

350 Albert Street
P.O. Box 1610

 Tel.:
 613-992-0691

 Fax:
 613-992-1787

 Website:
 www.sshrc-crsh.gc.ca

Media inquiries: 613-992-7302 Catalogue no.: CR1-2011E-PD







SSHRC **E** CRSH 2010-11 ANNUAL REPORT

TALENT

INSIGHT

CONNECTION

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MESSAGE FROM THE PRESIDENT

Talent. Insight. Connection. These words capture how the social sciences and humanities focus on people in the past and present with a view toward creating a better future:

talented leaders across society who understand the complexity, diversity and creativity of people, as individuals and as communities;

deep insights into human thought and behaviour as a foundation for informed thinking about critical social, cultural and economic issues;

strong connections linking academia, industry, government and communities in Canada and around the world in the development and use of social sciences and humanities research.

During 2010-11, we focused on the key priorities set out in our strategic plan, Framing Our Direction, by simplifying and consolidating our support for the best students, scholars and their research partners, and by enhancing links to those who can put research knowledge to work across society.

The words, Talent, Insight and Connection, now define how SSHRC is supporting world-leading research and research training. Taken together, our new programs have begun deepening our knowledge and understanding of yesterday and today with a view toward enhancing Canada and the world in the 21st century.

Let me thank all those who contributed to renewing our programs through our webinars, online consultations, and face-to-face meetings. Similarly, we are deeply indebted to the talented and devoted experts from across Canada and around the world who evaluated almost 13,000 applications for funding during 2010-11.

During the past year, SSHRC also developed a people strategy to attract, retain and develop the talented people who work at SSHRC. Our new People Strategy reflects SSHRC's overall vision to advance knowledge and understanding by creating a collaborative environment that encourages the best ideas and most creative efforts in an employee-empowered workplace.

Beyond SSHRC, we engaged with leaders and organizations across the public, private and not-for-profit sectors to promote the value of research in the social sciences and humanities, and to share the benefits of this work with them. Along the way, we contributed to many events such as the New Brunswick Innovation Forum and the Canadian Science Policy Conference as well as the annual Congress of the Social Sciences and Humanities. Throughout, we were met with keen interest and enthusiasm.

The increasing interest in the social sciences and humanities reflects a growing awareness of how people—ideas and behaviour—are at the heart of successful innovation in the private, public and not-for-profit sectors. This awareness explains the increased currency of expressions like the customer-driven marketplace, user-engaged services, student-centered schools and citizen-engaged politics. People matter.

The new people-centered model of innovation calls upon all of us to rekindle the relationship between knowledge and society; to reimagine and renew the historic covenant between campuses and the public; and to exploit all the ways of knowing about the past and present to tackle the world's toughest challenges. Such innovation holds the promise of a productive and prosperous, resilient and safe, ethical and just society.

CHAD GAFFIELD PRESIDENT

SOCIAL SCIENCES AND HUMANITIES RESEARCH COUNCIL



MESSAGE FROM THE CHAIR

Research and training in the social sciences and humanities provide the foundation for a vibrant, healthy and prosperous society. Knowledge and understanding about people—ideas and behaviour—are paramount to social, cultural and economic prosperity and resilience.

In 2010-11, SSHRC reached important milestones in cultivating the talent, insight and connections needed to maximize the contributions of the social sciences and humanities to Canadian innovation and quality of life.

As council members from across the business, not-for-profit, and academic sectors, we see first-hand how the focus of the social sciences and humanities on human thought and behaviour is underpinning new connections across campuses and between postsecondary institutions and industry, community and government leaders.

Through the renewal of SSHRC's program architecture, there is evidence of important collaborations underway across campus and with the larger society to attract creative and innovative ideas that will increase our knowledge and understanding of people. It is this knowledge that develops

innovative solutions to critical social, cultural, economic, technological and environmental issues, and contributes to building successful communities across Canada and around the world.

As SSHRC completes the renewal of its program architecture, we look forward to continuing our stimulating and fulfilling contributions to helping SSHRC pursue its mandate with a view toward a successful future in Canada and beyond.

On behalf of SSHRC's governing council, I would like to express my sincere appreciation to our outgoing members—Sean Caulfield, Kerry Day, Angela Ferrante, Ken Higginbotham, Gregory Kealey and Leslie Monkman—for their insightful contributions over the years. We also extend a warm welcome to our two newest council members—Robert Gibbs and Ginny Dybenko—as we look forward to another successful year.

THOMAS KIERANS

VICE-PRESIDENT AND CHAIR OF COUNCIL

SOCIAL SCIENCES AND HUMANITIES RESEARCH COUNCIL



ARCHITECTURE

What I love about Philip's work is the way he's breaking down the hard line between the built and the natural environment, creating spaces that are permeable, changeable, and, well, responsive."

Nora Young, CBC Radio: Spark, July 20, 2010

In 2010, a SSHRC-funded project by University of Waterloo architecture professor Philip Beesley was chosen to represent Canada at the Venice Biennale of Architecture, a prestigious, international exhibition that brings together leaders in architectural design from all over the world.

Beesley's project, Hylozoic Ground, is a life-like environment that responds to the touch and movements of the people within it. It also captures carbon from the air they breathe out and, through a chemical reaction with water, turns the carbon into new building materials.

It's a visionary technology that could one day allow buildings to repair themselves, and is leading to new breakthroughs in environmental engineering, sustainable design, and robotics. Already, two paint companies are interested in using Beesley's technology, and a permanent installation of Hylozoic Ground has been commissioned for The Leonardo, Salt Lake City's new art and technology museum.

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SSHRC AT A GLANCE

SSHRC awards its grants, fellowships and scholarships through an independent and internationally recognized merit-review process to ensure the highest standards of excellence and objectivity. Selection committees recommend which projects to fund based on criteria such as the originality and significance of the research, the quality of training offered to students, and the potential impact of the research within and outside the academic world.

Full-time graduate students who study social sciences and humanities at Canadian universities	64,740
Full-time professors who teach social sciences and humanities at Canadian universities	22,410
GRANTS, FELLOWSHIPS AND SCHOLARSHIPS	
Grant, scholarship and fellowship applications received	12,925
New grants, fellowships and scholarships awarded	4,381
New partnerships with industry, government and not-for-profit organizati	ons 118
SSHRC INVESTMENTS	
Value of all grants, fellowships and scholarships supported	332.4 million

SHRC-FUNDED RESEARCH BY THEME	NUMBER OF PROJECTS	AMOUNT (in \$ millions)*	PERCENTAGE OF FUNDING*
Invironmental science and technologies	475	\$21.7	7%
Natural resources and energy	43	\$2.6	1%
lealth and related life sciences and technologies	370	\$19.0	6%
nformation and communications technology	658	\$23.6	7%
danagement, business and finance	695	\$20.6	6%
Arts and culture	1,875	\$52.2	16%
conomy, employment and markets	717	\$26.7	8%
Education and learning	793	\$27.3	8%
luman development	661	\$21.9	7%
ocial development	1,855	\$64.4	19%
Sovernance of society and institutions	1,092	\$35.4	11%
Other areas of research	539	\$16.9	5%
OTAL	9,773	\$332.4	100%

^{*}Due to rounding, decimals may not correspond to total.

TRI-AGENCY RESEARCH PROGRAMS

SSHRC administers the Canada Excellence Research Chairs, Canada Research Chairs and Indirect Costs programs on behalf of the three federal research funding agencies—SSHRC, the Natural Sciences and Engineering Research Council (NSERC), and the Canadian Institutes of Health Research (CIHR). Together these programs make up an important part of the federal science and technology strategy by attracting world-renowned researchers in the social sciences, humanities, engineering, health sciences and natural sciences to Canadian universities and colleges. They also increase our national research capacity, keep research jobs in Canada, and ensure the maintenance of world-class research facilities.

YEAR IN REVIEW

At SSHRC, we recognize that knowledge about people—how we think and live, what we need and want, and how we interact in our globalized world—is at the heart of our efforts to create a just, prosperous and vibrant society.

As a result, our work in funding and promoting social sciences and humanities research helps build the knowledge and talent that is critical to Canada's innovation and success. The past year has marked an important milestone in how we, at SSHRC, support social sciences and humanities research and how we bring the benefits of this research to Canada as a whole.

Built upon our commitment to continuous improvement that was first expressed in our strategic plan, Framing Our Direction, SSHRC renewed its program architecture and launched three new programs in 2010-11 designed to streamline our funding process, increase client service and maximize the impact of the research we fund for all Canadians. The Talent, Insight and Connection programs also provide greater flexibility in research approaches and ideas, allowing us to accommodate a wider range of research proposals and support our country's most innovative work.

TALENT

Training the next generation of Canadian leaders and thinkers.

INSIGHT

Supporting research that deepens our understanding of people, communities and the world, and helps develop solutions to pressing societal challenges.

CONNECTION

Linking academia, industry, government and communities in Canada and around the world in the development and use of social sciences and humanities research.

GETTING MORE FOR YOUR RESEARCH DOLLAR

The Talent, Insight and Connection funding programs help maximize the contributions of social sciences and humanities research to Canada's prosperity and quality of life, by:

EMPHASIZING IMPACT · Research is evaluated based on its impact on social, cultural, intellectual, economic, technological and environmental issues, by experts from the academic, private, public and not-for-profit sectors.

FOSTERING PARTNERSHIPS · Programs encourage not-for-profit, private sector, government and international research partnerships.

FOCUSING ON PRIORITIES · Special funding is available for research that responds to present and emerging needs in Canada and around the world.

BUILDING CANADIAN RESEARCH CAPACITY · Programs offer increased support for new scholars, Canadian colleges and multidisciplinary research.



CRIME

This research gives us the academic foundation we need to build our prevention, intervention and enforcement strategies. This is the future of law enforcement when it comes to gangs and gang violence.",

Sergeant Shinder Kirk, Combined Forces Special Enforcement Unit -**Gang Task Force**

The Acting Together research partnership—based in Surrey, BC—is putting research on gang violence into the hands of frontline responders.

This project, with partners that include the RCMP, BC's Gang Task Force and the City of Surrey, is tracking 600 youth (many considered "at risk") over three years, looking at why they are NOT involved in violent and gang-related crime.

This unique approach, which focuses on youth who reject gangs, is providing partners and government—including BC's Victim Services and Crime Prevention Ministry—with the research needed to guide crime-reduction strategies.

And, word is spreading. Besides helping youth in Surrey, project lead Gira Bhatt of Kwantlen Polytechnic University, officers from BC's Gang Task Force and partners from the local school district, have taken their message across Canada and into the US, bringing the benefits of this "made-in-BC" solution to other communities that need it.

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When Canada attracts and retains the world's best researchers and graduate students, we increase our capacity for innovation across Canada's public, private and not-for-profit sectors.

Through the Talent program, SSHRC funds Canada's best and brightest in the humanities and social sciences. It awards scholarships and fellowships to the world's most promising graduate students, and provides fellowships to

top postdoctoral scholars just embarking on their research careers. By supporting emerging Canadian talent and attracting the best to Canadian universities, SSHRC helps train and educate our leaders of tomorrow.

AWARDS FOR 2010-11

In 2010–11, SSHRC awarded new fellowships and scholarships to 1,610 full-time master's students and 982 doctoral candidates. Of these, 123 graduate students also



received Michael Smith Foreign Study Supplements to participate in research and research training opportunities outside of Canada. The Michael Smith Foreign Study Supplement supports students in building global linkages and international networks as they collaborate with the world's best researchers at institutions abroad.

The Vanier Canada Graduate Scholarships program—Canada's most prestigious doctoral awards program—granted \$50,000 annually for up to three years to 174 talented doctoral students from Canada and around the world, of whom 58 are pursuing their studies in the social sciences and humanities. Funded by Canada's three federal research granting agencies—SSHRC, the Natural Sciences and Engineering Research Council and the Canadian Institutes of Health Research—and administered by SSHRC, the program is helping to establish this country as a global centre of excellence in research and higher learning by attracting the world's top students to Canadian universities. This year marked the second competition for the program which was launched in 2008. As of 2010-11, there were 341 Vanier Scholars pursuing

their doctoral studies, of whom 110 are pursuing their studies in the humanities and social sciences.

NEW OPPORTUNITY

The Banting Fellowships, launched in 2010 by Canada's three granting agencies, add to an already world-class suite of programming that helps emerging researchers realize their full potential. An internationally competitive program, the Banting Fellowships will build Canada's research capacity by attracting the world's best and brightest postdoctoral trainees, enabling them to contribute positively

to Canada's economic, social and research-based growth. The agencies made 70 awards of \$70,000 per year over two years to postdoctoral researchers from around the world. Of these, 23 fellowships are in the humanities and social sciences.

social sciences and humanities. For example, a global survey of CEOs identified business growth, talent, cost optimization, innovation and government regulation as the top five challenges of 2011—all

research areas within SSHRC funding programs. As well, a Canadian Labour Force Survey indicates that eight of the 11 fastest growing occupations require degrees in the social sciences and humanities.

CONTRIBUTING TO SUCCESSFUL CAREERS

In 2010-11, SSHRC surveyed 643 fellowship and scholarship recipients from the past 10 years to investigate how SSHRC funding influenced their career paths. Overall, the data revealed the importance of SSHRC funding at the master's, doctoral and postdoctoral levels. In particular, employment and income opportunities for SSHRC award holders increased as their level of education increased, and 65 per cent of the respondents said that the SSHRC award enabled them to complete their graduate studies in a timely manner, and was beneficial to their career by allowing them to build networks, publish, gain international experience as well as enhance their research skills.

These statistics echoed the findings of other studies from the United States and Canada that highlighted the importance of training in the

HONOURING CANADA'S BEST RESEARCHERS AND STUDENTS

In October 2010, SSHRC recognized four outstanding researchers who are making a significant contribution to the social sciences and humanities in Canada.

SSHRC Gold Medal for Achievement in Research Jim Miller, University of Saskatchewan

SSHRC Aurora Prize
Alan Durston, York University

SSHRC Postdoctoral Prize
Owen Ware, University of Toronto

William E. Taylor Fellowship
Jean-Francois Bissonnette, University of Toronto



ENVIRONMENT

Working with the universities gave us more credibility, and helped us bring the voices of our fishermen to discussions that we would not normally be able to take part in."

Sheena Young, Program Director, Fundy North Fisherman's Association

With more than 40,000 kilometres of coastline, Atlantic Canada has been home to generations of fishermen. By protecting ecosystems in coastal communities, a SSHRC-funded research project is helping to rebuild the fishing industry and improve the coastal economy.

The coastal management project partners Tony Charles from Saint Mary's University in Halifax and Melanie Wiber from the University of New Brunswick with local organizations like the Fundy North Fishermen's Association and the Bay of Fundy Marine Resource Centre, as well as First Nation groups like the Mi'kmaq Confederacy of Prince Edward Island.

Together, they have increased community involvement in coastal management and actively improved local ecosystems by helping fish return to streams, testing water quality, and raising awareness through film and digital media projects. A special high school curriculum has also been created to give students a better appreciation of the role they play in coastal management and prepare them for the decisions they will have to make in the future.

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INSIGHT

By supporting the very best ideas among scholars in universities and colleges across the country, Canada builds a broad, deep knowledge base that helps us meet the challenges of an ever-changing world.

The Insight program funds research excellence across all disciplines in the social sciences and humanities. It supports research carried out by individuals, small teams, and formal research partnerships between the

academic, private, public and not-forprofit sectors. Together, this research deepens our understanding about people, societies and the world, and helps develop solutions to pressing societal challenges.

NEW OPPORTUNITY

In the fall of 2010, SSHRC launched its new Insight Development Grants funding opportunity. Insight Development Grants support research in its early stages carried out by individuals or teams. The grants,



valued at \$7,000 to \$75,000 over one or two years, support the development of new research questions, ideas, methodologies and theoretical approaches. They also provide additional support to Canada's new scholars.

BUILDING THE DIGITAL ECONOMY

The social sciences and humanities have a wealth of knowledge and expertise to bring to bear on our understanding of the critical dimensions of the digital world, be they economic, social or cultural. In line with the Government of

Canada's consultation to develop a national digital economy strategy, SSHRC launched a one-time funding opportunity through its Knowledge Synthesis Grants on the Digital Economy. The program awarded 25 grants of up to \$25,000 over four months to projects examining how Canada can increase its capacity to innovate using digital technologies; build a world-class digital infrastructure; grow the Canadian information and communications technology industry; create a digital advantage; and build digital skills for tomorrow.

AWARDS FOR 2010-11

In 2010-11, we marked the final competitions for a number of SSHRC programs, as we transitioned to our new program architecture. SSHRC awarded 984 Standard Research Grants and 55 Research Development Initiatives as well as 37 awards for Research/Creation in the Fine Arts. These three programs have been replaced by SSHRC's Insight Development Grants—launched in the winter of 2010—and its Insight Grants, which launched in the summer of 2011.

SSHRC's Community-University
Research Alliance program ran its last
competition in 2010-11, providing 10
awards to research teams investigating
topics, such as responsible investing,
aboriginal heritage, and community-based
water monitoring and management.
Under SSHRC's new program
architecture, community-university
research partnerships will be funded
through the new Partnership Grants
and Partnership Development Grants.

In partnership with the International Development Research Centre,
Natural Sciences and Engineering
Research Council and Canadian
Institutes of Health Research, SSHRC issued a call for proposals for the
International Research Initiative on
Adaptation to Climate Change last year.
Through this program, multinational teams comprised of researchers from
Canada and from low- and middle-income countries will advance knowledge, mentor students and shape policy and programs to help countries adjust to climate change and its effects.

SSHRC also awarded four Major Collaborative Research Initiatives of up to \$2.5 million over seven years in the final competition of this program. The 2010 awards include projects that investigate how to better integrate technology into Canada's justice system, the evolution of the French language, sustainable development of the Arctic, and an international archaeological dig to unearth the secrets of an ancient culture using modern forensic science and tools.

In addition, SSHRC awarded 13 Sport Participation Research Initiatives up to \$100,000 in funding per year for up to three years—to support research relevant to policy in the area of participation in sport in Canada. Under its Metropolis National Research Competition, SSHRC made one award of up to \$125,000 over 18 months. The Metropolis funding supports research and policy development on issues of cultural diversity, population migration and challenges that face immigrants integrating into cities in Canada and around the world. As well, the Aid to Small Universities funding opportunity awarded 21 grants to help small universities develop their capacity in social sciences and humanities research.

CONTINUOUS IMPROVEMENT

As part of SSHRC's efforts to continuously improve its programs, policies and service delivery, focused on results for Canadians, SSHRC carried out three major evaluations

in 2010-11, including the Standard Research Grants and Research Development Initiatives programs; the SSHRC Institutional Grants and Aid to Small Universities programs; and the 10-year evaluation of the tri-agency Canada Research Chairs Program, which is administered by SSHRC.

While the Standard Research Grants and Research Development Initiatives are no longer offered, the conclusions of the evaluation have helped to inform the development of future funding opportunities within SSHRC's new program architecture. For example, the importance of earmarking funds for new scholars to support emerging talent, the value of maintaining a rigorous peer review process; and the value of an approach to social sciences and humanities research funding that embraces all disciplines, methodologies and postsecondary institutions are consistent with the guiding principles of the Talent, Insight and Connection programs.

CANADIAN HISTORY? WE'VE GOT AN APP FOR THAT

With the help of SSHRC funding, history professor and Canada Research Chair in Digital Humanities Kevin Kee launched an iPhone app that provides interactive tours of War of 1812 sites in Ontario. Part guided tour and part adventure game, the app allows users to "carry history in the palm of their hand" as they roam through historic towns and gather clues to centuries-old mysteries. The app is currently available at www.ihistorytours.com.



FAMILIES

This research really guides how we train staff at the Ontario Early Years Centres. It also produced some very practical tools that we use regularly in our programs for young dads.",

Brian Russell, Parent Educator, LAMP Community Health Centre, Toronto

Stay-at-home dads, working dads, single dads, step-dads-today in Canada there are as many kinds of dads as there are families.

Yet, just six years ago, fathers were next to invisible in Canadian policies and programs. No one really understood how "hands-on" dads contributed to their children's lives. No one even knew how many fathers there were in Canada.

Enter University of Guelph professor Kerry Daly and the Father Involvement Research Alliance. This SSHRC-funded network of researchers and community organizations studied almost every aspect of being a dad. They examined census data and uncovered serious gaps in existing statistics. They analyzed family-related policies and showed provincial and federal governments how they could build better, more inclusive family policies. And they conducted research on how fathers play and bond with their children that is now being used in parenting programs across the country.

The project website (www.fira.ca) has become a clearinghouse of expert advice on father involvement, and is regularly consulted by the media, not-for-profits and governments around the world.

INSIGHT AND CONNECTION PARTNERSHIPS

The 2010-11 Partnership Development Grants and Partnership Grants competitions were the first funding opportunities to be launched as part of SSHRC's new program architecture. The purpose of the competitions was to provide funding to meet the objectives of the Insight and Connection programs via partnership activities with new or existing partners; to design and test new partnership approaches for research and/or related activities and to support initiatives that advance research and/ or knowledge mobilization in the social sciences and humanities.

Partnership Grants provide \$500,000 to \$2.5 million over four to seven years to support large, formal research partnerships. SSHRC's research community welcomed the new program with 151 Letters of Intent. This competition has a two-stage application process. After a formal adjudication process, successful Letter of Intent applicants are invited to send full applications to the second stage of the competition.

Partnership Development Grants are typically valued at \$75,000 to \$200,000 over one to three years, and support projects that help build new partnerships or approaches to partnership research in the social sciences and humanities. This year SSHRC received 164 applications for the Partnership Development Grant competition. In keeping with SSHRC's high standards of peer/merit review, the adjudication for the Partnership Development Grants competition was undertaken by three multidisciplinary and cross-sector committees. Committee membership included expertise from the academic community, and the public, private and/or not-for-profit sectors from across Canada and abroad. Adjudication meetings also included external observers, who, selected for their expertise in peer/ merit review, expressed their satisfaction with the quality of the adjudication process and also made constructive suggestions for future competitions.

Following the merit review process, SSHRC is funding the top 53 proposals submitted in this competition. These projects involve 192 Canadian and international partners from many different sectors, and suggest strong partnerships with not-for-profit organizations, between postsecondary institutions, and with federal, provincial

and municipal governments. As well, there is evidence of growing partnership activities with the private sector. Many applications also featured the development of international collaborations with a broad variety of partners.

Selected findings from recent SSHRC studies have indicated that the demand for social sciences and humanities research is significant. One study conducted in 2010-11 by the Impact Group addressed the knowledge pathway for research, from academic research institutions to the external, non-academic world via research contracting. It concluded that over 50 per cent of annual third-party contracting for social sciences and humanities research was commissioned by the public sector on such issues as law reform, demographic change, macro and micro-economic analysis, security and telecommunications policy.

SSHRC contributes to key policies across government and society by funding excellent research on priority issues including innovation, the digital economy, public safety, Canada's aboriginal communities and the environment. In an effort to increase collaboration between Government of Canada policy-makers and the wider Canadian academic community, SSHRC has initiated formal agreements with the Policy Research Initiative and with several federal departments and agencies including Foreign Affairs and International Trade Canada, the Canadian Security Intelligence Service, Public Safety Canada and the Canada Border Services Agency.

SSHRC has established a formal partnership with seven other funders from the United States, United Kingdom and the Netherlands to co-manage a second call for proposals for the Digging into Data Challenge competition. This partnership builds on the success of the first competition launched in 2009 which involved four funding organizations.

GREENING THE BOTTOM LINE

At Dalhousie University, Michelle Adams is helping small and medium-sized enterprises in Nova Scotia improve their environmental performance. Attracting industries as diverse as forestry, cement, plastics, and manufacturing, this SSHRC-funded project has provided companies with the tools and expertise they need to assess and "green" their business practices.

VANIER SCHOLAR MAKES HEADLINES AROUND THE WORLD

Vanier Scholar Kate Mulligan received international media coverage, when she presented her research at the THINK CANADA Press Breakfast at the 2011 American Association for the Advancement of Science (AAAS) conference in Washington. Through McMaster University's campus of the United Nations University, Mulligan is contributing to a global research tool tracking water vulnerability and human health. Once completed, the interactive map will be available through a geographic information system (GIS) on Google Earth.

CONNEC

At SSHRC, we work with communities, governments and businesses across the country to connect the research we fund with the people best able to put this knowledge to work.

The Connection program links academia, industry, government and communities in Canada and around the world in the development and use of social sciences and humanities research. This program

funds workshops, conferences, publications, special projects, and partnerships that help research knowledge flow across all sectors of society, and maximize its cultural, social and economic impact.

AWARDS FOR 2010-11

Public Outreach Grants fund activities that share the results of academic research with wider, non-academic audiences. A total of 43 grants were awarded in 2010-11. In addition,



SSHRC awarded 222 workshop and conference grants valued at a total of \$5 million to advance research and scholarship on issues of intellectual, cultural and social importance by facilitating direct interaction among researchers and students, both from Canada and abroad, and to facilitate knowledge mobilization across institutions, industrial sectors, cultural groups and regions.

AGENCY CONNECTIONS

In 2010-11, SSHRC, in collaboration with the Natural Sciences and

Engineering Research Council and the Canadian Institutes of Health Research released the second edition of the *Tri-Council Policy Statement: Ethical Conduct for Research Involving Humans*, or TCPS 2. The statement is founded on respect for human dignity and, as such, serves as the official human research ethics policy of the three agencies. The agencies also released the *Tri-Agency Statement on Research Integrity*, congratulating the Council of Canadian Academies' Expert Panel on Research Integrity for its report, *Honesty, Accountability and Trust:*

Fostering Research Integrity in Canada. In addition, the agencies released the document Access to Research Results: Guiding Principles, which elucidates their shared approach for improving access to publicly funded research, and for ensuring that Canadian-funded research adheres to international standards and best practices.

Collaboration among the tri-agencies continued—including the Canada Foundation for Innovation and the National Research Council—with regard to increasing participation from

the social sciences and humanities research community in the Automotive Partnership Canada. SSHRC plays an advisory role and recently modified the program's guidelines, resulting in more humanities and social sciences-relevant applications.

ENGAGING WITH CANADIANS

Through its engagement strategy, SSHRC has increased its efforts to speak with, listen to and learn from leaders in the private, public and not-for-profit sectors. The results are meeting our objectives to generate a better awareness and understanding of SSHRC and the contribution of social sciences and humanities research in their respective areas of interest, as well as to generate interest in future collaboration. This is particularly relevant in fulfilling SSHRC's partnership strategy, which focuses on increasing knowledge co-creation and mobilization among researchers and collaborators across disciplines and across sectors, nationally and internationally, for mutual benefit.

SSHRC received feedback on its new program architecture from postsecondary institutions, researchers and the not-for-profit and private sectors through an online consultation in April 2010. It also presented its new programs at the Congress of the Humanities and

Social Sciences in June 2010—an event that attracts 10,000 delegates and intense media coverage each year. Webinars for postsecondary and private-sector audiences on the Partnership Development Grants and Partnership Grants were hosted throughout the year, and an expert panel representing the academic, not-for-profit and private sectors helped guide our decisions on new programs as they took shape.

The Canadian college system has undergone significant change in the past decade. Colleges have moved beyond their traditional focus on student and training to play a more active role in the innovation system. As part of the outreach and engagement activities associated with the creation and launch of the Talent, Insight and Connection programs, the past year has seen an increase in SSHRC's interactions with the college community. The openness and flexibility of the new programs, particularly in the funding available for partnerships, allow colleges to respond to research opportunities and leverage their strong connections with small and medium-sized businesses, industry,

CONNECTING WITH THE PAST TO PREDICT THE FUTURE

By examining how extreme drought conditions in Depression-era Prairie provinces moved populations across the country, Robert McLeman of the University of Ottawa has discovered new ways to predict the affect of modern climate change on human migration.

So far, scientists in the UK and India are using the GIS methods McLeman developed during his SSHRC-funded project to model climate change-related population movements in their countries. He has also been invited to present his research to governments in the US, UK and France, as well as several Canadian federal departments.



PERFORMANCE MEASUREMENT

The first thing I did as auditor general was launch an independent review of our business practices. This is the first time a province will 'audit' its auditor general, and is a direct, real-world result of Dr. Cooper's research."

Merwan Saher, Auditor General of Alberta

How do you measure success? With the help of SSHRC funding. David Cooper has spent the past 20 years studying how multinational corporations, governments and some of the top law and accounting firms in the world develop, implement and use performance measurement systems.

Trained in accounting, Cooper is unafraid to delve into the technical details of how the numbers get crunched. Yet, his research goes far beyond the stereotype of the typical "bean counter" to unveil how accounting can fundamentally affect our lives, our workplaces, and our economic and social institutions. It's a unique approach to accounting research and one that's allowed him to provide expert analysis to the more than 60 organizations he's examined over the years.

Cooper is recognized internationally as a trailblazer who has presented his research to audiences in the UK, Spain, Italy, Turkey, France, Denmark, Sweden, Australia and Japan. In 2010, he was featured in a 10-part BBC Radio documentary on the history of accounting.



government and the community. These interactions have allowed us to promote opportunities for college-based research, such as the College and Community Innovation Program, and to solicit feedback on the new programs from both applicants and institutions.

Over the last year, SSHRC benefited from the engagement of SSHRC Leaders—senior administrators of postsecondary institutions who are appointed by their presidents to serve as points of contact between SSHRC and their institutions. At the annual meeting held in December 2010, SSHRC leaders provided feedback on the implementation of SSHRC's program architecture renewal, and contributed to specific issues regarding models of peer, merit and expert review; facilitating, capturing and promoting results and impacts; and the changing landscape of graduate training.

DIGITAL CONNECTIONS

This past year was a pivotal one for SSHRC programs and for SSHRC's engagement with all sectors of society. In 2010-11, we laid the groundwork for a successful social media strategy by establishing social media accounts for SSHRC as well as two of the tri-agency programs SSHRC administers—the Canada Research Chairs and the Vanier Canada Graduate Scholarships programs.

Our followers on all accounts have been growing steadily, with a varied audience; including sector leaders in academia, public, private and not-for-profit sectors; researchers and students; key associations; news media; and the Canadian public. Digital content highlights exciting developments in social sciences and humanities research, and draws attention to research knowledge on issues of interest to Canadians. As well, a SSHRC YouTube channel features interviews with a range of scholars from Canadian universities.

As a key marketing tool to promote the Vanier Canada Graduate Scholarships both nationally and internationally, French and English Facebook pages were established for the program. These pages have successfully garnered a following among the scholars as well as interest from potential candidates abroad. SSHRC is also a regular contributor to Eureka! Canada, which showcases Canada's humanities and social sciences research achievements to an international audience.

By integrating our efforts on various social media platforms, we encourage greater public interaction and engagement with SSHRC and the research community. These integrated tactics have been successful in cross-promoting SSHRC and its mandate across new media to an ever-growing audience.

ENTERTAINING NEW IDEAS

SSHRC funding joined the University of Waterloo's Canadian Centre of Arts and Technology with Christie Digital Systems Canada Inc. in a project involving Christie MicroTiles—high-resolution displays that fit together, creating one screen of any shape or size.

Bob Rushby, past chief information officer for Christie and co-inventor of MicroTiles, says the SSHRC-funded research "made Christie MicroTiles a better product, and identified new opportunities for us." Today, the tiles can be found in buildings, such as the London Stock Exchange, and on TV shows like *The Colbert Report*.



BUSINESS

We used the diagnostic tools designed by Louis Raymond and his team to measure our company's capacity for innovation. It helped us adjust our strategy and adapt to an increasingly competitive market.",

Christian Poudrier, CEO of Posi-Plus Technologies Inc.

In Canada, there are some 400,000 small and medium-sized enterprises (SMEs). Each faces daily challenges linked to the globalization of the marketplace, the increasing complexity of client needs, and the emergence of the knowledge-based economy.

Yet, even though they may have less human, financial and technological resources, small and medium-sized businesses also have unique advantages. For 20 years, Louis Raymond and his team at the Université du Québec à Trois-Rivières' Research Institute for SMEs have been studying the business performance of small and medium-sized companies and identified three important success factors: flexibility, reaction speed and innovation capacity.

Then, Raymond and his team developed a series of diagnostic tools used by more than 600 companies in Canada and 200 in France—to help small and medium-sized businesses evaluate their competitiveness, innovation, leadership and other aspects of their corporate performance.

To survive and grow in the new economy, businesses must have the right mix of strategic, structural, technological, human and environmental factors related to performance. And this is exactly the type of economic advantage that world-renowned expert Louis Raymond and his team have provided to hundreds of Canadian businesses.



GOVERNING COUNCIL

SSHRC is governed by a council consisting of members from academia and the larger society. Members meet regularly to provide strategic direction on policy and program priorities, and to monitor SSHRC's performance and achievements in the interest of enabling a strong, vibrant Canadian research community in the social sciences and humanities.

MEMBERS OF THE GOVERNING COUNCIL

from April 1, 2010 to March 31, 2011

COUNCIL MEMBERS

Thomas Kierans

Vice-President and Chair of Council Toronto, ON

Chad Gaffield

President SSHRC

Paul Bates

Strategic Advisor, McMaster University

Sean Caulfield

Centennial Professor, Fine Arts, University of Alberta

Kerry Day

Associate, Corporate, Bennett Jones LLP

Angela Ferrante

Toronto, ON

Ken Higginbotham

Vice-President, Forestry and Environment, Canfor Corporation

Tom Jenkins

Executive Chairman and Chief Strategy Officer, Open Text

Gregory Kealey

Vice-President, Research, University of New Brunswick

Joanne Keselman

Vice-President (Academic) and Provost, University of Manitoba

Danielle Laberge

Administrator and Associate Professor, Université du Québec à Montréal

Christopher Manfredi

Dean, Faculty of Arts, McGill University

Nelson Michaud

Director, Teaching and Research, École nationale d'administration publique

Leslie Monkman

Professor Emeritus, Queen's University

Fred Morley

Executive Vice President and Chief Economist,
Greater Halifax Partnership

Priscilla Renouf

Professor and Canada Research Chair in North Atlantic Archaeology, Memorial University of Newfoundland

Suromitra Sanatani

Strategic Counsel, Heenan Blaikie

Gerri Sinclair

Principal, The Gerri Sinclair Group, and Distinguished Visiting Professor and Senior Innovation Strategist, Ryerson University

Michèle Thibodeau-DeGuire

President and Executive Director, Centraide of Greater Montréal

ASSOCIATE MEMBERS

Alain Beaudet

President, Canadian Institutes of Health Research

Suzanne Fortier

President, Natural Sciences and Engineering Research Council

FINANCIAL STATEMENTS

For the year ended March 31, 2011



INDEPENDENT AUDITOR'S REPORT

To the Social Sciences and Humanities Research Council and the Minister of Industry

I have audited the accompanying financial statements of Social Sciences and Humanities Research Council, which comprise the statement of financial position as at 31 March 2011, and the statement of operations, statement of equity of Canada, and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Social Sciences and Humanities Research Council as at 31 March 2011, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Marise Bédard, CA

Principal

for the Interim Auditor General of Canada

Marise Bedard

5 July 2011 Ottawa, Canada

STATEMENT OF MANAGEMENT RESPONSIBILITY INCLUDING INTERNAL CONTROL OVER FINANCIAL REPORTING

Responsibility for the integrity and objectivity of the accompanying financial statements for the year ended March 31, 2011 and all information contained in these statements rests with the management of the Social Sciences and Humanities Research Council (SSHRC). These financial statements have been prepared by management in accordance with Treasury Board accounting policies, which are based on Canadian generally accepted accounting principles for the public sector.

Management is responsible for the integrity and objectivity of the information in these financial statements. Some of the information in the financial statements is based on management's best estimates and judgment, and gives due consideration to materiality. To fulfil its accounting and reporting responsibilities, management maintains a set of accounts that provides a centralized record of SSHRC financial transactions. Financial information submitted in the preparation of the Public Accounts of Canada, and included in SSHRC's Departmental Performance Report, is consistent with these financial statements.

Management is also responsible for maintaining an effective system of internal control over financial reporting designed to provide reasonable assurance that financial information is reliable, that assets are safeguarded and that transactions are properly authorized and recorded in accordance with the *Financial Administration Act* and other applicable legislation, regulations, authorities and policies.

Management seeks to ensure the objectivity and integrity of data in its financial statements through careful selection, training, and development of qualified staff; through organizational arrangements that provide appropriate divisions of responsibility; through communication programs aimed at ensuring that regulations, policies, standards, and managerial authorities are understood throughout SSHRC; and through conducting an annual assessment of the effectiveness of the system of internal control over financial reporting (ICFR).

An assessment for the year ended March 31, 2011 was completed in accordance with the *Policy on Internal Control* and the results and action plans are summarized in the annex.¹

The system of ICFR is designed to mitigate risks to a reasonable level based on an on-going process to identify key risks, to assess effectiveness of associated key controls, and to make any necessary adjustments.

The effectiveness and adequacy of SSHRC's system of internal control is reviewed by the work of internal audit staff, who conduct periodic audits of different areas of SSHRC's operations, and by SSHRC's Independent Audit Committee, which oversees management's responsibilities for maintaining adequate control systems and the quality of financial reporting, and which recommends the financial statements to the president of SSHRC.

The Office of the Auditor General, the independent auditor for the Government of Canada, has expressed an opinion on the fair presentation of the financial statements of SSHRC which does not include an audit opinion on the annual assessment of the effectiveness of SSHRC's internal controls over financial reporting.

Chad Gaffield, Ph.D., FRSC President

Clod Ad Julil

Iaime Pitfield

Vice-President, Common Administrative Services, Chief Financial Officer

Ottawa, Canada, July 5th, 2011

¹Annex to the Statement of Management Responsibility including Internal Control over Financial Reporting. http://www.sshrc-crsh.gc.ca/about-au_sujet/publications/annual_reports-rapports_annuals-eng.aspx

STATEMENT OF FINANCIAL POSITION

	6,931	5,276
QUITY OF CANADA (Note 9)	(964)	(2,002
	7,895	7,278
Employee future benefits (Note 8)	3,525	3,674
Deferred revenue (Note 7)	492	498
Vacation pay and compensatory leave	725	820
Accounts payable and accrued liabilities (Note 6)	3,153	2,286
LIABILITIES		
ABILITIES AND EQUITY OF CANADA		
	6,931	5,276
Total Non-Financial Assets	1,705	1,616
Tangible capital assets (Note 5)	1,531	1,560
Prepaid expenses	174	56
NON-FINANCIAL ASSETS		
Total Financial Assets	5,226	3,660
Advances	19	2
Accounts receivable (Note 4)	2,235	1,306
Due from the Consolidated Revenue Fund	2,972	2,352
FINANCIAL ASSETS		
SSETS		
S AT MARCH 31 (thousands of dollars)	2011	2010

Contractual obligations (Note 10)

The accompanying notes form an integral part of these financial statements.

Chad Gaffield, Ph.D., FRSC, President

Jaime Pitfield, Vice-President, Common Administrative Services, Chief Financial Officer

Ottawa, Canada, July 5th, 2011

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STATEMENT OF OPERATIONS

Targeted research and training initiatives 16,022 Research Dissemination and Knowledge Translation 8,858 Total Expenses 690,192 REVENUES Fellowships, Scholarships and Prizes 1 Total Revenues 1	588,109
Research Dissemination and Knowledge Translation 8,858 Total Expenses 690,192 REVENUES	
Research Dissemination and Knowledge Translation 8,858	
	9,954
Targeted research and training initiatives 16,022	9,954
	23,750
Internal Services 20,045	21,164
Research Networking 26,159	26,035
Strategic Research Development 26,923	25,709
Research Chairs 53,751	53,308
Investigator-Framed Research 89,846	85,917
Fellowships, Scholarships and Prizes 118,790	117,297
Indirect Costs of Research 329,798	324,975
EXPENSES	
FOR THE YEAR ENDED MARCH 31 (thousands of dollars)	2010

Segmented information (Note 13)

The accompanying notes form an integral part of these financial statements.

STATEMENT OF EQUITY OF CANADA

Equity of Canada, end of year	(964)	(2,002)
departments (Note 11A)	3,744	3,867
Services provided without charge from other government		
Change in due from the Consolidated Revenue Fund	620	(1,230)
Net cash provided by Government of Canada	686,865	684,387
Net cost of operations	(690,191)	(688,108)
Equity of Canada, beginning of year	(2,002)	(918)
FOR THE YEAR ENDED MARCH 31 (thousands of dollars)	2011	2010

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CASH FLOW

Net cash provided by Government of Canada	686,865	684,387
FINANCING ACTIVITIES	-	-
Cash Used by Capital Investment Activities	721	325
Acquisitions of tangible capital asset	721	325
CAPITAL INVESTMENT ACTIVITIES		
Cash Used by Operating Activities	686,144	684,062
Decrease (increase) in employee future benefits	149	(587)
Decrease (increase) in deferred revenue	6	(2)
Decrease (increase) in vacation pay and compensatory leave	95	(47)
Decrease (increase) in accounts payable and accrued liabilities	(867)	1,714
increase (decrease) in prepaid expenses	118	(72)
Increase (decrease) in advances	17	(35)
Increase (decrease) in accounts receivable	929	(392)
VARIATIONS IN STATEMENT OF FINANCIAL POSITION:		
Loss on disposals of tangible capital assets	-	(4)
departments (Note 11A)	(3,744)	(3,867)
Services provided without charge from other government		
Amortization of tangible capital assets (Note 5)	(750)	(754)
NON-CASH ITEMS:		
NET COST OF OPERATIONS	690,191	688,108
OPERATING ACTIVITIES		
FOR THE YEAR ENDED MARCH 31 (thousands of dollars)	2011	2010

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. AUTHORITY AND OBJECTIVES

The Social Sciences and Humanities Research Council (SSHRC) was established in 1977 by the *Social Sciences* and Humanities Research Council Act, and is a departmental corporation named in Schedule II to the Financial Administration Act. SSHRC's purpose is to promote and assist research and scholarship in the social sciences and humanities. SSHRC delivers its objectives under nine program activities:

A) INDIRECT COSTS OF RESEARCH

The key objective of the Indirect Costs program is to help eligible universities, colleges and affiliated research hospitals and research institutes pay a portion of the costs associated with conducting academic research in institutions receiving research funds from any of the three federal granting agencies.

B) FELLOWSHIPS, SCHOLARSHIPS AND PRIZES

SSHRC offers several award programs for advanced study and research in the social sciences and humanities at the master's, doctoral and postdoctoral level. These programs help train Canada's researchers and leaders of tomorrow.

C) INVESTIGATOR-FRAMED RESEARCH

SSHRC research grants support individual and team projects and programs of research for which the applicant(s) propose(s) the research topic and methodology.

D) RESEARCH CHAIRS

Chairs programs support faculty positions within postsecondary and research institutions by providing funding for salaries and research activities. Chairs programs serve to attract the best and most productive researchers to Canada, and to retain those already here.

E) STRATEGIC RESEARCH DEVELOPMENT

SSHRC's strategic grants are available to faculty, postsecondary institutions and not-for-profit organizations to explore, develop and define new perspectives, challenges and priorities in conducting research, in disseminating research results, and in training new researchers.

F) RESEARCH NETWORKING

SSHRC's networking programs support interaction between researchers (in academia and other sectors) and between researchers and users of research results (in a range of sectors). These interactions enable researchers, research trainees and others to share and collaborate on research plans and results.

G) INTERNAL SERVICES

Internal services are groups of related activities and resources that are administered to support the needs of programs and other corporate obligations. These groups are: management and oversight services; communications; legal services; human resources management; financial management; information management; information technology; real property services; materiel services; acquisition services, and travel and other administrative services. Internal services include only those activities and resources that apply across an organization and not to those provided specifically to a program.

H) TARGETED RESEARCH AND TRAINING INITIATIVES

SSHRC develops and funds programs to support strategic research programs, both on its own and in partnership with other fund providers, including government, private and community organizations. These programs generate new knowledge on pressing social, economic and cultural issues of particular importance to Canadians.

I) RESEARCH DISSEMINATION AND KNOWLEDGE TRANSLATION

SSHRC supports the effective dissemination of social sciences and humanities research results, both within and beyond academia. Through grants to researchers and research institutions, it helps to ensure that research results are accessible to potential users, through both dissemination and engagement activities.

SSHRC's grants, scholarships, and operating expenditures are funded by budgetary lapsing authorities. Employee benefits are funded by statutory authorities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the Treasury Board accounting policies stated below, which are based on Canadian generally accepted accounting principles for the public sector. The presentation and results using the stated accounting policies do not result in any significant differences from Canadian generally accepted accounting principles, except as disclosed in Note 12 – Net Debt Indicator.

Significant accounting policies are as follows:

A) PARLIAMENTARY AUTHORITIES

SSHRC is financed by the Government of Canada through Parliamentary authorities. Financial reporting of authorities provided to SSHRC do not parallel financial reporting according to generally accepted accounting principles since authorities are primarily based on cash flow requirements. Consequently, items recognized in the Statement of Operations and the Statement of Financial Position are not necessarily the same as those provided through authorities from Parliament. Note 3 provides a reconciliation between the bases of reporting.

B) NET CASH PROVIDED BY GOVERNMENT

SSHRC operates within the Consolidated Revenue Fund (CRF), which is administered by the Receiver General for Canada. All cash received by SSHRC is deposited to the CRF and all cash disbursements made by SSHRC are paid from the CRF. The net cash provided by Government is the difference between all cash receipts and all cash disbursements, including transactions between departments of the Government.

C) AMOUNTS DUE FROM THE CONSOLIDATED REVENUE FUND

Amounts due from the Consolidated Revenue Fund are the result of timing differences at year-end between when a transaction affects authorities and when it is processed through the CRF. Amounts due from the CRF represent the amount of cash that SSHRC is entitled to draw from the CRF without further appropriations to discharge its liabilities.

D) REVENUES

Revenues consist of interest on overdue accounts receivable and are accounted for as earned.

Funds received from external parties for specified purposes are recorded upon receipt as deferred revenue. These revenues are recognized in the period in which the related expenses are incurred.

E) EXPENSES

Expenses are recorded on the accrual basis:

Grants and scholarships are recognized in the year in which the entitlement of the recipient has been established, when the recipient has met the eligibility criteria, the commitment has been approved, and the payment is due before the end of the fiscal year.

Vacation pay and compensatory leave are accrued as the benefits are earned by employees under their respective terms of employment.

Services provided without charge by other government departments and agencies for accommodation, audit services and the employer's contribution to the health and dental insurance plans are recorded as operating expenses at their estimated cost.

F) EMPLOYEE FUTURE BENEFITS

- (i) Pension benefits: Eligible employees of SSHRC participate in the Public Service Pension Plan, a multiemployer pension plan administered by the Government. SSHRC's contributions to the Plan are charged to expenses in the year incurred and represent SSHRC's total obligation to the Plan. Current legislation does not require SSHRC to make contributions for any actuarial deficiencies of the Plan.
- (ii) Severance benefits: Employees are entitled to severance benefits under labour contracts or conditions of employment. These benefits are accrued as employees render the services necessary to earn them. The obligation relating to the benefits earned by employees is calculated using information derived from the results of the actuarially determined liability for employee severance benefits for the Government as a whole.

G) ACCOUNTS RECEIVABLES

Accounts receivables are stated at the lower of cost and net recoverable value; a valuation allowance is recorded for receivables where recovery is considered uncertain.

H) TANGIBLE CAPITAL ASSETS

All tangible capital assets and leasehold improvements with an acquisition cost of \$2,500 or more are capitalized at cost as well as the standard furniture, equipment and desktop personal computer assigned to each employee due to the material number of such items. SSHRC does not capitalize intangibles.

Tangible capital assets are amortized over their estimated useful life on a straight-line basis as follows:

Asset class Amortization period

Informatics equipment, including standard software issued on desktop computers	3 years
Purchased network software and in-house developed software	5 years
Other equipment	5 years
Furniture	7 years
Motor vehicle	7 years
Leasehold improvements	Lesser of their useful
I	ife or the term of the lease

I) MEASUREMENT UNCERTAINTY

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses reported in the financial statements. At the time of preparation of these statements, management believes the estimates and assumptions to be reasonable. The allowance for employee severance benefits and the estimated useful life of capital assets are the most significant items where estimates are used. Actual results could significantly differ from those estimated. Management's estimates are reviewed periodically and, as adjustments become necessary, they are recorded in the financial statements in the year they become known.

3. PARLIAMENTARY AUTHORITIES

SSHRC receives its funding through annual Parliamentary authorities. Items recognized in the statement of operations and the statement of financial position in one year may be funded through Parliamentary authorities in prior, current or future years. Accordingly, SSHRC has different net results of operations for the year on a government funding basis than on an accrual accounting basis. The differences are reconciled in the following tables:

A) RECONCILIATION OF NET COST OF OPERATIONS TO CURRENT YEAR AUTHORITIES USED

Current year authorities used	689,093	686,433
Increase in prepaid expenses	118	(72)
Acquisitions of tangible capital assets	721	325
Adjustments for items not affecting net cost of operations but affecting author	orities:	
Other adjustments	63	21
Decrease in employee future benefits	149	(587)
government departments	(3,744)	(3,867)
Services provided without charge by other		
Amortization of tangible capital assets	(750)	(754)
Decrease in vacation pay and compensatory leave	95	(47)
Refunds of prior years' expenditures	2,249	3,305
Interest on overdue accounts receivable	1	1
Adjustments for items affecting net cost of operations but not affecting author	orities:	
Net cost of operations	690,191	688,108
(thousands of dollars)	2011	2010

B) AUTHORITIES PROVIDED AND USED

Current year authorities used	689,093	686,433
Statutory contributions to employee benefit plans	2,853	2,939
Operating expenditures	24,531	24,035
Frozen allotment	(278)	(325)
Less: Operating lapse	(761)	(1,487)
Vote 90	25,570	25,847
Operating expenditures		
Grants and scholarships expenditures	661,709	659,459
Frozen Allotment	(600)	(4,976)
Less: Lapse	(1,313)	(431)
Vote 95	663,622	664,866
Grants and scholarships		
(thousands of dollars)	2011	2010

4. ACCOUNTS RECEIVABLE

(thousands of dollars)	2011	2010
Receivables from other government departments and agencies	585	413
Receivables from external parties	1,650	904
	2,235	1,317
Allowance for doubtful accounts on receivables from external parties	-	(11)
	2,235	1,306

5. TANGIBLE CAPITAL ASSETS

(thousands of dollars)

		cos	ST				MULATED			BOOK LUE
Capital asset class	Opening balance	Acqui- sitions	Disposals and write-offs	Closing balance	Opening balance	Amort- ization	Disposals and write-offs	Closing balance	2011	2010
Informatics	2,626	503	45	3,084	2,422	213	45	2,590	494	204
Software	1,269	85		1,354	1,028	105		1,133	221	241
Other equipment	211	3	17	214	207	2	17	209	5	4
Furniture	1,997	124	13	2,108	1,394	146	13	1,527	581	603
Leasehold improvements	1,368	6		1,374	876	280		1,156	218	492
Motor vehicle	31			31	15	4		19	12	16
Total	7,502	721	58	8,165	5,942	750	58	6,634	1,531	1,560

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

(thousands of dollars)	2011	2010
Accounts payable to other government departments and agencies	1,724	1,425
Accounts payable to external parties	1,429	861
	3,153	2,286

7. DEFERRED REVENUE

Deferred revenue represents the balance, at year-end, of restricted and earmarked funds that have been received for a specified purpose

A) QUEEN'S FELLOWSHIP ENDOWMENT FUND

The Queen's Fellowship Endowment Fund consists of a \$250,000 endowment which is restricted for specific purposes in the Equity of Canada (see Note 9). The interest generated on the endowment is used to fund scholarships to graduate students in certain fields of Canadian studies. Details of the transactions related to the endowment are as follows:

Balance, end of year	107	105
Interest received	2	1
Balance, beginning of year	105	104
(thousands of dollars)	2011	2010

B) RESTRICTED GIFTS, DONATIONS AND BEQUESTS

Private restricted gifts, donations and bequests consist of funds received for special projects in the field of social sciences and humanities research activities. These funds and interest generated thereon are earmarked for these projects. Details of the operations related to the restricted gifts, donations and bequests are as follows:

Balance, end of year	385	393
Fellowships paid	(10)	-
Interest received	2	1
Funds received	-	-
Balance, beginning of year	393	392
(thousands of dollars)	2011	2010
	2011	2010

8. EMPLOYEE FUTURE BENEFITS

A) PENSION BENEFITS

SSHRC's employees participate in the Public Service Pension Plan, which is sponsored and administered by the Government. Pension benefits accrue up to a maximum period of 35 years at a rate of 2 percent per year of pensionable service, times the average of the best five consecutive years of earnings. The benefits are integrated with Canada/Québec Pension Plans benefits and they are indexed to inflation.

Both the employees and SSHRC contribute to the cost of the Plan. The 2010-2011 expense amounts to \$2,002,090 (\$2,121,916 in 2009-2010), which represents approximately 1.9 times (1.9 times in 2009-2010) the contributions by employees.

SSHRC's responsibility with regard to the Plan is limited to its contributions. Actuarial surpluses or deficiencies are recognized in the financial statements of the Government of Canada, as the Plan's sponsor.

B) SEVERANCE BENEFITS

SSHRC provides severance benefits to its employees based on eligibility, years of service and final salary. These severance benefits are not pre-funded. Benefits will be paid from future authorities. Information about the severance benefits, measured as at March 31, is as follows:

Accrued benefit obligation, end of year	3,526	3,674
Benefits paid during the year	(308)	(233)
Expense for the year	160	820
Accrued benefit obligation, beginning of year	3,674	3,087
(thousands of dollars)	2011	2010

9. EQUITY OF CANADA

The Queen's Fellowship Endowment Fund is an endowment of \$250,000 established by Parliament by Vote 45a, *Appropriation Act No. 5*, in 1973-74. The interest generated from the endowment is included in deferred revenue (see Note 7A). The endowment itself does not represent a liability to third parties but is restricted for special purposes. The details of the Equity of Canada are as follows:

Equity of Canada	(964)	(2,002)
Equity of Canada excluding Endowment Fund	(1,214)	(2,252)
Queen's Fellowship Endowment Fund	250	250
(thousands of dollars)	2011	2010

10. CONTRACTUAL OBLIGATIONS

Payments of grants and scholarships extending in future years are subject to the provision of funds by Parliament. As of March 31, 2011, the commitments for future years' awards, including \$322,403 in 2011-12 for the Indirect Costs Program, are payable as follows:

2012-13 194,18 2013-14 109,380 2014-15 48,009	Total	1,030,883
2012-13 194,18 2013-14 109,380	2015-16 and subsequent years	45,162
2012-13 194,18	2014-15	48,009
	2013-14	109,380
2011-12 634,15	2012-13	194,181
	2011-12	634,151
(thousands of dollars)	(thousands of dollars)	

In addition, the nature of SSHRC's operating activities can result in some large multiyear contracts and obligations whereby SSHRC will be committed to make future payments when the services or goods are rendered. Significant contractual obligations that can be reasonably estimated are summarized as follows:

Total	125
2015-16 and subsequent years	-
2014-15	-
2013-14	17
2012-13	45
2011-12	63
(thousands of dollars)	

11. RELATED PARTY TRANSACTIONS

SSHRC is related as a result of common ownership to all Government departments, agencies and Crown Corporations. SSHRC enters into transactions with these entities in the normal course of business and on normal trade terms. During the year, SSHRC received common services which were obtained without charge by other Government departments as disclosed below:

A) COMMON SERVICES PROVIDED WITHOUT CHARGE BY OTHER GOVERNMENT DEPARTMENTS

During the year SSHRC received services without charge from certain common service organizations, related to accommodation, audit services and the employer's contribution to the health and dental insurance plans. These services provided without charge have been recorded in SSHRC's Statement of Operations as follows:

Total	3,744	3,867
Audit Services provided by the Office of the Auditor General	88	94
insurance premiums provided by Treasury Board Secretariat	1,384	1,468
Contributions covering the employer's share of employees' medical and dental	2,272	2,000
Accommodations provided by Public Works and Government Services Canada	2.272	2.305
(thousands of dollars)	2011	2010

B) ADMINISTRATION OF PROGRAMS ON BEHALF OF OTHER GOVERNMENT DEPARTMENTS

SSHRC administers funds received from other government departments and agencies to issue grants, scholarships and related payments on their behalf. During the year, SSHRC administered \$ 221,576,138 (\$204,962,913 in 2009-10) in funds for grants and scholarships. These expenses are not reflected in SSHRC's Statement of Operations but rather are recorded in the financial statements of the departments or agencies that provided the funds.

SSHRC also recovers administrative fees in some circumstances where a significant administrative burden is incurred by SSHRC for the administration of certain funds on behalf of other government departments and agencies. These amounted to \$77,044 during the year (\$121,432 in 2009-10) and were netted against SSHRC's operating expenses.

12. NET DEBT INDICATOR

The presentation of the net debt indicator and a statement of change in net debt is required under Canadian generally accepted accounting principles.

Net debt is the difference between a government's liabilities and its financial assets and is meant to provide a measure of the future revenues required to pay for past transactions and events. A statement of change in net debt would show changes during the period in components such as tangible capital assets, prepaid expenses and inventories. Departments are financed by the Government of Canada through appropriations and operate within the Consolidated Revenue Fund (CRF), which is administered by the Receiver General for Canada. All cash received by departments is deposited to the CRF and all cash disbursements made by departments are paid by the CRF. Under this government business model, assets reflected on the departmental financial statements, with the exception of the Due from the CRF, are not available to use for the purpose of discharging the existing liabilities of the department. Future appropriations and any respendable revenues generated by the department's operations would be used to discharge existing liabilities.

Net Debt Indicator	2,669	3,618
Total Financial Assets	5,226	3,660
Advances	19	2
Accounts receivable	2,235	1,306
Due from Consolidated Revenue Fund	2,972	2,352
Financial Assets		
Total Financial Liabilities	7,895	7,278
Employee future benefits	3,525	3,674
Deferred revenue	492	498
Vacation pay and compensatory leave	725	820
Accounts payable and accrued liabilities	3,153	2,286
Liabilities		
(thousands of dollars)	2011	2010

13. SEGMENTED INFORMATION

Presentation by segment is based on SSHRC's program activity architecture. The presentation by segment is based on the same accounting policies as described in the Summary of significant accounting policies in Note 2. The following table presents the expenses incurred for the main program activities, by major object of expenses. The segment results for the period are as follows:

(thousands of dollars)

	Indirect Costs of Research	Fellowships, Scholarships and Prizes	Investigator- Framed Research	Research Chairs	Strategic Research Development	Research Networking	Internal Services	Targeted Research and Training Initiatives	Research Dissemination and Knowledge Translation	2011 TOTAL	2010 TOTAL
Transfer payments Grants and											
Scholarships	329,330	116,587	86,267	52,450	26,187	25,649	-	14,605	8,470	659,545	656,293
Total transfer payments											
Operating expenses Salaries and employee benefits	446	2,039	3,074	948	660	478	11,696	1,280	360	20,981	22,143
Professional and special services	15	60	111	123	24	10	3,768	45	8	4,164	3,892
Accommodation and rentals	-	-	35	-	2	1	2,411	2	1	2,452	2,562
Transportation and communications	7	104	358	74	49	20	589	88	18	1,307	1,490
Amortization of tangible capital assets	-	-	-	-	-	-	750	-	-	750	754
Information	-	-	1	22	1	1	362	2	1	390	517
Utilities, materials and supplies	-	-	-	134	-	-	182	-	-	316	260
Repair and maintenance	-	-	-	-	-	-	287	-	-	287	194
Loss on disposal of tangible capital assets	-	-	-	-	-	-	-	-	-	-	4
Total operating expenses	s 468	2,203	3,579	1,301	736	510	20,045	1,417	388	30,647	31,816
Total expenses	329,798	118,790	89,846	53,751	26,923	26,159	20,045	16,022	8,858	690,192	688,109

14. COMPARATIVE INFORMATION

Comparative figures have been reclassified to conform to the current year's presentation.