and refusals to work. As well, they responded to complaints of unjust dismissal within two days. As described throughout this section, we increased information and services available to Canadians via the Internet. We also began work to link information from many sources in order to serve clients more efficiently. To do so, we collaborated with employers, employer/employee associations, other federal and provincial departments, as well as other health and safety/standards organizations.

Because information is particularly important to Labour Program clients, we have maintained an internal service standard of 24 hours while responding to and/or providing collective bargaining and industrial relations information to an ever-increasing number of clients through greater use of new technologies.

Promoting Respect for Workers' Rights and Labour Co-operation Internationally

Respect for workers' rights and labour co-operation is an example of Canadian values in action in very practical ways. As part of this, our Labour Program supported the process which led to a labour co-operation agreement between Canada and Costa Rica to complement the free trade agreement which was signed in the spring of 2001.

Canada ratified International Labour Organization (ILO) Convention 182 on the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour on June 6, 2000 and committed \$3 million per year, for five years, to support the ILO's International Program for the Elimination of Child Labour. We also began the process to obtain provincial and territorial agreement for Canadian ratification of ILO core Convention 29 on Forced Labour.

Summary of Performance Measures

We report results for commitments we made in the *2000-2001 Report on Plans and Priorities*. The results and the context in which they were attained were described previously.

Strategic Outcomes To Provide Canadians with:	Demonstrated by:	Objective (O) Result (R)
Safe, fair, stable and productive workplaces	<p>➤ A safe, healthy and equitable environment and a stable labour-management relations climate</p> <p>Percentage of collective bargaining disputes settled under Part I of the <i>Canada Labour Code</i> without work stoppage</p> <p>Percentage of Part II situations of non-compliance (excluding situations of danger) voluntarily resolved through the acceptance of Assurances of Voluntary Compliance (Part II of the <i>Canada Labour Code</i>)</p> <p>Percentage of unjust dismissal complaints settled by inspectors (Part III of the <i>Canada Labour Code</i>)</p>	<p>O: 90% R: 94%</p> <p>O: 90% R: 97.5%</p> <p>O: 75% R: 76.1%</p>
Sustainable and effective program management and service delivery	Expanded awareness and utilization of our information products and services expressed as a year-over-year percentage increase in the number of information requests and/or consultations on collective bargaining and industrial relations-related information	<p>O: 6% R: 21%</p>

Sound Departmental Management

Our Strategic Outcome:

To provide Canadians with sustainable and effective program management and service delivery.



HRDC recognizes that we achieve our strategic outcomes through both new or enhanced initiatives in individual service lines and those that address department-wide management priorities. During 2000-2001, these department-wide actions complemented our ongoing range of corporate services that include policy development and co-ordination, communications, computer systems and technology supports. They also include financial, administrative and human resource functions.

Enhanced HRDC Governance and Accountability

We established a new Corporate Affairs and Planning (CAP) branch as part of a broader set of initiatives to improve decision-making and accountability in the department. The branch works closely with all parts of the department to establish strategic directions and priorities and develop and implement integrated departmental-level business plans. The branch helps improve HRDC's ability to track departmental activities, monitor progress and measure performance against plans. In addition, CAP links issues management to longer-term strategic directions and objectives of the department and the Government's broader agenda.

Achievements and their Impacts on Canadians

We are reporting our achievements against specific areas of performance that demonstrate progress towards our strategic outcome. The priorities we identified in our *2000-2001 Report on Plans and Priorities* are consistent with those outcomes.

Results are described in details in the narratives below. A table consolidating the key measures to be reported for 2000-2001 is presented on page 66.

Responsible Management of Public Funds

This performance area is defined by results related to the improvement of the integrity of public funds.

➤ **Recovery of Monies Owed to the Crown**

HRDC manages the largest portfolios of non-tax accounts receivables in the government, a \$2.4 billion portfolio that consists of Canada Student Loans (71%), Employment Insurance (24%) and Income Security Programs (5%). The efficiency of prompt collection action, and fair, consistent and equitable treatment of HRDC debtors is a priority within the department and one that reflects our commitment to the strategic outcome of effective program management.

For 2000-2001, two key results for Canadians indicated the effective and efficient collection of monies owed to the Crown, and therefore to taxpayers.

- ◆ \$198.4 million collected relating to Employment Insurance and Employment Programs (\$187.2 million expected); and
- ◆ \$125.9 million collected relating to Canada Student Loans Program (\$157.0 million expected).

The 20% shortfall in collections of Canada Student Loans was due to three factors. First, our normal processes were altered while we implemented a new National Master Standing Offer for private collection agencies (PCAs). Second, the PCAs required time to adapt to new business rules covering the process for collecting HRDC accounts in order to avoid complaints. Third, we identified fewer accounts to assign to PCAs than expected.

Beyond that recovery priority, our workplan had three key commitments:

- ◆ the implementation of a single accounts receivable system for HRDC, previously delayed due to systems priorities and the introduction of accrual accounting for Government financial information, is now scheduled for October-November 2001.
- ◆ through the Accounts Receivable Strategy, HRDC is working with other departments and central agencies to remove barriers to effective collection to enable freer exchange of information on Crown debtors and set-off between departments, thus increasing recoveries and reducing deletion of debts.
- ◆ harmonization of the departmental accounts receivable policy is an ongoing process, as we continue to revise, standardize and update recovery policies for program receivables. We developed a pamphlet entitled "Human Resources Development Canada, Collection Policies" to explain the rights and obligations of clients owing a debt to the Crown as part of our interest in providing courteous service, even in more difficult situations.

We also began to work toward a change in how we manage the older Employment Insurance overpayments that we recover through deductions from current benefits – our Agreed Deduction program. This has been the responsibility of our Employment Insurance branch but is moving to our Financial and Administrative Services branch to respond to a recommendation from the Auditor General.

We continued our internal review to promote organizational and operational efficiencies including increased communications between Regional and National Collections.

In addition, we identified and participated in the implementation of changes to various systems and processes to make recovery more effective. This included participation in the development of the new directly-financed Canada Student Loans, which followed the expiration of the Canada Student Loans Risk Shared Agreement on July 31, 2000.

Sound and Responsive Departmental Infrastructure to Deliver Information and Results to Canadians

This performance area is defined by results related to the delivery and maintenance of Information Technology support to improve service delivery to Canadians.

➤ Systems

Computer systems are the backbone of HRDC's service delivery to Canadians. However, as taxpayers, those same Canadians want us to make a priority of the most effective systems investments. During 2000-2001, we addressed the reality of many competing pressures for investments in new or enhanced systems in a number of ways. We launched our Information Technology (IT) Vision that provides overall direction for our information technology and information management investments. This includes a strategy of how we should use technology to advance accessible services to individuals, businesses and to our partners.

We also assessed the HRDC systems implications of Government On-Line and other initiatives.⁵² This led to an IT Infrastructure Renewal Project that will ensure that we can continue to support operations effectively in the future. We began work to extend our core infrastructure in three principal areas: IT architecture, IT security and software tools to be shared by new web-based applications.

We completed 96% of our information technology project phases on budget and on time, exceeding the target of 85%.

Productive Work Environment and Sustainable Workforce

This performance area is defined by results related to the progress towards maintaining a workplace of choice, through which our staff can achieve results for Canadians, no matter what role they play.

⁵² HRDC's Government On-Line actions during 2000-2001 are described on [page 64](#).

➤ **Building a Workplace of Choice**

We recognize and value the contribution that HRDC employees make towards supporting our goals in providing service to Canadians. In response to the anticipated evolution of the roles and work of our employees in service delivery and to prepare for the demographic realities of an aging workforce, we have developed tools, strategies and approaches to assist managers to integrate business and human resource planning. We developed a national workshop on Human Resources Planning that will supplement our basic Human Resources Management training. Our Human Resources branch also partnered with our Employment Insurance branch to pilot an employee performance management initiative that will help to guide future development of a corporate approach to performance management.

Through a balanced focus on retaining and supporting existing employees as well as attracting young people to the department, we are ensuring a strong workforce for the future. We increased awareness and use of the Career Assignment Program, the Management Trainee Program and Post Secondary Recruitment. We also made use of existing bridging programs as well as the visible minority external recruitment program. In addition, through such programs as Federal Student Work Experience, Summer Employment Officer Program, Aboriginal Student Internship Program and Co-op, we hired and provided orientation to 4,000 students.

We know that our staff face a constantly evolving work environment. This underlines the need to promote a continuous learning environment in HRDC. We designed several initiatives to advance our learning and development culture, including an orientation brochure for new employees and a pilot Business Television orientation session. We added to the learning and development tools and resources that our managers and leaders can call on.

We placed a stronger focus on individual wellness as an essential component of organizational health through a “My Millennium: My Well-being” initiative. This includes information on various dimensions of well-being through information on an Intranet site and the distribution of a guide for workplace well-being activities. We also introduced a new measurement tool on workplace well-being, the Business Health Culture Index. This has provided us with a baseline measurement from which we can continue to monitor our progress in this area.

Over the year, we have met our equity targets for persons with disabilities, women and Aboriginal peoples and demonstrated significant progress in reaching our target for visible minorities – who went from 5.3% to 6.0% of employees. The department continued with the Canadian Human Rights Commission audit process by conducting employment systems reviews and developing corresponding action plans to address workplace barriers and to achieve representation for designated group members.

Quality Service to Canadians

As one of the most important providers of Government of Canada services to Canadians, we know that providing quality service is essential to our mission and to overall perceptions that Canadians have of their government. Accordingly, this performance area is measured against results related to the provision of the highest

quality of service to Canadians through service standards which include providing access, speed of payment and service, interactive relationships with clients and improvement of the level of client satisfaction.

➤ **Modernization of Comptrollership**

The government recognized that modernizing the comptrollership function that managers play is a key to improving performance. HRDC has approached Modern Comptrollership as a long-term and integrated effort to ensure consistent and effective management by bringing together financial and non-financial performance information, implementing sound risk management, ensuring appropriate control systems and updating related management policies to provide the highest quality of service to Canadians.

A major focus for 2000-2001 was to deliver an awareness session entitled *Modern Comptrollership: Managing for Results*. Between September 2000 and March 2001, more than 1,300 HRDC managers and senior functional specialists participated in sessions that were designed to increase their awareness of modern comptrollership and to discuss and share best practices. Participants developed personal action plans to improve their own management practices. Further details are provided in the Supplementary Information section on page 112.

We also led the creation of a Modern Comptrollership Education Consortium in co-operation with the Universities of Victoria, Ottawa, and New Brunswick. This led to the implementation of certificate programs on Modern Comptrollership and Public Management designed for public servants.⁵³ The certificate program is beginning its third year at the University of Victoria, while a similar program at the University of Ottawa commences in January 2002.

Other actions to implement Modern Comptrollership are provided in our website.⁵⁴

➤ **Implementing a New Service Delivery Policy**

The HRDC Service Delivery Policy is based on a commitment to design and deliver our services in ways that fully take the interests and priorities of Canadians into account. This is important not just for us but because our extensive local network of offices and partnerships and our increasing use of technology to deliver services places us at the centre of the Government of Canada service delivery. Our policy promotes providing service to Canadians through multiple channels including in-person service at our Human Resource Centres of Canada, over the telephone, via the Internet and by mail.

During 2000-2001, our service planning focussed on three major Government of Canada citizen-centred initiatives: Service Canada, Government On-Line, and the Service Improvement Initiative. These are designed to:

- ◆ focus directly on client satisfaction (Service Improvement Initiative);
- ◆ improve citizen access (Service Canada); and

⁵³ Details are at <http://www.governance.uottawa.ca/certificate>

⁵⁴ For further information, see <http://www.hrdc-drhc.gc.ca/modernmanagement/>

- ♦ modernize service delivery (Government On-Line).

➤ **Service Improvement Initiative**

The Department started implementing the Service Improvement Initiative. The goal of this five-year government-wide initiative announced by Treasury Board in May 2000, is to achieve a 10% improvement in client satisfaction with our services. Accordingly, we began planning for a client satisfaction survey covering our four major program areas: Income Security programs, Employment Insurance Income Benefits, Employment programs and Human Investment programs. This will give us a baseline of client satisfaction and help us identify priorities for improvement.

The *Citizens First 2000* national survey provided a similar opportunity to assess improvement in recent years in Canadians' satisfaction with major federal services.⁵⁵ The results for our department on the service quality indicated the following improvements based on a scale from 1 to 100:

- ♦ Canada Pension Plan and Old Age Security: 71 (up from 69 in 1998);
- ♦ Human Resource Centres of Canada: 54 (up from 47 in 1998); and
- ♦ Employment Insurance: 51 (up from 45 in 1998).

➤ **Service Canada**

HRDC is a key participant in the Service Canada pilot initiative introduced by Treasury Board. Service Canada is designed to provide Canadians with "one-stop" access to a broad range of government services. These services are offered through in-person, electronic and telephone channels. During 2000-2001, 27 HRDC local offices were also Service Canada Access Centres. This means that, over and above the HRDC related services already offered, these 27 offices also provided basic information on federal government programs and services.

We were the lead department in two specific efforts to test new ways to do business through Service Canada. One is the Port Hawkesbury Service Canada Community Networks pilot in which 11 Service Canada Access Centres are located with community service providers. The other is the Café Jeunesse Service Canada initiative project bringing together federal programs and services for young people in Montreal.

➤ **Government On-Line**

HRDC continues to work toward the Government On-Line (GOL) target to put services on-line by the end of 2004. As part of this, we continued work internally and in collaboration with other departments and agencies to cluster services into groupings, called e-Clusters, that reflect the interests and views of clients, rather than organizing them solely along departmental and program lines. HRDC is leading five e-Clusters that relate to the needs of specific groups in Canadian life or are oriented to particular widely-shared interests: Information and Services for Youth; Jobs, Workers, Training and Careers; Financial Assistance and Entitlements; Information and Services for Persons

⁵⁵ For further information, see <http://www.ipaciapc.ca/english/new/citizens.htm>

with Disabilities; and Human Resources Management. HRDC also participated in the implementation of a cluster for Information and Services for Seniors, led by Veterans Affairs Canada.

By the end of 2000, we met the Tier One GOL objective of ensuring that information on our programs and services was on-line and up to date, by providing a basic search capability, by implementing an automatic e-mail acknowledgement capability for all our websites, by putting key forms related to our programs and services on-line, while at the same time encouraging a client-centred approach to presenting information.

We also identified key services during the year, and established tentative plans for putting them on-line. As the general plans are firmed up, project plans for specific services are developed. By the end of 2000-2001, we had developed plans for Employment Insurance services to employers and to individuals and for Canada Pension Plan/Old Age Security services on-line.

Further, HRDC began work in 2000-2001 on five GOL pilot projects. These projects included an improved service for job-seekers, pilot projects for the Record of Employment and the Employment Insurance application for benefits on-line, and for the Youth and Employers On-Line clusters.

➤ **Service Standards**

We assess our performance against national service standards for our major programs. The standards complement our departmental strategic outcomes.

The results for 2000-2001 were:

- ◆ 95.4% of first Employment Benefits and Support Measures payments were received within 28 days;
- ◆ 96.6% of first Employment Insurance benefits payments were received within 28 days;
- ◆ The 35 day service standard for first Old Age Security benefits payments was met, the actual result being 28.8 days on average;⁵⁶
- ◆ The 35 day service standard for first Canada Pension Plan benefits payments was not met, our actual result being 38.2 days on average;⁵⁶



Our Service Commitment

- ◆ You are entitled to courteous and considerate treatment and complete and accurate information about your entitlements and obligations.
- ◆ We aim to keep the waiting time to meet a client service officer to a minimum. Waiting times will be posted in our offices.
- ◆ You are entitled, if you qualify, to receive your first payment within:
 - ◆ 28 days for Employment Benefits and Support Measures;
 - ◆ 28 days for Employment Insurance benefits; and
 - ◆ 35 days for Old Age Security or Canada Pension Plan.
- ◆ We will provide a 24-hour emergency response service for fatal accidents and refusals to work in the federal jurisdiction.
- ◆ We will respond to complaints of unjust dismissal under federal jurisdiction within two working days.

⁵⁶ New measures/standards are being developed within the framework of the Balanced Scorecard for Income Security programs.

- ♦ 24-hour emergency response was provided in 100% of cases of fatal accidents and refusals to work; and
- ♦ In 98.9% of cases we responded to complaints of unjust dismissal within two working days.

As well, over 20 HRDC offices have received International Organization for Standardization (ISO) certification. In January 2001, our Prince Edward Island regional office and five Human Resource Centres of Canada received ISO certification for their grants and contributions quality system.

Summary of Performance Measures

We report results for commitments we made in the *2000-2001 Report on Plans and Priorities*. The results and the context in which they were attained were described previously.

Strategic Outcome To Provide Canadians with:	Demonstrated by:	Objective (O) Result (R)
Sustainable and effective program management and service delivery	<ul style="list-style-type: none"> ➤ Level of client satisfaction with HRDC services⁵⁷ ➤ Percentage of information technology project phases completed on budget and on time ➤ Effective recovery function <ul style="list-style-type: none"> <u>Recovery of Overpayments</u> <ul style="list-style-type: none"> ♦ Dollars collected: Employment Insurance and Employment Programs. <u>Recovery of Loans</u> <ul style="list-style-type: none"> ♦ Dollars collected: Canada Student Loans Program⁵⁸ 	<p>O: 85% R: 96%</p> <p>O: \$187.2M R: \$198.4M</p> <p>O: \$157.0M R: \$125.9M</p>

⁵⁷ The surveys are being administered in 2001-2002.

⁵⁸ Reasons for the shortfall in recoveries of Canada Student Loans are described on [page 60](#).

Introduction to Specified Purpose Accounts

Specified Purpose Accounts (SPA) are special categories of revenues and expenditures. They report transactions of certain accounts where enabling legislation requires that revenues be earmarked and that related payments and expenditures be charged against such revenues. The transactions of these accounts are to be accounted for separately.

HRDC is responsible for the stewardship of four such accounts:

- ◆ the Employment Insurance (EI) Account
- ◆ the Canada Pension Plan (CPP)
- ◆ the Government Annuities Account
- ◆ the Civil Service Insurance Fund.

The EI Account is a consolidated SPA and is included in the financial reporting of the Government of Canada. Consolidated SPAs are used principally where the activities are similar in nature to departmental activities and the transactions do not represent liabilities to third parties but, in essence, constitute Government revenues and expenditures.

The CPP is a SPA but is not consolidated as part of the Government of Canada financial statements. It is under joint control of the Government and participating provinces. As administrator, the Government's authority to spend is limited to the balance in the Plan.

The Government Annuities Account is a consolidated SPA and is included in the financial reporting of the Government of Canada. It was established by the *Government Annuities Act*, and modified by the *Government Annuities Improvement Act*, which discontinued sales of annuities in 1975. The account is valued on an actuarial basis each year, with the deficit or surplus charged or credited to the Consolidated Revenue Fund.

The Civil Service Insurance Fund is a consolidated SPA and is included in the financial reporting of the Government of Canada. It was established by the *Civil Service Insurance Act*. Pursuant to subsection 16(3) of the *Civil Service Insurance Regulations*, the amount of actuarial deficits are transferred from the Consolidated Revenue Fund to the Civil Service Insurance Account in order to balance the assets and liabilities of the program.

The following information updates forecasted data on the EI Account and CPP that we provided in our *2001-2002 Report on Plans and Priorities*.⁵⁹ That report presented multi-year financial data and general information. Additional information on performance and year-end data is available at the Internet addresses provided in this section.

⁵⁹ For further information, see <http://www.hrdc-drhc.gc.ca/fas-sfa/rpp0102.shtml>

Employment Insurance Account

The table below summarizes the financial results for the EI Account from 1998-1999 to 2000-2001.

EI ACCOUNT – STATEMENT OF OPERATIONS AND SURPLUS^a

(millions of dollars)	1998-1999	1999-2000	2000-2001 ^b	
	Actual	Actual	Forecast	Actual
Unemployment Rate	8.1%	7.3%		6.9%
Revenues				
Premium Revenue	19,728	18,825	19,003	18,999
Penalties	79	74	74	76
Interest	764	1,068	1,629	1,565
Total Revenue	20,571	19,967	20,706	20,640
Expenditures				
Benefits	11,834	11,280	11,583	11,444
Administrative Costs	1,360	1,406	1,417	1,408
Doubtful Accounts	45	56	55	26
Total Expenditures	13,239	12,742	13,055	12,878
Surplus				
Current Year	7,332	7,225	7,651	7,762
Cumulative	20,977	28,202	35,853	35,964
Employee Premium Rate	1998	1999	2000	2001
(% of insurable earnings)	2.70%	2.55%	2.40%	2.25%

Employer's portion is 1.4 times the employee rate.

- a. The EI Account is a consolidated SPA and is included in the financial reporting of the Government of Canada. Consolidated SPAs are used principally where the activities are similar in nature to departmental activities and the transactions do not represent liabilities to third parties but, in essence, constitute Government revenues and expenditures.
- b. The forecasts for 2000-2001 were presented in the *2001-2002 Report on Plans and Priorities*.

The economy continued to improve during 2000-2001 but benefits rose slightly, mainly as a result of the retroactive impact of Bill C-2. EI premiums also rose slightly due to the growth in the covered labour force and in average wages, in spite of lower premium rates. Those factors, combined with higher interest revenues, raised the EI surplus to \$36 billion as of March 31, 2001.

More detailed information is reported in the 2000-2001 audited EI Account financial statements that are included in the *2001 Public Accounts of Canada, Volume 1, Section 4*.⁶⁰ HRDC also offers a website dedicated to Employment Insurance accountability and reporting.⁶¹ It provides statistics, evaluation and actuary reports as well as information on the authority, objectives and responsibilities of the Account.

⁶⁰ For further information, see <http://www.pwgsc.gc.ca/recgen/text/pubacc-e.html>

⁶¹ For further information, see http://www.hrdc-drhc.gc.ca/ae-ei/loi-law/8.0_e.shtml

Canada Pension Plan

The table below summarizes the financial results for the Canada Pension Plan (CPP) from 1998-1999 to 2000-2001.

CPP – REVENUES AND EXPENDITURES

(millions of dollars)	1998-1999	1999-2000	2000-2001 ^a	
	Actual	Actual	Forecast	Actual
Revenue				
Contributions	14,924	17,037	21,162	21,407
Investment Income	3,891	4,238	4,351	2,849
Total Revenue	18,815	21,275	25,513	24,256
Expenditures				
Benefit payments	18,203	18,799	19,352	19,494
Administrative expenses	304	315	340	335
Total Expenditures	18,507	19,114	19,692	19,829
Increase/(Decrease)	308	2,161	5,821	4,427

CPP – BALANCE OF FUNDS

(millions of dollars)	1998-1999	1999-2000	2000-2001 ^a	
	Actual	Actual	Forecast	Actual
Year-end Balance	39,100	41,261	47,082	45,688
Represented by:				
CPP Investment Fund	30,833	30,299	29,603	29,591
CPP Investment Board	12	2,392	9,110	7,155
CPP Account	8,255	8,570	8,369	8,942
CPP Total	39,100	41,261	47,082	45,688
Increase	308	2,161	5,821	4,427

a. The forecasts for 2000-2001 were presented in the 2001-2002 Report on Plans and Priorities.

The drop in Investment Income in 2000-2001 is due to the loss encountered by the CPP Investment Board on the stock market in late 2000.⁶² More information relating to 2000-2001 is reported in the CPP financial statements which can be found in the 2001 Public Accounts of Canada, Volume 1, Section 6.⁶³

⁶² For further information on the Canada Pension Plan Investment Board, see <http://www.cppib.ca>

⁶³ For further information, see <http://www.pwgsc.gc.ca/recgen/text/pubacc-e.html>

Government Annuities Account

The table below summarizes the financial results for the Government Annuities Account from 1998-1999 to 2000-2001.

RECEIPTS AND DISBURSEMENTS

GOVERNMENT ANNUITIES ACCOUNT				
(millions of dollars)	1998-1999	1999-2000	2000-2001	
	Actual	Actual	Forecast	Actual
Actuarial Liabilities –				
Balance at beginning of year	623.9	585.8	N/A	546.1
Income	41.0	38.4	N/A	35.8
Payments and other Charges	76.0	72.4	N/A	68.4
Excess of payments and other charges over income for the year	35.1	33.9	N/A	32.6
Actuarial Surplus	3.0	5.8	N/A	5.6
Actuarial Liabilities –				
Balance at end of the year	585.8	546.1	N/A	507.8

N/A – Not applicable

The annual report and financial statements of the Government Annuities are available in the *2001 Public Accounts of Canada*, Volume 1, Section 6.⁶⁴

⁶⁴ For further information, see <http://www.pwgsc.gc.ca/recgen/text/pubacc-e.html>

Civil Service Insurance Fund

The table below summarizes the financial results for the Civil Service Insurance Fund from 1998-1999 to 2000-2001.

RECEIPTS AND DISBURSEMENTS

CIVIL SERVICE INSURANCE FUND				
(millions of dollars)	1998-1999	1999-2000	2000-2001	
	Actual	Actual	Forecast	Actual
Revenue				
Opening Balance	8.9	8.6	N/A	8.3
Receipts and other Credits	0.3	0.2	N/A	0.2
Payments and other charges	0.6	0.6	N/A	0.5
Excess of payments and other charges over income for the year	(0.3)	(0.4)	N/A	(0.3)
Closing Balance	8.6	8.3	N/A	8.0

N/A – Not applicable

The annual report and financial statements of the Civil Service Insurance Fund are available in the *2001 Public Accounts of Canada*, Volume 1, Section 6.⁶⁵

⁶⁵ For further information, see <http://www.pwgsc.gc.ca/recgen/text/pubacc-e.html>

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* The Service Improvement Initiative is presented on [page 64](#) under the Sound Departmental Management segment.

Financial Performance Overview

The financial tables on the following pages provide information on:

- ◆ Planned spending at the beginning of the year as reported in the *2000-2001 Report on Plans and Priorities*;
- ◆ The total authorities approved during 2000-2001 reflecting priority adjustments, 2000 Budget announcements and technical adjustments;
- ◆ Actual 2000-2001 expenditures as reported in the 2000-2001 Public Accounts; and
- ◆ A multi-year trend (1998-1999 to 2000-2001) is also provided, where appropriate, to provide a financial perspective of HRDC activities (see figures 2 to 5, on pages 75 to 79).

In 2000-2001, the department was authorized to spend \$27,197 million or \$375 million less than the planned spending of \$27,572 million. This was mainly due to:

- ◆ a net decrease of \$385 million in statutory payments authorities mostly related to three items. The major item is a decrease of \$310 million in the Canada Education Savings Grant due to a lower than expected participation. The other two items are a decrease of \$171 million in the Canada Student Loans Program and an increase of \$59 million in Old Age Security payments reflecting changes in the average monthly benefits and expected number of recipients; and
- ◆ a net increase of \$49 million in operating expenditures and grants and contributions. This was mainly due to an increase of \$109 million in the net operating resources received for various departmental requirements such as information management and technology, implementation of a directly financed Canada Student Loans Program and collective agreements signed in 2000-2001; and a net decrease of \$60 million in grants and contributions related to funding being reprofiled to 2001-2002.

The actual expenditures of \$27,007 million were \$190 million lower than our total authorities of \$27,197 million. This was mainly due to spending on grants and contributions that was \$167 million less than projected. This lapse can be attributed to the significant impact of the grants and contributions review on all programs as well as longer than expected planning and contracting phases in the take-up of programs and investments. There was also a lapse of \$23 million in net operating resources, which was mainly due to delays in program implementation and deferred projects.

FIGURE 1: SUMMARY OF VOTED APPROPRIATIONS

Human Resources Development Vote (millions of dollars)	2000-2001		
	Planned Spending	Total Authorities	Actual
Department			
1 Operating expenditures	460.2	569.1	546.7
5 Grants and contributions	992.1	932.8	765.7
6 Write off debts – Government Annuities Account	-	0.0	0.0
(S) Minister of HRD – Salary and motor car allowance	0.1	0.1	0.1
(S) Minister of Labour – Salary and motor car allowance	0.1	0.1	0.1
(S) Interest payments under the <i>Canada Student Loans Act</i>	34.8	1.4	1.4
(S) Liabilities under the <i>Canada Student Loans Act</i>	62.5	65.9	65.9
(S) Interest and other payments under the <i>Canada Student Financial Assistance Act</i>	673.4	533.4	533.4
(S) Grants to the trustees of Registered Education Savings Plans pursuant to Part III.I of the <i>Department of Human Resources Development Act</i>	744.0	433.5	433.5
(S) <i>Canada Student Financial Assistance Act</i> – Canada Study Grants	120.1	56.6	56.6
(S) <i>Canada Student Financial Assistance Act</i> – Direct Financing	-	68.6	68.6
(S) Supplementary Retirement Benefits – Annuities agents' pensions	0.0	0.0	0.0
(S) Labour Adjustment Benefits payments	2.0	2.1	2.1
(S) Payments of compensation respecting government employees and merchant seamen	50.1	66.1	66.1
(S) Payments to private collection agencies pursuant to Section 17.1 of the <i>Financial Administration Act</i>	23.0	16.8	16.8
(S) Old Age Security payments	18,746.0	18,839.8	18,839.8
(S) Guaranteed Income Supplement payments	5,064.0	5,031.1	5,031.1
(S) Allowance Payments	390.0	387.6	387.6
(S) Contributions to employee benefit plans ^a	170.6	191.4	191.4
(S) Spending of proceeds from disposal of surplus Crown Assets	-	0.6	0.3
(S) Refunds of amounts credited to revenues in previous years	-	0.1	0.1
(S) Civil Service Insurance actuarial liability adjustment	-	0.2	0.2
Total Department	27,533.0	27,197.3	27,007.6
Total – Main Estimates Part II	27,533.0	27,197.3	27,007.6
<i>Plus: Initiatives announced in the 2000 Budget^b</i>	39.0	N/A	N/A
Total Department – Adjusted Net Budgetary	27,572.0	27,197.3	27,007.6
Plus: Non-Budgetary			
Loans disbursed under <i>Canada Student Financial Assistance Act</i>	-	1,800.0	1,415.3
Plus: Specified Purpose Accounts:^c			
Employment Insurance (EI) costs	13,073.4	13,055.1	12,877.8
Canada Pension Plan (CPP) costs	19,938.0	19,691.9	19,828.9
Other Specified Purpose Accounts costs		69.4	69.0
Employee Benefit Plan recoverable from EI Account and CPP	(128.1)	(134.5)	(141.2)
Total Expenditures	60,455.4	61,679.2	61,057.4

N/A – Not Applicable

- a. This statutory item includes the government's contributions as an employer to various employee benefit plans such as the Public Service Superannuation Account, the Public Service Death Benefit Account, the Employment Insurance Account and the Canada/Quebec Pension Plans. The amount is partially recoverable from the EI Account and CPP.
- b. These initiatives include \$30 million for the Opportunities Fund for Persons with Disabilities, \$6 million for program integrity and \$3 million for the international elimination of child labour. Total Authorities and Actuals for these initiatives are reflected under Votes 1 and 5.
- c. Total Authorities for EI and CPP reflect the 2000-2001 forecast as reported in the *2001-2002 Report on Plans and Priorities (RPP)*.

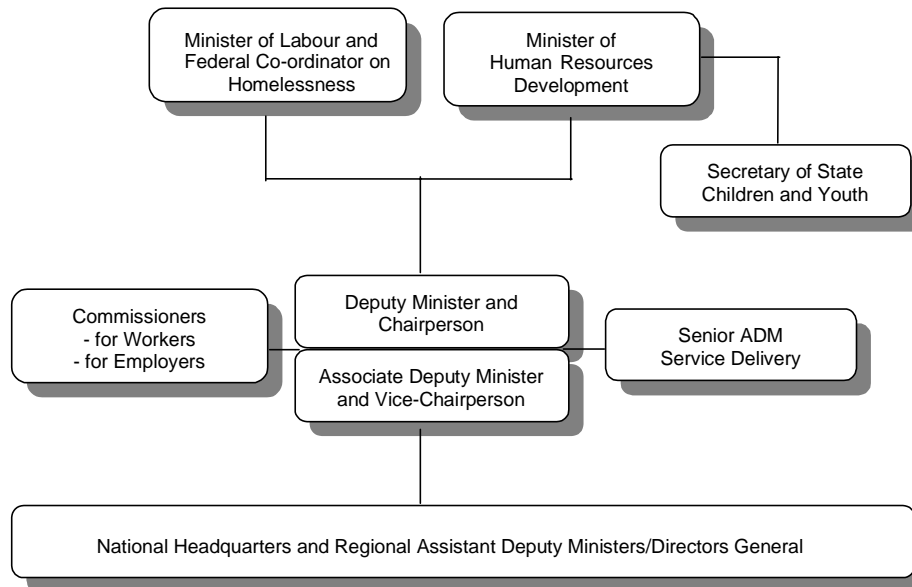
Note: All financial tables within this report are expressed in millions of dollars and may not add due to rounding.

FIGURE 2: COMPARISON OF TOTAL PLANNED TO ACTUAL SPENDING FOR 2000-2001

(millions of dollars)									
	FTEs	Operating	Capital	Voted Grants and Contributions	Subtotal: Gross Expenditures	Statutory Grants and Contributions	Total Gross Expenditures	Less: Respendable Revenues	Total Net Expenditures
Service Lines									
Income Security	3,587	277.4	-	-	277.4	24,200.0	24,477.4	(164.8)	24,312.7
	3,752	274.1	-	0.0	274.1	24,258.5	24,532.7	(160.1)	24,372.6
	3,747	260.0	-	0.0	260.0	24,258.5	24,518.5	(151.9)	24,366.6
El Income Benefits	7,623	507.9	-	-	507.9	-	507.9	(447.3)	60.6
	7,522	516.8	-	0.0	516.8	0.2	517.0	(452.1)	64.9
	7,427	512.3	-	0.0	512.3	0.2	512.5	(449.3)	63.3
Human Resources	3,379	496.0	-	1,017.4	1,513.4	1,636.8	3,150.1	(256.3)	2,893.8
Investment	3,817	468.1	-	929.9	1,398.0	1,134.5	2,532.5	(233.3)	2,299.1
	3,745	444.1	-	763.9	1,208.0	1,134.5	2,342.5	(213.7)	2,128.7
Labour	673	156.3	-	3.9	160.2	-	160.2	(47.3)	112.9
	653	167.9	-	2.9	170.8	0.0	170.8	(46.6)	124.2
	650	166.6	-	1.8	168.4	0.0	168.4	(46.6)	121.8
Service Delivery Support	2,701	270.1	-	-	270.1	-	270.1	(192.4)	77.8
	4,156	510.7	-	0.0	510.7	0.0	510.7	(345.1)	165.6
	4,151	498.4	-	0.0	498.4	0.0	498.4	(337.7)	160.7
Corporate Services	2,705	357.5	-	-	357.5	-	357.5	(243.4)	114.1
	2,912	464.7	-	0.0	464.7	0.0	464.7	(293.8)	170.9
	2,898	452.4	-	0.0	452.4	0.0	452.4	(286.0)	166.4
Total	20,668	2,065.3	-	1,021.2	3,086.5	25,836.8	28,923.3	(1,351.3)	27,572.0
	22,812	2,402.3	-	932.8	3,335.1	25,393.2	28,728.3	(1,531.0)	27,197.3
	22,618	2,333.9	-	765.7	3,099.6	25,393.2	28,492.8	(1,485.2)	27,007.6
Less: Non-Respendable Revenues									(287.3)
									(430.0)
									(430.0)
Plus: Cost of services provided by other departments									14.5
									16.6
									16.6
Net Cost of Department									27,299.2
									26,784.0
									26,594.2

Legend:	
For each Service Line...	
First line	Planned Spending 2000-2001
Second line	Total Authorities 2000-2001
Third line	Actuals 2000-2001

FIGURE 3: ORGANIZATIONAL STRUCTURE AND HISTORICAL COMPARISON OF TOTAL PLANNED SPENDING TO ACTUAL SPENDING



(millions of dollars)	1998-1999 Actual ^c	1999-2000 Actual ^c	2000-2001		
			Planned Spending	Total Authorities	Actual
Service Lines					
Income Security	23,052.4	23,670.5	24,477.4	24,532.7	24,518.5
Employment Insurance Income Benefits	615.6	583.2	507.9	517.0	512.5
Human Resources Investment	2,755.3	2,351.8	3,150.2	2,532.5	2,342.5
Labour	156.7	158.7	160.2	170.8	168.4
Service Delivery Support	324.7	488.8	270.1	510.7	498.4
Corporate Services	379.4	413.2	357.5	464.7	452.4
Total Gross Expenditures	27,284.1	27,666.1	28,923.3	28,728.3	28,492.8
Respendable Revenues	(1,335.4)	(1,521.1)	(1,351.3)	(1,531.0)	(1,485.2)
Total Net Expenditures	25,948.7	26,145.0	27,572.0	27,197.3	27,007.6
Specified Purpose Accounts^a					
Employment Insurance (EI)					
Expenditures	13,239.3	12,741.7	13,073.0	13,055.0	12,877.8
Revenues	(20,571.5)	(19,967.1)	(19,888.0)	(20,706.0)	(20,639.9)
EI Current Year Surplus	7,332.2	7,225.4	6,815.0	7,651.0	7,762.1
Canada Pension Plan (CPP)					
Expenditures	18,507.0	19,114.0	19,938.0	19,692.0	19,828.9
Revenues	(18,815.0)	(21,275.0)	(23,159.0)	(25,513.0)	(24,256.0)
CPP Current Year Surplus	308.0	2,161.0	3,221.0	5,821.0	4,427.1
Other Specified Purpose Accounts (SPA)^b					
Expenditures	76.6	72.9	0.0	0.0	69.0
Revenues	(41.3)	(38.7)	0.0	0.0	(36.0)
Other SPA Current Year Surplus (Deficit)	(35.3)	(34.2)	0.0	0.0	(33.0)

a. For EI Account and CPP, Total Authorities reflect forecast as reported in the 2001-2002 RPP.
 b. Other Specified Purpose Accounts include Government Annuities Account and Civil Service Insurance Fund.
 c. Numbers are restated by Service Line to reflect the 2000-2001 Planning, Reporting and Accountability Structure.

FIGURE 4: DETAILS OF RESPONDABLE AND NON-RESPONDABLE REVENUES

(millions of dollars)	1998-1999 Actual	1999-2000 Actual	2000-2001		Actual
			Planned Revenues	Total Authorities	
Responsible Revenues^a					
By Service Line:					
Income Security	142.7	142.0	164.8	160.1	151.9
EI Income Benefits	552.2	516.1	447.3	452.1	449.3
Human Resources Investment	149.1	229.1	256.3	233.3	213.7
Labour	47.1	48.6	47.3	46.6	46.6
Service Delivery Support	187.3	336.5	192.4	345.1	337.7
Corporate Services	256.9	248.9	243.4	293.7	286.0
Total Responsible Revenues	1,335.4	1,521.1	1,351.3	1,531.0	1,485.2
Non-Responsible Revenues^b					
By type of revenue:					
Recovery of employee benefit costs	121.3	131.9	128.1	142.1	142.1
Adjustment to prior years's payables	16.3	60.1	-	117.8	117.8
Canada Student Loans	179.4	149.6	158.0	119.7	119.7
Other Accounts Receivable	-	9.8	-	20.8	20.8
Actuarial surplus	7.6	5.8	-	5.6	5.6
Miscellaneous items	27.4	34.8	1.2	23.9	23.9
Total Non-Responsible Revenues	351.9	392.0	287.3	430.0	430.0

- a. Includes administrative costs recovered from the EI Account and CPP. Numbers are restated by Service Line to reflect the 2000-2001 Planning, Reporting and Accountability Structure.
- b. As HRDC is now under one operating vote, all non-responsible revenues are deposited to CRF against one vote. The breakdown by service line cannot be identified and is therefore shown by type of revenue. Details of non-responsible revenues are presented in Public Accounts Volume II, Part I.

FIGURE 5: STATUTORY AND NON-STATUTORY TRANSFER PAYMENTS BY SERVICE LINE

(millions of dollars)	1998-1999 Actual	1999-2000 Actual	2000-2001		Actual
			Planned Spending	Total Authorities	
Grants					
Human Resources Investment					
(S) Labour Adjustment Benefits in accordance with the terms and conditions prescribed by the Governor in Council to assist workers who have been laid off as a result of import competition, industrial restructuring, or severe economic disruption in an industry or region	5.9	3.7	2.0	2.1	2.1
(S) Canada study grants to qualifying full and part-time students pursuant to the <i>Canada Student Financial Assistance Act</i> regulations	108.8	103.0	120.1	56.6	56.6
(S) Grants to the trustees of Registered Education Savings Plans (RESPs) for the benefit of beneficiaries named under those RESPs, pursuant to the Canada Education Savings Grant Regulations of the <i>Department of Human Resources Development Act</i>	267.3	334.1	744.0	433.5	433.5
Grants to individuals, organizations and corporations to assist individuals to improve their employability and to promote employment opportunities by assisting local entrepreneurial development	2.3	1.3	7.2	7.2	0.6
Grants to voluntary sectors, professional organizations, universities and post-secondary institutions and to provincial and territorial governments for literacy	26.2	24.7	28.2	28.2	24.2
Grants to non-profit organizations for activities eligible for support through the Social development partnerships program	-	5.1	7.0	7.0	5.7
Grants to provide income support and other financial assistance to fishers and plant workers affected by the East Coast groundfish crisis	283.0	0.4	1.0	1.0	0.0
100 th Anniversary grant to Frontier College Learning Foundation for literacy programming	-	12.0	-	-	-
100 th Anniversary grant to Frontier College for literacy programming	-	3.0	-	-	-
Grants to voluntary organizations, municipal and regional governments, professional organizations and centres of excellence to support the implementation of innovative projects to further the integration of disabled persons	3.8	-	-	-	-
Grants to national voluntary social service organizations to assist with the operating costs of national offices	1.2	-	-	-	-
Grant to Canadian Policy Research Networks Inc.	9.0	-	-	-	-
	707.6	487.2	909.4	535.6	522.7
Labour					
(S) Merchant seamen compensation –					
Supplementary compensation to certain widows of merchant seamen	0.0	0.0	0.0	0.0	0.0
Canadian Joint Fire Prevention Publicity Committee	0.0	0.0	0.0	0.0	0.0
Fire Prevention Canada	0.0	0.0	0.0	0.0	0.0
To support activities which contribute to occupational safety and health program objectives	0.0	0.0	0.0	0.0	0.0
To support standards-writing associations	0.0	0.0	0.0	0.0	0.0
	0.1	0.1	0.1	0.1	0.1
Income Security					
(S) Old Age Security payments	17,563.8	18,089.1	18,746.0	18,839.8	18,839.8
(S) Guaranteed Income Supplement payments	4,834.7	4,933.9	5,064.0	5,031.1	5,031.1
(S) Allowance payments	382.9	391.5	390.0	387.6	387.6
	22,781.3	23,414.4	24,200.0	24,258.5	24,258.5
Total Grants	23,488.9	23,901.7	25,109.5	24,794.1	24,781.3

**FIGURE 5: STATUTORY AND NON-STATUTORY TRANSFER PAYMENTS BY SERVICE LINE
(CONTINUED)**

(millions of dollars)	1998-1999 Actual	1999-2000 Actual	2000-2001		
			Planned Spending	Total Authorities	Actual
Contributions					
Human Resources Investment					
Payments to provinces, territories, municipalities, other public bodies, organizations, groups, communities, employers and individuals for the provision of training and/or work experience, the mobilization of community resources, and human resource planning and adjustment measures necessary for the efficient functioning of the Canadian labour market	757.7	623.1	609.6	604.1	507.7
Employability assistance for people with disabilities – Payments to provincial and territorial governments, in accordance with bilateral agreements, for the provision of a range of measures to enhance the economic participation of working age adults with disabilities in the labour market by helping them to prepare for, attain and retain employment	189.0	189.2	192.0	192.0	189.2
Contributions to organizations, provinces, territories, municipalities, post-secondary institutions and individuals to encourage and support initiatives which will contribute to the development of a more results-oriented, accessible, relevant and accountable learning system	6.7	4.7	3.4	3.4	3.3
(S) The provision of funds for interest payments to lending institutions under the <i>Canada Student Loans Act</i>	3.6	1.7	34.8	1.4	1.4
(S) The provision of funds for liabilities including liabilities in the form of guaranteed loans under the <i>Canada Student Loans Act</i>	155.4	73.7	62.5	65.9	65.9
(S) Payments related to the direct financing arrangement under the <i>Canada Student Financial Assistance Act</i>	-	-	-	41.5	41.5
(S) The provision of funds for interest and other payments to lending institutions and liabilities under the <i>Canada Student Financial Assistance Act</i>	516.6	510.4	673.4	533.4	533.4
Contributions to non-profit organizations, community groups, educational institutions, professional associations, provincial/territorial government departments, and local, regional or national First Nations and Inuit non-profit organizations to support child care initiatives	41.5	13.9	46.2	5.2	4.4
Contributions to organizations, provinces, territories, municipalities, post-secondary institutions and individuals to encourage and support initiatives with respect to the development, application, use and diffusion of new learning and training technologies (Office of Learning Technology)	-	-	2.8	2.8	0.6
Homelessness – Contributions to provinces, territories, municipalities, other public bodies, organizations, community groups, employers and individuals to support activities to help alleviate and prevent homelessness across Canada ^a	-	-	120.0	75.0	24.2
Contributions to voluntary sectors, professional organizations, universities and post-secondary institutions and to provincial and territorial governments for literacy	4.1	4.9	-	4.0	4.0
(S) Payments to provinces and territories under the <i>Canada Assistance Plan (Act)</i> and the <i>Federal-Provincial Fiscal Arrangements Act</i>	8.1	56.1	-	-	-
Contributions to provincial and territorial government departments and agencies, municipal governments, business organizations, public health and educational institutions, aboriginal organizations including Indian band and tribal councils, and individuals to support new policy directions for social security reform and to test innovative approaches to make social programs more effective and financially sustainable	44.6	1.9	-	-	-
	1,727.3	1,479.5	1,744.7	1,528.8	1,375.6
Employment Insurance Income Benefits					
(S) Civil Service Insurance actuarial liability adjustment	0.3	0.2	-	0.2	0.2
Labour					
Labour-management partnerships program	1.4	1.2	1.6	1.6	0.7
Labour commission	0.9	0.9	2.2	1.2	1.1
	2.3	2.1	3.8	2.8	1.8
Total Contributions	1,729.9	1,481.9	1,748.5	1,531.8	1,377.6
Total Statutory and Non-Statutory Transfer Payments	25,218.9	25,383.6	26,858.0	26,326.0	26,158.9

a. Unspent homelessness program funds will be reprofiled to future years. This financial flexibility will help ensure that community groups have enough time to develop their plans to address homelessness, without the pressure of losing funding.

LOANS DISBURSED UNDER THE CANADA STUDENT FINANCIAL ASSISTANCE ACT

Amendments to the *Canada Student Financial Assistance Act* were introduced through the *Budget Implementation Bill, 2000*. The amendments provide the legislative authority to implement a direct financing scheme for the Canada Student Loans Program.⁶⁶ The specific amendments include authorization for the Government of Canada to enter into loan agreements directly with students, to enter into agreements for the administration of the loans with third party service providers and to enter into agreements for the disbursement of loans with financial institutions.

The \$1.8 billion in Total Authorities reflects the principle of the loans negotiated under the *Canada Student Financial Assistance Act* and the estimated value of direct loans issued to students beginning August 1, 2000.

FIGURE 6: LOANS DISBURSED UNDER THE CANADA STUDENT FINANCIAL ASSISTANCE ACT

(millions of dollars)	1998-1999 Actual	1999-2000 Actual	2000-2001		
			Planned Spending	Total Authorities	Actual
Human Resources Investment					
Loans disbursed under the <i>Canada Student Financial Assistance Act</i>	N/A	N/A	N/A	1,800.0	1,415.3
Total	N/A	N/A	N/A	1,800.0	1,415.3

N/A – not applicable

⁶⁶ For further information, see [page 92](#) for the Canada Student Loans Report.

Details on Transfer Payments

Human Resources Development Canada has a substantial number of transfer payment programs. These support individuals, communities, the private and voluntary sectors, labour, other orders of government and Aboriginal organizations in the achievement of shared human development goals. We are subject to the revised policy on Transfer Payments, which was introduced on June 1, 2000. That policy requires departments to report on those transfer payment programs that are worth at least \$5 million. In so doing, we are helping to demonstrate sound management of, control over and accountability for our transfer payments.

Consistent with this policy, we have developed descriptive material on each program funded from the Consolidated Revenue Fund (CRF), including stated objectives, results and outcomes and milestones for achievement. We have also prepared a table listing the active Terms and Conditions for transfer payments and a fact sheet for each program involving more than \$5 million.

Actual figures reflect program costs and exclude operating resources necessary to deliver the program.

NON-STATUTORY TRANSFER PAYMENTS BY SERVICE LINE (2000-2001 ACTUALS: \$765.7 MILLION (M))

Associated Programs (Terms and Conditions)	For more details, see Fact Sheet #
Human Resources Investment (HRI)	
Grants	
<i>Grants to individuals, organizations and corporations to assist individuals to improve their employability and to promote employment opportunities by assisting local entrepreneurial development</i> (Actuals: \$0.6M)	
<i>Grants to voluntary sectors, professional organizations, universities and post-secondary institutions and to provincial and territorial governments for literacy</i> (Actuals: \$24.2M)	
National Literacy Program	Fact Sheet 1
<i>Grants to non-profit organizations for activities eligible for support through the Social development partnerships program</i> (Actuals: \$5.7M)	
Social Development Partnerships Program	Fact Sheet 2

Associated Programs (Terms and Conditions)

**For more details,
see Fact Sheet #**

Contributions

Payments to provinces, territories, municipalities, other public bodies, organizations, groups, communities, employers and individuals for the provision of training and/or work experience, the mobilization of community resources, and human resource planning and adjustment measures necessary for the efficient functioning of the Canadian labour market (Actuals: \$507.7M)

Opportunities Fund for Persons with Disabilities	Fact Sheet 3
Aboriginal Human Resources Development Program	Fact Sheet 4
Canada Jobs Fund	Fact Sheet 5
Youth Employment Initiatives	Fact Sheet 6
Fisheries Employment Adjustment and Development	Fact Sheet 7
Social Development Partnerships Program	Fact Sheet 2

Employability assistance for people with disabilities – Payments to provincial and territorial governments, in accordance with bilateral agreements, for the provision of a range of measures to enhance the economic participation of working age adults with disabilities in the labour market by helping them to prepare for, attain and retain employment (Actuals: \$189.2M)

Canadian-Provincial/Territorial Employability Assistance for People with Disabilities	Fact Sheet 8
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Contributions to organizations, provinces, territories, municipalities, post-secondary institutions and individuals to encourage and support initiatives which will contribute to the development of a more results-oriented, accessible, relevant and accountable learning system (Actuals: \$3.3M)

Contributions to non-profit organizations, community groups, educational institutions, professional associations, provincial/territorial government departments, and local, regional or national First Nations and Inuit non-profit organizations to support child care initiatives (Actuals: \$4.4M)

Social Development Partnerships Program	Fact Sheet 2
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Contributions to organizations, provinces, territories, municipalities, post-secondary institutions and individuals to encourage and support initiatives with respect to the development, application, use and diffusion of new learning and training technologies (Office of Learning Technology) (Actuals: \$0.6M)

Homelessness – Contributions to provinces, territories, municipalities, other public bodies, organizations, community groups, employers and individuals to support activities to help alleviate and prevent homelessness across Canada (Actuals: \$24.2M)

Homelessness (Supporting Communities Partnership Initiative); Youth (Homelessness); Urban Aboriginal Strategy (Homelessness)	Fact Sheet 9
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Contributions to voluntary sectors, professional organizations, universities and post-secondary institutions and to provincial and territorial governments for literacy (Actuals: \$4.0M)

National Literacy Program	Fact Sheet 1
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Associated Programs (Terms and Conditions)

**For more details,
see Fact Sheet #**

Labour

Grants

Canadian Joint Fire Prevention Publicity Committee (Actuals: \$0.0M)

Fire Prevention Canada (Actuals: \$0.0M)

*To support activities which contribute to Occupational safety and health
program objectives (Actuals: \$0.0M)*

To support Standards-writing associations (Actuals: \$0.0M)

Contributions

Labour-management partnerships program (Actuals: \$0.7M)

Labour commission (Actuals: \$1.1M)

**FACT SHEET # 1: NATIONAL LITERACY PROGRAM
(2000-2001 ACTUALS: \$28.2M)**

Objectives	<p>Provides financial (and technical) assistance for activities designed to achieve one or another of the following overall objectives:</p> <ul style="list-style-type: none"> a) enable increased understanding of literacy issues through promotion and public awareness; b) foster coordination and information-sharing among all literacy-related organizations; c) enhance outreach measures and access activities for community and workplace literacy programming; d) support the development and exchange of learning materials, methods and programs; e) stimulate applied research and development initiatives which address the needs of literacy practice and practitioners; f) encourage innovative developments and solutions in literacy programming through community, labour or private sector demonstration projects; g) develop the capacity of major organizations and institutions involved in literacy to represent and advocate for literacy.
Results and Outcomes	<p>A country more aware of the need to focus on literacy. More partners across Canada that include literacy on their agenda.</p>
Milestones for Achievement:	
→ Renewal Date	March 31, 2005
→ Evaluation Performed	1995: Formative Evaluation
→ Evaluation Scheduled	2002-2003: Evaluation of HRDC as a learning organization

**FACT SHEET # 2: SOCIAL DEVELOPMENT PARTNERSHIPS PROGRAM*
(2000-2001 ACTUALS: \$22.3M)**

Objectives	A research and development program that supports activities of the social non-profit sector in line with HRDC's mandate. These activities identify, develop and promote nationally significant best practices and models of service delivery and build community capacity to meet the social development needs and aspirations of populations who are or may be at-risk. These objectives will be achieved through a review and accountability framework, in partnership with the voluntary sector.
Results and Outcomes	Qualitative results in the following areas: <ul style="list-style-type: none"> ♦ increased research from a national perspective on key issues, models and practices in social development; ♦ increased capacity in the voluntary sector; ♦ increased opportunity for Canadians to become involved in their communities through voluntary organizations; and ♦ increased community support and reduced barriers for Canadians with intellectual and/or physical disabilities.
Milestones for Achievement:	
→ Renewal Date	March 31, 2005
→ Evaluation Performed	None to date
→ Evaluation Scheduled	2001: Formative Evaluation

* Include all programs using Social Development Partnerships Program (SDPP) terms and conditions, these are: Voluntary Sector Initiative, some of Child Care Visions, some of the Federal Disability initiatives, and SDPP.

**FACT SHEET # 3: OPPORTUNITIES FUND FOR PERSONS WITH
DISABILITIES
(2000-2001 ACTUALS: \$20.6M)**

Objectives	To assist persons with disabilities in preparing for, obtaining and keeping employment, or becoming self-employed, thereby increasing their economic participation and independence. The objective will be achieved by working in partnership with non-government organizations representing persons with disabilities, the private sector and provincial governments in using innovative approaches that demonstrate best practices to promoting the economic integration of persons with disabilities.
Results and Outcomes	Assisted 4,186 clients, 1,971 found work.
Milestones for Achievement:	
→ Renewal Date	March 31, 2002
→ Evaluation Performed	1998: Formative Evaluation
→ Evaluation Scheduled	2001: Summative Evaluation

**FACT SHEET # 4: ABORIGINAL HUMAN RESOURCES DEVELOPMENT
PROGRAM (AHRDP)
(2000-2001 ACTUALS: \$239.3M)**

Objectives	<p>To support Aboriginal organizations to develop and implement labour market, youth and child care programs that are designed to address the local and regional needs of Aboriginal people.</p> <p>This programming will:</p> <ul style="list-style-type: none"> a) assist Aboriginal individuals to prepare for, obtain and maintain employment, thereby resulting in savings to income support programs; b) assist Aboriginal youth (a person normally from 15 to 30 years of age) in preparing for, obtaining and maintaining employment and in making a successful transition into the labour market, thereby resulting in increased employment; and c) increase the supply of quality child care services in First Nations and Inuit communities, thereby raising the availability of distinct and diverse services in these communities to a level comparable to that of the general population.
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Results and Outcomes*	Assisted 35,502 Aboriginal clients, of whom 11,944 became employed or self-employed.
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Milestones for Achievement:

→ Renewal Date	March 31, 2004
→ Evaluation Performed	None to date
→ Evaluations Scheduled	Midterm formative evaluation to be completed by March 2001 Final Evaluation to be completed by March 2004. Evaluation to include primarily summative elements with minor formative explorations.

* These results and outcomes are based on total program funding through the Consolidated Revenue Fund (CRF) and EI Part II. Specific results derived from the CRF funding only are unavailable.

**FACT SHEET # 5: CANADA JOBS FUND (CJF)
(2000-2001 ACTUALS: \$31.8M)**

Objective	To create long term sustainable jobs for individuals in high unemployment areas and to strengthen the capacity of communities to become self-reliant. The objective will be achieved by working in collaboration with partners such as the provinces/territories, regional economic development agencies, other federal government departments, community partners and the private sector in a manner that respects local and regional priorities.
Results and Outcomes	Jobs anticipated being created in 2000-2001: 6,136
Milestones for Achievement:	
→ Renewal Date	Program closed down (except for existing financial commitments)
→ Evaluation Performed	1998 Transitional Jobs Fund (TJF): Formative Evaluation
→ Evaluation Scheduled	None scheduled

**FACT SHEET # 6: YOUTH EMPLOYMENT INITIATIVES
(2000-2001 ACTUALS: \$189.1M)**

Objective	To assist youth in preparing for, obtaining and maintaining employment, and in making a successful transition into the labour market, thereby resulting in increased employment.	
Results and Outcomes	76,664 youth and students obtained work experience of whom 49,854 were students who participated in Summer Career Placements (SCP). The balance (26,810) were youth who participated in work experience programs such as Youth Internship Canada (YIC), Youth International (YI) and Youth Service Canada (YSC). The actual results were 7,942 who found work and 48,087 who returned to school.*	
Milestones for Achievement:		
→ Renewal Date	March 31, 2005	
→ Evaluations Performed	1997:	Summer Career Placements Summative Evaluation
	1998-1999:	Youth Service Canada Summative Evaluation Youth Employment Strategy: A Formative Evaluation of Youth Internship Canada and Other HRDC Youth Initiatives Interdepartmental Evaluation of the Youth Employment Strategy (YES)
	2000-2001:	Youth Service Canada Evaluation (Longitudinal Study) Summative Evaluation of HRDC's Youth Internship Programs under the Youth Employment Strategy YES Interdepartmental Evaluation Phase I
→ Evaluations Scheduled	2001-2002:	Youth Internship Program Evaluation Phases II and III YES Interdepartmental Evaluation Phase II (Consolidates YES with other federal youth programs)

* This result incorporates students who have returned to school following a summer work experience provided through SCP. Based on SCP follow-up assessments, 94% of youth returned to school following an intervention.

**FACT SHEET # 7: FISHERIES EMPLOYMENT ADJUSTMENT AND DEVELOPMENT
(2000-2001 ACTUALS: \$6.4M)**

Objectives	<ol style="list-style-type: none"> 1) To assist individuals to prepare for, obtain and maintain employment. In so doing, a return on investment will be achieved through a reduction in dependency on government assistance and additional tax revenues through increased employment. 2) The following Measures are established in support of this objective: <ol style="list-style-type: none"> a) wage subsidies encourage employers to hire individuals who they would not normally hire in the absence of a subsidy; b) self-employment helps individuals to create jobs for themselves by starting a business; c) job creation supports community employment development (outside of the fishery) that provides individuals with opportunities through which they can gain work experience which leads to on-going employment; d) skills development helps individuals to obtain skills for employment, ranging from basic to advanced skills through direct assistance to individuals; and e) mobility assistance provides financial assistance to individual workers or groups of workers in order to facilitate their permanent relocation from the area of their residence to areas where they can find work; or the costs associated with the reach for new employment and of finding suitable housing once new employment is secured. 						
Results and Outcomes	<p>Target: 765 clients employed. Actual: 832 clients employed.</p>						
Milestones for Achievement:	<table border="0"> <tr> <td data-bbox="235 1360 544 1392">→ Renewal Date</td> <td data-bbox="621 1360 792 1392">Not applicable</td> </tr> <tr> <td data-bbox="235 1402 544 1434">→ Evaluation Performed</td> <td data-bbox="621 1402 776 1434">None to date</td> </tr> <tr> <td data-bbox="235 1444 544 1476">→ Evaluation Scheduled</td> <td data-bbox="621 1444 1336 1497">2001-2002: Summative evaluation of Fisheries Restructuring and Adjustment Program.</td> </tr> </table>	→ Renewal Date	Not applicable	→ Evaluation Performed	None to date	→ Evaluation Scheduled	2001-2002: Summative evaluation of Fisheries Restructuring and Adjustment Program.
→ Renewal Date	Not applicable						
→ Evaluation Performed	None to date						
→ Evaluation Scheduled	2001-2002: Summative evaluation of Fisheries Restructuring and Adjustment Program.						

**FACT SHEET # 8: CANADIAN-PROVINCIAL/TERRITORIAL
EMPLOYABILITY ASSISTANCE FOR PEOPLE WITH
DISABILITIES (EAPD)
(2000-2001 ACTUALS: \$189.2M)**

Objective	To provide funding to provinces and territories for a range of measures to enhance the economic participation of working age adults with disabilities in the labour market by helping them prepare for, attain and retain employment.
Results and Outcomes	The key outcome commitment is to help people with disabilities prepare for, attain and retain employment. EAPD emphasizes accountability and the federal/provincial governments jointly developed the results indicators. Data on outcomes will not be available until the national report is published in fall 2001.
Milestones for Achievement:	
→ Renewal Date	March 31, 2005
→ Evaluations Performed	1999-2000: Evaluability Assessment 2000-2001: Initial work on Longitudinal Study and Promising Practices
→ Evaluations Scheduled	2001-2002: Bilateral Studies with Provinces 2002-2003: Bilateral Studies with Provinces

FACT SHEET # 9: HOMELESSNESS (SUPPORTING COMMUNITIES PARTNERSHIP INITIATIVE); YOUTH (HOMELESSNESS); URBAN ABORIGINAL STRATEGY (HOMELESSNESS) (2000-2001 ACTUALS: \$24.2M)

Objectives	<ol style="list-style-type: none"> (1) to ensure that no individuals are involuntarily on the street by ensuring that sufficient shelters and adequate support systems are available; (2) to reduce significantly the number of individuals requiring emergency shelters and transition and supportive housing (through, for example, health services, low cost housing, discharge planning, early intervention, prevention initiatives); (3) to help individuals move from homelessness through to self-sufficiency, where possible; (4) to help communities strengthen their capacity to address the needs of their homeless population; and (5) to improve the social, health and economic well-being of people who are homeless.
Results and Outcomes	<ul style="list-style-type: none"> ♦ New/strengthened partnerships and networks ♦ Improved sharing of lessons learned and increased awareness of the planning process and projects ♦ New/enhanced skills/knowledge within structures ♦ New/enhanced assessment of local need and gaps ♦ Development of community plan assessing needs, identifying gaps and setting priorities ♦ Projects addressing priorities (including urgent needs projects) ♦ Projects addressing research of local issues
Milestones for Achievement:	
→ Renewal Date	Program to end on March 31, 2003
→ Audit Performed	November 2000 – March 2001: Audit to assess the effectiveness of the program management structure, management processes and associated management controls.
→ Audit Scheduled	July – October 2001: Audit to assess all systems of delivery, control and payment related to the contribution program and all operations and processes related to it.
→ Evaluation performed	None
→ Evaluation scheduled	2001-2002 and 2002-2003: Formative evaluation, case studies and community studies.

Canada Student Loans Program

The most significant event in the Canada Student Loans Program (CSLP) during 2000-2001 was the shift from the risk-shared financing arrangements that had been in place with financial institutions between 1995 and July 2000 to a direct student loan financing plan in August 2000.⁶⁷

This meant that we had to redesign the delivery mechanism in order to directly finance student loans. In the new arrangement, the Government of Canada provides the necessary funding to students and two service providers have contracts to administer and manage the loans.

It also meant that we had to use interim arrangements in order to ensure uninterrupted delivery of federal student financial assistance until the Direct Loans program could be fully implemented. To do that, we entered into interim contracts with the former risk-shared loan lenders to disburse full-time Direct Loans on the Government's behalf. These contracts ended February 28, 2001.

Reporting Entity

The entity detailed in this report is the Canada Student Loans Program only and does not include departmental operations related to the delivery of the CSLP. Expenditures in the figures are primarily statutory in nature, made under the authority of the *Canada Student Loans Act* and the *Canada Student Financial Assistance Act*.

Basis of Accounting

The financial figures are prepared in accordance with accounting policies and concepts generally accepted in Canada and as reflected in the *Public Sector Accounting Handbook* of the Canadian Institute of Chartered Accountants.

Specific Accounting Policies

➤ Revenues

CSLP has two sources of revenue: interest earned on Direct Loans; and recoveries on Guaranteed Loans and Direct Loans. Government accounting practices require that revenue from both sources be credited to the Government's Consolidated Revenue Fund. They do not appear along with the expenditures in the CSLP accounts, but are reported separately in the financial statements of Human Resources Development Canada and the Government.

⁶⁷ More information on the Canada Student Loans Program is available at http://www.hrdc-drhc.gc.ca/student_loans/

- ◆ **Interest Earned on Direct Loans** – Student borrowers are required to pay simple interest on their student loans once they leave full-time studies. At the time they leave school, students have the option of selecting a variable (prime + 2.5%) or fixed (prime + 5%) interest rate. The amounts in the figures represent the interest accrued on the outstanding balance of the Government-owned Direct Loans only; borrowers continue to pay the interest accruing on the guaranteed and risk-shared loans directly to the private lender holding these loans.
- ◆ **Recoveries on Direct Loans** – The amounts in the figures represent the recovery of principal and interest on these direct loans.
- ◆ **Recoveries on Guaranteed Loans** – The Government reimburses the private lenders for any loans issued prior to August 1, 1995 that go into default (i.e., lenders claim any amount of principal and interest not repaid in full, after which HRDC will attempt to recover these amounts). The amounts in the figures represent the recovery of principal and interest on these defaulted guaranteed loans.

➤ **Canada Study Grants**

Canada Study Grants improve access to post-secondary education. Four grant programs assist: (1) students with permanent disabilities in order to meet disability-related educational expenses (up to \$5,000 annually); (2) students with dependents (up to \$3,120 annually); (3) high-need part-time students with educational expenses (up to \$1,200 annually); and (4) women in certain fields of Ph.D. studies (up to \$3,000 annually for up to three years).

➤ **Interest Borrowing Expense**

The capital needed to issue the Direct Loans is raised through the Department of Finance's general financing activities. The cost of borrowing this capital is recorded in the Department of Finance's overall financing operations. The amounts in the figures represent the cost attributed to CSLP in support of Direct Loans.

➤ **Collection Costs**

These amounts represent the cost of using private collection agencies to collect defaulted Canada Student Loans. The loans being collected include: guaranteed loans issued prior to July 31, 1995 that have gone into default and for which the Government has reimbursed the private lender; and Direct Loans issued after July 31, 2000, that are returned to the Department by the third party service provider as having defaulted. In accordance with HRDC accounting practices, collection costs are charged to a central departmental account and do not appear among the other CSLP expenditures.

➤ **Interim Arrangements**

As noted in the introduction to this section, interim contracts were entered into with the former risk-shared loan lenders to disburse full-time Direct Loans on the Government's behalf until February 28, 2001. At that time, the Government reimbursed the lenders 85% of the loan principal they had advanced during the interim period. The remaining 15% will be reimbursed to the lenders with possible

adjustments upon completion of a full audit of the supporting documentation. These contracts also called for remuneration in the form of transaction fees and the interest on funds advanced on behalf of the Government. Another contract was entered into with Canada Post for the delivery of part-time Direct Loans. The Interest Cost to Financial Institutions (Interim) and Transition fees to Financial Institutions (Interim) items identify the cost of these interim arrangements.

- ◆ Interest Cost to Financial Institutions (Interim) – This expense represents the interest costs, calculated at prime, paid by CSLP on a monthly basis to the lending institutions on the outstanding advances made to full-time students with Direct Loans.
- ◆ Transition Fees to Financial Institutions (Interim) – This expense represents the cost of transaction fees paid by CSLP during the interim period for each fully completed full-time loan made to the student by the participating lending institutions. Transition fees also include payments made to Canada Post for each fully completed part-time loan made during the interim period. The cost is calculated on the basis of certificates of eligibility negotiated by the student.

➤ **Service Bureau Costs**

Beginning March 1, 2001, CSLP uses third party service providers to administer Direct Loans disbursement, in-study loan management and post-studies repayment activities. This item represents the cost associated with these contracted services.

➤ **Risk Premium**

Risk premium represents part of the remuneration offered to lending institutions participating in the risk-shared program from August 1, 1995 to July 31, 2000. The risk premium was 5% of the value of loans being consolidated (normally the value of loans issued to students), being calculated and paid at the time students leave studies and go into repayment. In return, the lenders assumed all risk associated with non-repayment of these loans.

➤ **Put-back**

Subject to the provisions of the contracts with lending institutions, the Government will purchase from a lender the student loans that are in default of payment for at least twelve months and that, in aggregate, do not exceed 3% of the average monthly balance of the lender's outstanding student loans in repayments. The amount paid is set at 5% of the value of the loans in question.

➤ **Administrative Fees to Provinces and Territories**

Pursuant to the *Canada Student Financial Assistance Act (CSFA Act)*, the Government has entered into arrangements with participating provinces and Yukon to facilitate the administration of the CSLP. They administer the application and needs assessment activities associated with federal student assistance and in return they are paid an administrative fee.

➤ **In-Study Interest Subsidy**

A central feature of federal student assistance is that student borrowers are not required to pay the interest on their student loans as long as they are in study and, in the case of loans negotiated prior to August 1, 1993, for six months after the completion of studies. Under the guaranteed and risk-shared programs, the Government paid the interest to the lending institutions on behalf of the student. Under Direct Loans, the Government forgoes any interest on the loans while the student remains in studies. Because of this change in practice, no interest subsidy item for Direct Loans appears in the financial figures.

➤ **Interest Relief**

Assistance may be provided to cover loan interest for borrowers who have difficulty repaying their loans. The shift from Guaranteed and Risk-Shared Loans to Direct Loans did not alter interest relief for loans in distress from the borrower's perspective; however, the method of recording associated costs changed. For loans issued prior to August 1, 2000, CSLP compensates lending institutions for lost interest equal to the amount of loans under interest relief. For loans issued after August 1, 2000, the loans of borrowers receiving interest relief will not accrue interest.

➤ **Debt Reduction in Repayment**

Debt Reduction in Repayment (DRR) assists borrowers in severe financial hardship. DRR is a federal repayment assistance program through which the Government of Canada reduces a qualifying student's outstanding Canada Student Loans principal to an affordable amount after all other interest relief measures are exhausted. For loans issued prior to August 1, 2000, CSLP pays the lending institutions the amount of student debt principal reduced by the Government of Canada under DRR. Prior to the 2000-2001 fiscal year, expenditures and forecasts related to debt reduction and repayment have been included with interest relief. For loans issued after August 1, 2000, the Government of Canada forgives a portion of the loan principal. Because a student borrower cannot be eligible for DRR until they have exhausted Interest Relief (5 years), amounts presented in the financial tables are associated with loans negotiated prior to August 1, 2000.

➤ **Claims Paid and Loans Forgiven**

From the beginning of the program in 1964 up to July 31, 1995, the Government fully guaranteed all loans issued to students by private lenders. The Government reimburses private lenders for any of these loans that go into default (i.e., lenders claim any amount of principal and interest not repaid in full, after which HRDC will attempt to recover these amounts). The risk-shared arrangements also permitted loans issued from August 1, 1995 to July 31, 2000 to be guaranteed under specific circumstances. This item represents the costs associated with this loan guarantee.

Pursuant to the *Canada Student Loans Act* and the *Canada Student Financial Assistance Act*, the Government incurs the full amount of the unpaid principal plus accrued interest in the event of the death of the borrower or if the borrower becomes permanently disabled and cannot repay the loan without undue hardship.

➤ **Bad Debt Expense**

Under Direct Loans, the Government now owns the loans issued to students and must record them as assets. As a result, Generally Accepted Accounting Principles require a provision be made for potential future losses associated with these loans. The provision must be made in the year the loans are issued even though the losses may occur many years later. The expense item is calculated as a percentage of the value of loans issued in a year based on historical information. The provision pertains only to the Direct Loans portfolio. This expense item is incorporated into the Department of Finance's general financing operations. The amount presented here is the cost attributed to the CSLP.

➤ **Alternative Payments to Non-participating Provinces**

Payments to non-participating provinces are transfers to provinces and territories that choose not to participate in the CSLP. In return, these provinces and territories are entitled to alternative payments to assist in paying the cost of operating a similar program.

Commitments

As at March 31, 2001 the Department had the following commitments for Interim Arrangements with Lending Institutions contracts: \$85.9 million for the year 2000 and for Service Provider contracts: \$170.0 million for the year.

Measurement Uncertainty

The liability for \$1.8 billion in Canada Student Loans and Canada Study Grants in 2000-2001 is subject to measurement uncertainty. Measurement uncertainty exists when there is a variance between the recognized amount and another reasonably possible amount. The Department has made certain assumptions in the determination of the liability, such as the number of students applying for assistance and future interest, recovery and default rates. Actual amounts paid may vary significantly from the estimate.

FIGURE 1: CONSOLIDATED CANADA STUDENT LOANS PROGRAM – COMBINED PROGRAMS

(millions of dollars)	1998-1999	1999-2000	2000-2001	
	Actual	Actual	Forecast ^a	Preliminary
Revenues				
Interest earned on Direct Loans	0.0	0.0	0.0	0.1
Recoveries on Direct Loans	0.0	0.0	0.1	0.2
Recoveries on Guaranteed Loans	188.8	154.5	130.0	125.7
Total Revenues	188.8	154.5	130.1	126.0
Expenses				
<i>Transfer Payments</i>				
Canada Study Grants	108.8	103.0	120.1	56.6
Total Transfer Payments	108.8	103.0	120.1	56.6
<i>Loan Administration</i>				
Interest Borrowing Expense (Class A & B)	0.0	0.0	0.1	0.2
Collection Costs	24.9	19.3	14.9	16.8
Interim Arrangements				
- Interest Costs to Financial Institutions	0.0	0.0	61.8	41.5
- Transaction Fees to Financial Institutions	0.0	0.0	24.1	25.9
Service Bureau Costs	0.0	0.0	2.9	1.2
Risk Premium	75.5	81.8	84.5	88.1
Put-Back	0.5	1.6	2.1	2.1
Administrative Fees to Provinces and Territories	9.5	9.1	14.5	9.6
Total Loan Administration Expenses	110.4	111.7	204.9	185.4
<i>Cost of Government Support</i>				
<i>Benefits Provided to Students</i>				
In-Study Interest Subsidy	210.2	204.0	164.2	180.5
Interest Relief	58.5	82.6	94.9	107.4
Debt Reduction in Repayment	0.0	0.6	44.0	2.0
Claim Payments	152.2	70.7	71.0	62.9
Loans Forgiven	8.3	9.3	9.0	9.2
Bad Debt Expense	0.0	0.0	185.4	185.4
Total Cost of Government Support Expenses	429.3	367.2	568.5	547.4
Total Expenses	648.5	581.9	893.4	789.4
Net Statutory Operating Results	459.7	427.4	763.3	663.4
Payment to Non-Participating Provinces	160.9	126.1	138.3	138.9
Final Statutory Operating Results	620.5	553.4	901.6	802.3

a. Forecasts for 2000-2001 were reported in the 2001-2002 Report on Plans and Priorities.

FIGURE 2: CONSOLIDATED CANADA STUDENT LOANS PROGRAM – RISK SHARED AND GUARANTEED LOANS ONLY

(millions of dollars)	1998-1999	1999-2000	2000-2001	
	Actual	Actual	Forecast ^a	Preliminary
Revenues				
Recoveries on Guaranteed Loans	188.8	154.5	130.0	125.7
Total Revenues	188.8	154.5	130.0	125.7
Expenses				
<i>Transfer Payments</i>				
Canada Study Grants	108.8	103.0	0.0	0.0
Total Transfer Payments	108.8	103.0	0.0	0.0
<i>Loan Administration</i>				
Collection Costs	24.9	19.3	14.9	16.8
Risk Premium	75.5	81.8	84.5	88.1
Put-Back	0.5	1.6	2.1	2.1
Administrative Fees to Provinces and Territories	9.5	9.1	14.5	9.6
Total Loan Administration Expenses	110.4	111.7	116.0	116.6
<i>Cost of Government Support</i>				
<i>Benefits Provided to Students</i>				
In-Study Interest Subsidy	210.2	204.0	164.2	180.5
Interest Relief	58.5	82.6	94.9	107.4
Debt Reduction in Repayment	0.0	0.6	44.0	2.0
Claim Payments	152.2	70.7	71.0	62.9
Loans Forgiven	8.3	9.3	9.0	9.2
Total Cost of Government Support Expenses	429.3	367.2	383.1	362.0
Total Expenses	648.5	581.9	499.1	478.6
Net Statutory Operating Results	459.7	427.4	369.1	352.9
Payment to Non-Participating Provinces	160.9	126.1	138.3	138.9
Final Statutory Operating Results	620.5	553.4	507.4	491.8

a. Forecasts for 2000-2001 were reported in the 2001-2002 Report on Plans and Priorities.

FIGURE 3: CONSOLIDATED CANADA STUDENT LOANS PROGRAM – DIRECT LOANS ONLY

(millions of dollars)	1998-1999	1999-2000	2000-2001	
	Actual	Actual	Forecast ^a	Preliminary
Revenues				
Interest earned on Direct Loans	0.0	0.0	0.0	0.1
Recoveries on Direct Loans	0.0	0.0	0.1	0.2
Total Revenues	0.0	0.0	0.1	0.3
Expenses				
<i>Transfer Payments</i>				
Canada Study Grants	0.0	0.0	120.1	56.6
Total Transfer Payments	0.0	0.0	120.1	56.6
<i>Loan Administration</i>				
Interest Borrowing Expense (Class A & B)	0.0	0.0	0.1	0.2
Collection Costs	0.0	0.0	0.0	0.0
Interim Arrangements				
- Interest Costs to Financial Institutions	0.0	0.0	61.8	41.5
- Transaction Fees to Financial Institutions	0.0	0.0	24.1	25.9
Service Bureau Costs	0.0	0.0	2.9	1.2
Administrative Fees to Provinces and Territories	0.0	0.0	0.0	0.0
Total Loan Administration Expenses	0.0	0.0	88.9	68.8
<i>Cost of Government Support</i>				
<i>Benefits Provided to Students</i>				
Interest Relief	0.0	0.0	0.0	0.0
Bad Debt Expense	0.0	0.0	185.4	185.4
Total Cost of Government Support Expenses	0.0	0.0	185.4	185.4
Total Expenses	0.0	0.0	394.3	310.8
Net Statutory Operating Results	0.0	0.0	394.2	310.5
Payment to Non-Participating Provinces	0.0	0.0	0.0	0.0
Final Statutory Operating Results	0.0	0.0	394.2	310.5

a. Forecasts for 2000-2001 were reported in the 2001-2002 Report on Plans and Priorities.

Old Age Security

The Old Age Security program is one of the cornerstones of Canada's retirement income system. Benefits include the basic Old Age Security pension, the Guaranteed Income Supplement and the Allowance. The Old Age Security program is financed from Government of Canada general tax revenues.

The following tables present information on monthly benefits, beneficiaries and payments by province or territory.

FIGURE 1: SUMMARY OF MAXIMUM MONTHLY BENEFITS

(dollars)	Basic	Income Supplement		Allowance		
Fiscal Year	Pension	Single	Married	Regular	Extended	Increase
Monthly benefit by fiscal year						
2000-2001 Actuals						
January 1, 2001	431.36	512.65	333.92	765.28	844.88	0.6%
October 1, 2000	428.79	509.59	331.93	760.72	839.84	1.1%
July 1, 2000	424.12	504.05	328.32	752.44	830.70	0.9%
April 1, 2000	420.31	499.55	325.39	745.73	823.29	0.1%
2000-2001 Estimates						
January 1, 2001	428.15	331.43	508.83	759.59	838.60	0.5%
October 1, 2000	426.03	329.79	506.31	755.82	834.44	0.2%
July 1, 2000	425.29	239.22	505.43	754.50	832.98	0.0%
April 1, 2000	425.29	329.22	505.43	754.50	832.98	1.3%
1999-2000 Actuals						
January 1, 2000	419.92	499.05	325.06	744.98	822.47	0.6%
October 1, 1999	417.42	496.07	323.12	740.54	817.57	0.9%
July 1, 1999	413.70	491.65	320.24	733.94	810.28	0.6%
April 1, 1999	411.23	488.72	318.33	729.56	805.44	0.1%
Fiscal year averages (annual benefits)						
2000-2001 Actuals	5,113.74	6,077.52	3,958.68	9,072.51	10,016.13	2.5% ^a
2000-2001 Estimates	5,114.28	3,688.98	6,078.00	9,073.23	10,017.00	
1999-2000 Actuals	4,986.81	5,926.47	3,860.25	8,847.06	9,767.28	

a. Annual increase between 1999-2000 Actuals and 2000-2001 Actuals.

FIGURE 2: NUMBER OF PERSONS RECEIVING OLD AGE SECURITY BENEFITS, BY PROVINCE OR TERRITORY AND BY TYPE

Province or Territory	March 2000				March 2001			
	Old Age Security (OAS)	Guaranteed Income Supplement (GIS)	Allowance	GIS as % of OAS	Old Age Security (OAS)	Guaranteed Income Supplement (GIS)	Allowance	GIS as % of OAS
	Pension				Pension			
Newfoundland	62,622	42,574	4,441	67.99	63,480	42,577	4,399	67.07
Prince Edward Island	17,915	9,494	689	52.99	18,102	9,386	682	51.85
Nova Scotia	123,511	58,097	4,687	47.04	124,853	56,911	4,492	45.58
New Brunswick	97,048	51,254	4,173	52.81	98,348	50,818	4,198	51.67
Quebec	925,457	446,128	33,267	48.21	944,494	446,811	32,723	47.31
Ontario	1,388,280	380,979	25,289	27.44	1,417,264	378,640	24,205	26.72
Manitoba	154,102	59,640	3,869	38.70	154,740	58,404	3,762	37.74
Saskatchewan	145,943	59,833	3,878	41.00	145,997	58,309	3,728	39.94
Alberta	288,746	103,639	7,899	35.89	296,732	104,418	7,648	35.19
British Columbia	488,769	151,621	9,064	31.02	498,045	153,053	9,241	30.73
Yukon	1,671	629	38	37.64	1,700	601	43	35.35
Northwest Territories ^e	2,259	1,465	151	64.85	2,319	1,477	162	63.69
International ^b	58,850	9,965	176	16.93	62,387	9,760	123	15.64
TOTAL	3,755,173	1,375,318	97,621	36.62	3,828,461	1,371,165	95,406	35.82

a. Data for Nunavut are included.

b. Persons receiving Canadian Old Age Security benefits under International Agreements on Social Security.

FIGURE 3: OLD AGE SECURITY PAYMENTS, BY PROVINCE OR TERRITORY AND BY TYPE, FISCAL YEAR 2000-2001

(millions of dollars)	Old Age Security Pension	Guaranteed Income Supplement	Allowance	TOTAL
Newfoundland	323.5	152.4	20.5	496.5
Prince Edward Island	91.9	33.8	3.0	128.7
Nova Scotia	635.8	193.6	17.8	847.2
New Brunswick	500.5	176.1	18.4	694.9
Quebec	4,759.7	1,590.6	125.4	6,475.7
Ontario	6,997.1	1,425.3	97.2	8,519.6
Manitoba	781.2	207.4	16.1	1,004.8
Saskatchewan	747.4	203.4	16.5	967.3
Alberta	1,466.0	381.8	32.8	1,880.6
British Columbia	2,436.2	584.1	37.4	3,057.7
Yukon	8.6	2.2	0.2	11.0
Northwest Territories ^a	12.1	6.7	1.1	19.9
International ^b	80.0	73.6	1.0	154.6
TOTAL	18,839.8	5,031.1	387.6	24,258.5

a. Data for Nunavut are included.

b. Persons receiving Canadian Old Age Security benefits under International Agreements on Social Security.

Other Statutory Annual Reports

Noted below are other statutory annual reports that are consolidated in other segments of this report and/or in the Public Accounts of Canada.

Parts I and III of the *Canada Labour Code*

These are reported in the Labour segment of the Core Services Accomplishments section.

Civil Service Insurance Act

The complete annual Report is included in the *2001 Public Accounts of Canada*, Volume 1, Section 6.⁶⁸ It is also reported on in the Specified Purpose Accounts section of this report.

Government Annuities Act

The complete annual Report is included in the *2001 Public Accounts of Canada*, Volume 1, Section 6.⁶⁸ It is also reported on in the Specified Purpose Accounts section of this report.

⁶⁸ For further information, see <http://www.pwgsc.gc.ca/recgen/text/pubacc-e.html>

Social Union Framework Agreement

The accountability provisions of the Social Union Framework Agreement (SUFA) commit federal, provincial and territorial governments to increased transparency and accountability to Canadians. This commitment focuses on:

- ♦ achieving and measuring results of its social programs;
- ♦ involvement of Canadians in developing social priorities and reviewing outcomes; and
- ♦ ensuring fair and transparent practices.

In 2001, HRDC has continued working with Treasury Board Secretariat (TBS) to integrate SUFA accountability principles into our reporting to Parliament and Canadians. HRDC is one of the pilot departments working with TBS to document the federal government's involvement in SUFA initiatives. The main accountability components of the agreement have been documented and assessed through the completion of templates for several HRDC initiatives.⁶⁹

We continue to coordinate federal efforts to examine programs and services for consistency with the mobility provisions of SUFA. Significant progress has been made and it is expected that most regulated workers will be covered by agreements that facilitate mobility. Starting this year, the identification of barriers to mobility is also included as part of the TBS accountability exercise.⁷⁰

⁶⁹ The SUFA templates can be found on the following Treasury Board website:
http://www.tbs-sct.gc.ca/rma/account/sufa_e.asp

⁷⁰ For further information, see the Policy Accomplishments segment on [page 15](#) and the Human Resources Investment segment on [page 38](#).

Matériel Management, Procurement and Contracting

The mandate of Procurement, Contracting and Asset Management in HRDC is to provide life cycle materiel management services consistent with government policies and procedures. The entire matériel management function cycle is being reviewed to improve the effectiveness of asset, procurement and contracting functions.

Results achieved:

- ◆ We are implementing a re-organization of the matériel management structure to reflect HRDC business needs.
- ◆ The departmental inventory of assets valued at more than \$10,000 was compliant with the Financial Information System as of April 1, 2001.
- ◆ We created a Training and Development team to ensure that the departmental matériel management community has access to continuous learning and professional development training and tools in order to provide efficient and effective service to clients as well as delivering information and training sessions to its clientele.
- ◆ We are developing a new departmental matériel management policy. To implement that policy, we will introduce new processes, update existing staff training and support branches as they address the matériel management life cycle.

Sustainable Development Strategy

In 2000-2001, we continued to work towards our Sustainable Development Strategy (SDS) objectives, that were set out in 1997, while preparing for the tabling of our second strategy (SDS-II) in February of 2001.⁷¹

During 2000-2001, we completed the development of our Environmental Action Plan On-Line, a web-based tool that assists in setting national targets and tracks environmental performance at the regional and national level. HRDC made notable progress towards targets with respect to the green procurement and waste management objectives, achieving some and exceeding others. In addition, we took part in a new interdepartmental Social and Cultural Sustainable Development Working Group, to work on collaborative activities and discuss the social implications of sustainable development. Integrating sustainable development into our corporate culture continued to be a challenge, but one that we worked at through initiatives such as training sessions and awareness campaigns. The following are other performance results.

Key Objective 1: Green HRDC's internal operations and external service delivery	
Performance Measurement and Activities	Progress to Date and Corrective Action
Environmental Management System (EMS)	<ul style="list-style-type: none"> ♦ Revised procedures for the EMS manual to be implemented in Fall 2001.
Environmental Action Plan (EAP)	<ul style="list-style-type: none"> ♦ Completed the development of a EAP On-Line that sets national targets and tracks environmental performance. ♦ The EAP On-Line was implemented in HRDC's regions during summer 2000 and included training sessions and the distribution of reference materials.
Green Procurement	<ul style="list-style-type: none"> ♦ \$6.3 million of the total products and services purchased by HRDC in 2000-2001 were identified as green. ♦ The national target is to increase the amount of green procurement by 5% by March 31, 2002. ♦ \$5.5 million of products and services were purchased from Aboriginal businesses in 2000-2001, exceeding the target of \$1.75 million by March 31, 2001. ♦ Green procurement awareness/training was provided to selected regional procurement officers in November 2000.
Waste Management	<ul style="list-style-type: none"> ♦ Reduced amount of waste sent to landfill for disposal by 70.3% over 1988 baseline levels in NHQ, exceeding March 31, 2001 target of 50%. ♦ The national target is to reduce the amount of waste sent to landfill for disposal by 50% (over 1988 baseline levels) in all regions by March 31, 2002. ♦ Source reduction and materials re-use programs that can be adopted in all regions are to reach 25% of personnel by March 31, 2002.

⁷¹ The HRDC Sustainable Development Strategy is available at <http://www.hrdc-drhc.gc.ca/dept/sds/sds.shtml>

Performance Measurement and Activities	Progress to Date and Corrective Action
Water and Energy Conservation	<ul style="list-style-type: none"> ♦ Water and energy conservation awareness is included in HRDC's Green Challenge, a web-based tool for raising employee awareness of environmental issues. ♦ Awareness material is also readily available to all employees through EAP On-Line. ♦ The national target is to integrate water and energy conservation awareness into the general awareness program, and reach 10% of personnel by March 31, 2002.
Fleet Management	<ul style="list-style-type: none"> ♦ Evaluated all new vehicle purchases to determine feasibility of the use of alternative fuels. ♦ Five mono-fuel vehicles were purchased. ♦ We are developing a program to ensure that fleet vehicle users are maintaining vehicles in an environmentally sound manner by March 31, 2002.
Participation rates among staff in innovative "future of workplace" approaches	<ul style="list-style-type: none"> ♦ Approximately 30% of all employees are working either part-time, variable hours or on telework arrangements. ♦ Treasury Board Secretariat issued its permanent Telework Policy in 2000. HRDC is working on an integrated approach for its implementation for the fiscal year 2001-2002.
Increased environmental benefits in its service delivery	<ul style="list-style-type: none"> ♦ 84% of Old Age Security, 80% of Canada Pension Plan and over 50% of Employment Insurance (EI) payments were direct deposit. ♦ More than 70% of EI claims were processed electronically. ♦ We displayed 536,317 jobs electronically on our National Job Bank and attracted 32 million user sessions by work seekers. ♦ The Electronic Labour Exchange had approximately 627,869 work seeker user sessions. ♦ Youth employment initiatives 1-800 line received 44,086 calls and the on-line Youth Resource Network of Canada received 882,415 visits. ♦ There are on-going applications of the <i>Canadian Environmental Assessment Act</i> where all funding decisions must consider environmental impacts.
Levels of compliance with Part II of <i>Canada Labour Code</i>	<ul style="list-style-type: none"> ♦ We resolved 98% of non-compliance situations (excluding situations of danger) voluntarily.

Key Objective 2: Consider sustainable development in policies and programs	
Performance Measurement and Activities	Progress to Date and Corrective Action
Improved analysis of environmental implications	<ul style="list-style-type: none"> ♦ Where appropriate, we are continuing to incorporate reviews of environmental implications into ongoing policy analysis.
Incorporation of Sustainable Development (SD) objectives and criteria	<ul style="list-style-type: none"> ♦ We are continuing to incorporate sustainable development perspectives into our work on community capacity building and development.
Greater sharing of information on social dimensions	<ul style="list-style-type: none"> ♦ With other social policy departments, we formed the Social and Cultural Sustainable Development Working Group; prepared a workplan for collaborative activities; and are discussing social implications of SD.
Participation in Inter-departmental Network on SDS (INSDS) horizontal theme activity in the preparation of HRDC SDS-II	<ul style="list-style-type: none"> ♦ We continue to participate with other departments in horizontal themes relating to HRDC's mandate in preparing for and implementation of SDS-I and II (Social and Cultural Dimensions of SD; Sustainable Communities; Knowledge and Information for SD; SD and Healthy Canadians).

Key Objective 3: Build sustainable development into HRDC's corporate culture	
Performance Measurement and Activities	Progress to Date and Corrective Action
Success stories and awareness	<ul style="list-style-type: none"> ♦ The revision of the Environmental Management System website includes the addition of a link for best practices and facilitates greater sharing of information. ♦ Awareness and training on HRDC's SDS and EAP On-Line was provided to all RHQ environmental co-ordinators and managers in summer 2000. ♦ SDS awareness was provided at the Ontario Region Administration forum in October 2000.
Environment Week	<ul style="list-style-type: none"> ♦ HRDC celebrated, in June 2000, the Environment Week with an information booth, green tips, participation in the nation-wide commuter challenge, a tree sale by Tree Canada along with other environmentally conscious activities.
Awareness activities	<ul style="list-style-type: none"> ♦ Continued development of the Green Challenge awareness package, which is an interactive tool designed to promote greater environmental awareness within HRDC's corporate culture. To be distributed to regions in fall 2001.

Regulatory Initiatives

Income Security

Purpose of legislative or regulatory initiative	Expected results	Performance measurement criteria	Results achieved
<p>Modernizing benefits: the purpose of the amendments to the legislation is to extend the same benefits and obligations under the Canada Pension Plan (CPP) and <i>Regulations</i> and the <i>Old Age Security (OAS) Act</i> and <i>Regulations</i> to same-sex common-law partners.</p>	<p>The legislative amendments expand coverage under the CPP and <i>OAS Act</i> to same-sex common-law partners on the same basis as opposite-sex partners. The amendments to the CPP and <i>OAS Regulations</i> will ensure that the regulations are consistent with the revised legislation.</p>	<p>Amendment of the CPP and the <i>OAS Act</i> by Parliament to expand coverage to same-sex common-law partners. CPP and <i>OAS Regulations</i> to be amended to ensure consistency with the Canada Pension Plan and the <i>Old Age Security Act</i>.</p>	<p>Effective July 31, 2000 the CPP and the <i>OAS Act</i> were amended by Parliament to extend benefits to same-sex partners.</p> <p>Approximately 300 people now receive benefits under these amendments. The CPP and <i>OAS Regulations</i> were amended effective November 30, 2000.</p> <p>The <i>Regulations</i> are now consistent with the revised Canada Pension Plan and <i>Old Age Security Act</i>.</p>

Employment Insurance Income Benefits

Purpose of legislative or regulatory initiative	Expected results	Performance measurement criteria	Results achieved
Parental benefits: Amendments to the <i>EI (Fishing) Regulations</i> to complete the implementation of the extension of parental benefits provided under the <i>Employment Insurance (EI) Act</i> .	<i>EI (Fishing) Regulations</i> amendments to extend the enhanced parental benefits to self-employed fishers.	Implementation of regulatory amendments.	Regulatory changes published in the <i>Canada Gazette</i> , Part II on February 14, 2001 (SOR 2001-74).
Regional Boundaries: EI regulations pertaining to the economic regions used to determine entrance requirements and claim duration.	Realignment of the economic regions to 58 regions.	Implementation of regulatory amendments.	Regulatory changes published in the <i>Canada Gazette</i> , Part II on September 27, 2000 (SOR 2000-355).
Modernization: The <i>Employment Insurance (EI) Act and Regulations</i> in order to provide comparable benefits to same-sex common law partners as are presently accessible by opposite-sex common law partners, without changing the present definition of marriage.	Same-sex couples will be paid EI benefits for adoption as for opposite-sex couples. Limited benefits outside Canada will be provided to accompany a member of a claimant's immediate family for medical treatment outside Canada.	Implementation of regulatory amendments.	Regulatory changes pre-published in the <i>Canada Gazette</i> , Part I on April 28, 2001. Regulatory changes published in the <i>Canada Gazette</i> , Part II on August 15, 2001 (SOR 2001-290).

Human Resources Investment

CANADA STUDENT FINANCIAL ASSISTANCE REGULATIONS (CSFAR), CANADA STUDENT LOAN REGULATIONS (CSLR).			
Purpose of legislative or regulatory initiative	Expected results	Performance measurement criteria	Results achieved
Harmonization: Amendments to CSFAR and CSLR as necessary to implement harmonization agreements with provinces.	Implementing harmonization will result in less duplication and increased efficiency in the delivery of loans to student borrowers.	A decrease in the amount of time spent processing student loans, and improved service to borrowers through simplification of services.	Although several amendments may be necessary, the first will be a harmonization of the period allowed for students to submit confirmation of enrolment, to maintain interest free status. Implementation is expected in August 2002. Amendments will be evaluated in subsequent Summative Evaluations.
Modernizing Benefits: Amendments to CSFAR and CSLR provide for equal treatment of common-law and same-sex partners in the Canada Student Loans Program, pursuant to the <i>Modernization of Benefits and Obligations Act</i> .	The outcome will be to harmonize the Canada Student Loans Program with other federal government programs. No major impact expected as a result of these amendments. Where the spouse's income is referred to, it will now include the income of the common-law and same-sex partners.	This initiative is part of a government-wide initiative to amend all regulations and legislation to modernize benefits.	15 day pre-publication approved by Special Committee in Council (SCC), and held from May 16 to June 4, 2001. No comments were received. CSLP Modernizing Benefits Regulations received final approval by SCC on June 13, 2001, and were implemented on August 1, 2001.
Gratuitous Payments (Debt Reduction in Repayment): Amendments to CSFAR and CSLR to make Debt Reduction in Repayment (DRR) more accessible and effective.	Increased availability of DRR will increase the uptake of student borrowers and result in lower default rates.	Increased accessibility of DRR to more borrowers. A reduction in debt levels for students with financial difficulties.	Initial consultations with stakeholders and provinces have been favourable. The Department of Finance is reviewing the proposal with an implementation date to be determined.

Labour

Purpose of legislative or regulatory initiative	Expected results	Performance measurement criteria	Results achieved
<p>Part II (<i>Building Safety</i>) of the <i>Canada Occupational Safety and Health Regulations</i> – Modernize and expand the regulations governing safety and health requirements for working conditions in and around buildings, grain handling facilities, antennas, towers and antenna-supported structures.</p>	<p>Reduction or elimination of accidental injuries and fatalities to employees related to the working conditions in and around buildings, grain handling facilities, antennas, towers and antenna-supported structures.</p>	<p>A decline in the incidence rate applicable to injuries and fatalities where a fall from a vehicle or a mobile structure is reported as the primary cause of the accident. The statistics will be compiled from Hazardous Occurrence Investigation Report (HOIR) forms submitted by employers as prescribed by regulation.</p>	<p>Regulation came into force on September 28, 2000.</p>
<p><i>Safety Materials, Equipment, Devices and Clothing</i> of the <i>Canada Occupational Safety and Health (COSH) Regulations</i> – (COSH Part XII – <i>Fall-Protection Systems</i>).</p> <p>Amend regulations to provide protection to workers who must climb onto the top of truck tanks, flatbeds, aircraft wings, rail cars and other mobile equipment.</p> <p>Update the COSH – Part XII Regulations to ensure that employees working on vehicles and other mobile structures benefit from the same degree of protection against falls as all other workers subjected to Part II of the <i>Canada Labour Code</i>.</p>	<p>Reduction or elimination of accidental injuries and fatalities to employees working on vehicles or mobile equipment at heights greater than 2.4 meters.</p>	<p>A decline in the incidence rate applicable to injuries and fatalities where a fall from a vehicle or a mobile structure is reported as the primary cause of the accident. The statistics will be compiled from Hazardous Occurrence Investigation Report (HOIR) forms submitted by employers as prescribed by regulation.</p>	<p>Regulation to come into force early 2002.</p>

Modern Comptrollership

In the contemporary public service climate, managers are expected to achieve a range of objectives and balance a range of priorities. HRDC's modern comptrollership process has been implemented to assist managers in building the skills and understanding necessary to improve management practices. Doing so includes dealing with issues such as risk management, effective and efficient result achievement and the need to demonstrate values and ethics. This work was a continuing priority in 2000-2001.

As a result of HRDC's focus to improve management practices, we developed an integrated risk management framework and built corporate risk assessments in conjunction with managers throughout the organization to help managers understand and mitigate their operational risks. We also created a one-day risk management course to help managers increase their understanding of the importance of systematic approaches to risk management in everyday decision-making.

To reinforce accountability for improved management, many of HRDC's Executive Management Performance Agreements now include the implementation of modern comptrollership among ongoing and key commitments. We also began to revise HRDC's customized leadership competencies to include comptrollership competencies that will help managers and staff understand, exercise and be held accountable for results achieved. We initiated revisions to our corporate planning process that will better link priority setting to resource allocations and the corporate mission, strategies and plans.

Our creation of a *Values and Ethics Handbook* has promoted extensive discussion on these issues. This was reinforced by our creation of an internal website that uses hypothetical case studies of workplace dilemmas to promote more consistent application of values-based decision-making.

Other details are provided on page 63 of this report.

Evaluations and Audits

HRDC is committed to ensuring that it gets the best possible results from its programs, services and operations and that it does so with full attention to effectiveness and efficiency. One way we assess impacts is through evaluations of our programs, services and policies. Evaluations of programs examine all elements of a program ranging from the structure of the organization delivering the program and its functions, procedures and policies to the achievements of the program. Policy evaluation provides a review of policy results and a judgement on the impact and effects.

Because of our Canada-wide policy leadership role, we complement those evaluations by undertaking analysis and supporting research into broad “lessons learned” on major social and labour market issues. These enable all governments in Canada, as well as groups that are interested in these issues, to learn from the best of Canadian and international experience and research.

We also conduct audits and provide consulting and advice services. In combination, these services provide the Deputy Minister with assurance on key aspects of the Department’s risk management strategies, control framework and practices and information used for decision-making and reporting.

The chart below includes evaluation studies, audits and reviews published in 2000-2001 and organized by departmental strategic outcomes.⁷²

To provide Canadians with:	As demonstrated by the findings of the following:
<p>Income Security for seniors, persons with disabilities and their children, survivors and migrants</p>	<p>Audit:</p> <ul style="list-style-type: none"> ♦ Consolidated Statement of Administrative Costs Charged to the Canada Pension Plan Account – Year Ended March 31, 2000
<p>The opportunity to fully participate in the workplace and community</p>	<p>Evaluations:</p> <ul style="list-style-type: none"> ♦ Summative Evaluation of Ontario JobLink Resource Centres ♦ Formative Evaluation of the Institute of Indigenous Government – British Columbia ♦ Formative Evaluation of Manitoba’s “Taking Charge!” ♦ Interim Evaluation of Success Nova Scotia 2000 ♦ Summative Evaluation of Labour Market Information – Saskatchewan ♦ Summative Evaluation of Work/Study – Saskatchewan ♦ Summative Evaluation of Career Services – Saskatchewan ♦ The Effects of the Shift to an Hours-Based Entrance Requirement ♦ The Impact of Employment Insurance on Those Working Less than 15 Hours Per Week ♦ The Impact of Employment Insurance on New-Entrants and Re-Entrants Workers

⁷² Recent evaluations and special studies are posted at <http://www11.hrdc-drhc.gc.ca/>
Recent audits are posted at <http://www.hrdc-drhc.gc.ca/fas-sfa/iab-bvi/menu/toc.shtml>

To provide Canadians with:	As demonstrated by the findings of the following:
	<ul style="list-style-type: none"> ♦ The Net Fiscal Incidence of the <i>Employment Insurance Act</i> on Full- versus Part-time Workers ♦ An Assessment of Various Components of Bill C-12 on the Duration of Unemployment Spells ♦ An Evaluation of the Impact of the 1997-1998 Small Weeks Projects on EI Program and Labour Market Outcomes ♦ Employment Insurance Impacts on Unemployment Durations and Benefit Receipt ♦ The Effect of Bill C-12 on Weekly Hours of Work ♦ The Impact of Bill C-12 on New-Entrants and Re-Entrants ♦ The Impact of Worker's Experience Rating on Unemployed Workers ♦ Evaluating the Effectiveness of Employment-Related Programs and Services for Youth ♦ Summative Evaluation of Youth Service Canada ♦ Youth Employment Strategy: A Formative Evaluation of Youth Internship Canada and Other HRDC Youth Initiatives ♦ The Employment Insurance Family Supplement and Relative Income in Two-Earner Families with Children ♦ Impact of the Family Supplement <p>Tool Kits:</p> <ul style="list-style-type: none"> ♦ Facilitator's Manual for Aboriginal Human Resources Development Agreements
<p>Safe, fair, stable and productive workplaces</p>	<p>Audit:</p> <ul style="list-style-type: none"> ♦ Review of Labour Branch Occupational Safety and Health Program
<p>Sustainable and effective program management and service delivery</p>	<p>Audits:</p> <ul style="list-style-type: none"> ♦ Review of the Canada Education Savings Grant Program (CESGP) – Compliance Review Process ♦ Review of Corporate Management System (CMS) – Human Resources (HR) Module Pay Enquiries ♦ Risk Assessment of Government On-Line (GOL) <p>Tool Kits:</p> <ul style="list-style-type: none"> ♦ Focus Groups

Our Main Partners

HRDC works extensively in partnership with a large number of government departments and non-government organizations. We continually work to strengthen existing partnerships and create new ones. Partners take a direct active role in delivering services and/or support this process. We all have a role to play in achieving better service for our clients and meaningful results for Canadians.

↓	↓	↓	↓	↓	↓	↓	↓	
✓ Income Security	✓ Labour	✓ EI Income Benefits	✓ Human Resources Investment	FEDERAL DEPARTMENTS				Support (S) and/or Delivery (D) role
✓	✓	✓	✓	Justice for legal issues, advice and support				<i>S</i>
✓				Finance for policy decisions and legislative support				<i>S</i>
✓		✓	✓	Canada Customs and Revenue Agency for collection of CPP contributions and income information, EI premium deduction and insurability determination, and administering RESPs in partnership with the Canada Education Savings Grant program				<i>S/D</i>
	✓		✓	Foreign Affairs and International Trade for international education and adoption issues and international labour issues				<i>S/D</i>
	✓	✓	✓	Statistics Canada for statistical and economic data and information				<i>S</i>
✓	✓	✓	✓	Public Works and Government Services for benefit payments (direct deposit or cheque printing), to administer the Surplus Real Property for the Homeless Fund and regarding the operation of the Fair Wages and Hours of Labour Act				<i>S/D</i>
			✓	All departments and agencies related to federal activities on disability issues, National Children's Agenda, and the Voluntary Sector Initiative (i.e., Health, Privy Council Office), 13 departments and agencies to deliver Canada's Youth Employment Strategy and for the development and the implementation of the Government's Homelessness Initiative				<i>S/D</i>
			✓	Over 20 departments and agencies to increase interdepartmental collaboration and co-ordination, share information and set priorities on youth program-related policies, youth-at-risk issues and the GOL Youth e-Cluster				<i>S</i>
✓	✓	✓	✓	Treasury Board Secretariat on fire prevention, Service Canada, Government On-Line service to Canadians, regulatory changes and issues on literacy, children, seniors and ageing society				<i>S</i>
	✓		✓	Industry in support of workplace, employers, information highway, service delivery and other initiatives				<i>S</i>
	✓		✓	Citizenship and Immigration on foreign worker admissions, student mobility and international adoption issues				<i>S</i>
	✓		✓	Indian Affairs and Northern Development on Aboriginal human and social development issues and Aboriginal self-government				<i>S/D</i>
			✓	Fisheries and Oceans and the regional development agencies for labour market and fishery programs				<i>S/D</i>
	✓			Transport in the delivery of our occupational safety and health programs				<i>S/D</i>
✓				Office of the Superintendent of Financial Institutions for actuarial services				<i>S</i>
✓				Veterans Affairs for sharing information on mutual clients				<i>S</i>
	✓			Health Canada for advice and assistance on occupational health matters				<i>S</i>
	✓			National Energy Board on occupational safety and health programs				<i>S</i>
			✓	Public Service Commission – GOL Pathfinder Project partnership for the development of an Integrated Jobs Site				<i>S</i>
✓	✓	✓	✓	RCMP for investigations of fraud				<i>S</i>

✓ Income Security ✓ Labour ✓ EI Income Benefits ✓ Human Resources Investment	Support (S) and/or Delivery (D) role
↓ ↓ ↓ ↓	↓
PROVINCES AND TERRITORIES	
✓ ✓ ✓ ✓	S/D
Provincial/territorial governments/agencies to design, deliver and/or coordinate programs and services for Canadians under federal-provincial-territorial agreements and the Social Union Framework Agreement, to collaborate on projects Bilateral Protocols on Youth and share information, and for client service enhancements	
OTHERS	
✓ ✓ ✓	D
Foreign governments and international organizations on international labour, education and adoption issues, to exchange perspectives and experiences, to promote Canadian expertise, knowledge and services, and to encourage co-operation, enforcement of legislation and best practices in context of globalization; International Social Security Agreements to establish eligibility for OAS, CPP and foreign pensions	
✓	S/D
Private Sector to support the delivery of programs and services	
✓ ✓ ✓	S/D
Employers, employees and their representative organizations to encourage compliance with laws and best practices and to encourage effective sectoral and workplace partnerships and practices	
✓ ✓	S/D
Voluntary sector including organizations representing particular groups to collaborate in development and delivery of policies and programs, to deliver programming under various agreements and as partners in improving access to information products	
✓	D
Educational/training institutions and associations to deliver student assistance programs and labour market, learning and social development information and educational exchanges	
✓ ✓	S/D
Workers' Compensation Boards to adjudicate claims and provide Workers' Compensation benefits to federal employees under the Government Employees' Compensation Act, share information and coordinate initiatives to improve service to mutual clients	
✓	D
Aboriginal authorities and organizations to design and deliver programming to Aboriginal people under various agreements	
✓	D
Régie des rentes du Québec for exchanging information on the Quebec Pension Plan and providing service to shared clients	
✓	S
Canadian Human Rights Commission on employment and pay equity issues	

This list is not intended to represent all departments or organizations working with HRDC.

Websites and References

HRDC website: <http://www.hrdc-drhc.gc.ca>

Acts and Regulations

- Acts and Regulations governing HRDC: <http://www.hrdc-drhc.gc.ca/common/acts.shtml>

Our Mandate

- Handbook on Values and Ethics in HRDC:
<http://www.hrdc-drhc.gc.ca/dept/mission/handbook.shtml>

Policy Accomplishments

- Supporting Families and Children: Government of Canada Initiatives:
http://socialunion.gc.ca/nca/supporting_e.html
- The National Child Benefit Progress Report: 2000:
<http://socialunion.gc.ca/NCB-progress2000/toceng.html>
- Roundtable Reports reinforce need to prepare for Canada's Skills and Learning Challenges:
<http://www.hrdc-drhc.gc.ca/common/news/hrib/01-06-21.shtml>
- 2000 Employment Insurance Monitoring and Assessment Report:
<http://www.hrdc-drhc.gc.ca/ae-ei/loi-law/2000/sum00.shtml>
- Applied Research: <http://www.hrdc-drhc.gc.ca/arb/>
- In Unison: A Canadian Approach to Disability Issues:
http://socialunion.gc.ca/pwd/unison/unison_e.html
- In Unison 2000: Persons with Disabilities in Canada:
<http://dsp-psd.pwgsc.gc.ca/pubs/2/1/MP43-390-2000E-1.html>

Income Security

- Old Age Security and Canada Pension Plan:
<http://www.hrdc-drhc.gc.ca/isp/common/home.shtml>
- Disability Vocational Rehabilitation Program:
http://www.hrdc-drhc.gc.ca/isp/cpp/vocational_e.shtml

Employment Insurance Income Benefits

- Employment Insurance On-Line:
http://www.hrdc-drhc.gc.ca/ae-ei/employment_insurance.shtml

Human Resources Investment

- Employment Insurance Monitoring and Assessment Reports:
<http://www.hrdc-drhc.gc.ca/ae-ei/loi-law/eimar.shtml>
- The Agreement on Internal Trade – Chapter 7 Labour Mobility:
<http://www.hrdc-drhc.gc.ca/stratpol/mobility/index.html>
- Centre for Families Work and Well-Being: <http://www.worklifecanada.ca>
- “You Bet I Care!” project: <http://www.childcarecanada.org/research/complete/ybic2.html>
- Youth Employment Information: <http://www.youth.gc.ca>
- National Secretariat on Homelessness: <http://www.hrdc-drhc.gc.ca/nsh-snsa/>

- The Canadian Council on Rehabilitation and Work: <http://www.ccrw.ca>
- Canada Student Loans Program: http://www.hrdc-drhc.gc.ca/student_loans/
- International Adult Literacy Survey Series - Research Papers: <http://www.nald.ca/nls/inpub/nlspub0.htm#4>
- Canadian Apprenticeship Forum: <http://www.caf-fca.org>
- Voluntary Sector Task Force: <http://www.pco-bcp.gc.ca/volunteer/>
- UN International Year of Volunteers: <http://www.iyv2001.org> and <http://www.iyvcanada.org/main.php>
- Our Millennium: http://www.archives.ca/05/0528_e.html
- Government of Canada: <http://www.canada.gc.ca>
- Information on Grants and Contributions: <http://www.hrdc-drhc.gc.ca/dept/reports/index.shtml>
- Grants and Contributions – HRDC Programs to help Canadians: <http://www18.hrdc-drhc.gc.ca>

Labour

- NEGOTECH – Searchable labour relations database: http://206.191.16.138/gol/main_e.shtml
- Labour Program Home Site: <http://labour-travail.hrdc-drhc.gc.ca>
- Work-Life Balance in Canadian Workplaces: <http://labour-travail.hrdc-drhc.gc.ca/worklife/>

Sound Departmental Management

- Advanced Certificate in Public Management and Governance: <http://www.governance.uottawa.ca/certificate>
- Modern Comptrollership at HRDC: <http://www.hrdc-drhc.gc.ca/modernmanagement/>
- The Citizens First Project: <http://www.ipaciapc.ca/english/new/citizens.htm>

Other websites

- *2001-2002 Report on Plans and Priorities*: <http://www.hrdc-drhc.gc.ca/fas-sfa/rpp0102.shtml>
- *2001 Public Accounts of Canada*: <http://www.pwgsc.gc.ca/recgen/text/pubacc-e.html>
- Canada Pension Plan Investment Board: <http://www.cppib.ca>
- Employment Insurance – EI Commission and the law: http://www.hrdc-drhc.gc.ca/ae-ei/loi-law/8.0_e.shtml
- SUFA Accountability Template 2000 - Guide to Federal Government Reporting: http://www.tbs-sct.gc.ca/rma/account/sufa_e.asp
- HRDC Sustainable Development Strategy: <http://www.hrdc-drhc.gc.ca/dept/sds/sds.shtml>
- Evaluation and Data Development at HRDC: <http://www11.hrdc-drhc.gc.ca/>
- Internal Audit and Risk Management Services – Reviews and audits completed: <http://www.hrdc-drhc.gc.ca/fas-sfa/iab-bvi/menu/toc.shtml>

Questions and Public Enquiries

If you have questions about departmental programs and services, you may contact your nearest Human Resources Development Canada office listed in the Government of Canada pages of the telephone book or the HRDC Public Enquiries Centre.

To obtain HRDC publications, you may contact the Public Enquiries Centre (tel: 1-819-994-6313).

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