

Social Development Canada

Departmental Performance Report

**For the period ending
March 31, 2005**

Approved by:

The Honourable Ken Dryden, P.C., M.P.
Minister of Social Development Canada

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**Message from the Honourable Ken Dryden
Minister of Social Development Canada**

Departmental Performance Report 2004-2005

As Canadians, we have certain understandings about what it is to be Canadian, what we expect of ourselves and for ourselves, what we expect of and for others. As Canadians we expect a chance and a second chance. We expect the opportunity of a rich, full, rewarding life. For some, this does not happen easily, because of illness or accident, disability, poverty, age, because of personal or family circumstances, because of something that puts us behind when the race begins or somewhere along its way.



The work of Social Development Canada is to help address these challenges, to narrow the gaps between our expectations and our reality. This Departmental Performance Report illustrates how we are doing in meeting this goal.

It highlights, among other things, the progress we have made on important new initiatives on Early Learning and Child Care, on active living and income security programs for seniors, and on our efforts to strengthen the voluntary sector and the social economy. The Report also points out that at Social Development Canada we are central participants in Service Canada, which has been recently created to improve citizens' access to Government of Canada programs and services.

Our success depends on more fully involving citizens and community-based organizations in the creation of our policies and the development and evaluation of our programs. We have done this in the past; we will do so even more in the future.

At SDC, we have made progress over the past year, but we have much more yet to do. Along with Tony Ianno, Minister of State for Families and Caregivers, and Parliamentary Secretary Eleni Bakopanos, we will continue to work toward realizing the understandings and expectations we Canadians have for ourselves and of ourselves, for and of others.

*Ken Dryden, P.C., M.P.
Minister of Social Development Canada*

**Message from the Honourable Tony Ianno
Minister of State for Families and Caregivers**

Departmental Performance Report 2004-2005

The Government of Canada is committed to strengthening Canada's social foundations. As Minister responsible for Families and Caregivers, I am proud to be leading the Government's response to this commitment.



At Social Development Canada, we have been building upon existing programs and seeking new approaches that support seniors and unpaid caregivers who care for an aging parent, a family member or friend with a disability, or chronic illness. In the last year, I have had the opportunity to visit different parts of the country to hear from Canadians on the topic of caregiving. Our government is dedicated to listening and sharing with the caregiving community, our provincial counterparts, and individual Canadians as we identify the best ways to support unpaid caregivers in the future. We are asking Canadians to help shape the policies and programs needed so that the Government of Canada can effectively respond to the needs of caregivers in the 21st century.

We are also committed to providing Canada's seniors with a lifestyle and dignity of community living that they so richly deserve. In October 2004, we launched the New Horizons for Seniors Program, which will support a wide range of community-based projects across Canada to encourage active living and participation among seniors. Following the resounding success of this launch, in Budget 2005 the government announced increased funding for this important initiative and thereby opened the door of opportunity to many more seniors' organizations across the country in the years to come. In addition, this recent budget also contained the allocation of funds for a National Seniors Secretariat. This is another important step forward in bringing adequate federal government focus onto issues of importance to our growing seniors' population. Lastly, the 2005 Budget also provides our lower-income seniors with the largest increase to the Guaranteed Income Supplement since 1984.

We are steadfast in our commitment to support caregivers and their families, and to better understand the needs and expectations of our seniors. We will continue to develop initiatives and work with partners to ensure that there are increased opportunities for all Canadians.

*Tony Ianno, P.C., M.P.
Minister of State (Families and Caregivers)*

**Message from the Honourable Eleni Bakopanos
Parliamentary Secretary to the Minister
of Social Development
with special emphasis on Social Economy**

Departmental Performance Report 2004-2005

Canadians not only want, but deserve the highest possible quality of life. As Parliamentary Secretary to the Minister of Social Development with emphasis on Social Economy, I feel that building a strong and vibrant social system is key to providing that world standard quality of life.

The Government of Canada recognizes that people are a powerful resource. Over the past year at Social Development Canada, we have worked to make the social economy a key part of Canada's social policy toolkit. Specifically, Social Development Canada has been developing a policy framework on the future of the social economy. I have had the privilege of piloting these efforts by leading the National Roundtable on the Social Economy, which provides a forum for dialogue with key partners, and an opportunity to develop long-term recommendations.



We have also worked to develop policy and programs to support citizen-led, community-based efforts to improve the lives of Canadians, and will continue to advance social policy and evidence-based knowledge to promote effective social development initiatives.

By working together with stakeholders, partners and communities, I believe we can continue to improve the social well-being of all Canadians.

*Eleni Bakopanos, P.C., M.P.
Parliamentary Secretary to the Minister of Social Development
with special emphasis on Social Economy*

Management Representation Statement

I submit for tabling in Parliament, the 2004-2005 Departmental Performance Report (DPR) for Social Development Canada.

This document has been prepared based on the reporting principles contained in the *Guide to the Preparation of 2004-2005 Departmental Performance Report*.

- ❖ It is based on the department's approved accountability structure as reflected in its Management Resources and Results Structure (MRRS);¹
- ❖ It presents consistent, comprehensive, balanced and accurate information;
- ❖ It provides a basis of accountability for the results achieved with the resources and authorities entrusted to it; and
- ❖ It reports finances based on approved numbers from the Estimates and the Public Accounts in the DPR.

Nicole Jauvin
Deputy Minister,
Social Development Canada

¹ Financial data for 2004-2005 has been restated to report on the six strategic outcomes as per the 2004-2005 Report on Plans and Priorities.

Social Development Canada – Strengthening Canada’s Social Foundations

This report presents Social Development Canada’s (SDC) performance accomplishments within its first complete fiscal year of operation.

SDC exists to help the Government of Canada achieve its goal of securing and strengthening Canada’s social foundations while respecting federal, provincial and territorial jurisdiction. The department’s vision, mission, strategic outcomes, clients and partners are described in detail in the chart later in this section.

Created as a result of the Government reorganization in December 2003, SDC used 2004-2005 as a transition year to establish a new mandate; governance structures; stewardship of management accountabilities; appropriate indicators; and, continued work on service transformation that contributed to the Budget 2005 announcement of the Service Canada initiative. All of this was undertaken while SDC continued to deliver its programs and services to Canadians and provide leadership on many key social policy focuses of the Government of Canada.

Key SDC Statistics 2004-2005

As a department with a social policy leadership mandate, Social Development Canada monitors many statistics that provide insights into trends shaping the lives of Canadians and guide its policies, programs and operations.

Income support (for seniors):

- ❖ The dependency ratio (the % age of the population aged 65 and over as a share of the population aged 15-64) will increase from 18.6% in 2002 to 33.6% in 2026.
- ❖ The incidence of low income for Canada’s seniors, 5.9% in 2000, is the lowest in the G7 (Luxembourg Income Study: Relative Poverty Rates for the Total Population, Children and the Elderly, pp. 1-4).
- ❖ The incidence of low income remains high among unattached elderly women at 18.9%. (post-income tax Low Incomes Cut-off number for 2003. Statistics Canada, Income in Canada 2003, p.124.)

Inclusion and Participation (for Persons with Disabilities):

- ❖ One in eight Canadians has a disability. About one in twenty has a severe or very severe disability.
- ❖ The incidence of low income fell between 1996 and 2003 from 30.4% to 23.6% for persons aged 16-64 with work-limiting disabilities.
- ❖ The employment rate for persons with disabilities (ages 16-64) was 53.2% in 2002, compared to 75.6% for persons without disabilities.

Vibrant Communities:

- ❖ In 2000, 18% of seniors volunteered for an organization with those volunteering doing so, on average, 269 hours a year. That same year 26.7% of all Canadians aged 15 and over were volunteers with an average of 162 hours a year spent volunteering.
- ❖ 68.0% of Canadians aged 15 and over had a very or somewhat strong sense of belonging to their local community. This rose to 74.2% among those aged 65 and older. 27.9% of seniors had a very strong sense of belonging to their community compared to 19% among those 15 and over.

Investments in Children and Families:

- ❖ In Canada, in 2001, there was a space in a regulated child care program for 24% of children under age six with a mother in the paid labour force.
- ❖ The number of low-income families with children (based on the post-tax low income cutoff (LICO)) dropped from 663,000 in 1996 to 424,000 in 2003, or a decline of 239,000 families.
- ❖ 72% of low-income children under age 16 in 2002 were in a family where the main income recipient was either a lone parent, an Aboriginal Canadian living off-reserve, a recent immigrant, or a person with work-limiting disabilities.

Service Innovation:

- ❖ In 2004, and for the fourth consecutive year, Canada ranks first in overall e-Government maturity scores, with a score of 80 compared to 67 for Singapore and the United States.
- ❖ 74% of Canadians were using the Internet from some location as of May 2003, but with large differences defined by age, education, income and geographical location.

Partnership Means Success

SDC has a very wide range of partners, as illustrated in the following chart. These partnerships are critical to achieving the mandate of Social Development Canada—which has two main goals—ensuring that core social programs are secure and adaptable to changing needs and meeting the expectations of Canadians by developing innovative solutions founded on Canadian values. Social challenges are complex and linked, and their solutions cross departmental and jurisdictional lines. This department works in partnership with other governments, the voluntary sector, social economy organizations, and communities and the private sector to develop integrated programs and services. SDC also support individuals, families and communities in developing their own solutions to problems. As part of this commitment to partnership, governments need to remain accountable to Canadians and need to enlist third parties to monitor social progress. It is also clear that communication, research, knowledge and information are essential. Further partnerships will work when they are founded in values and in what Canadians stand for—shared community, equality and justice, respect for diversity and a balance between rights and responsibilities.

Program Activity Architecture

Social Development Canada Mandate

Vision

A Canada for all, where everyone participates and plays an active role.

Mission

To strengthen Canada's social foundations by supporting the well-being of individuals, families and communities and their participation through citizen-focused policies, programs, and services. SDC will achieve this by reducing barriers and facilitating access to opportunities; investing in people and strengthening communities; delivering seamless, innovative, and responsive services, both internally and externally; working with federal partners, other governments and communities; supporting our employees; and serving Canadians with integrity and commitment.

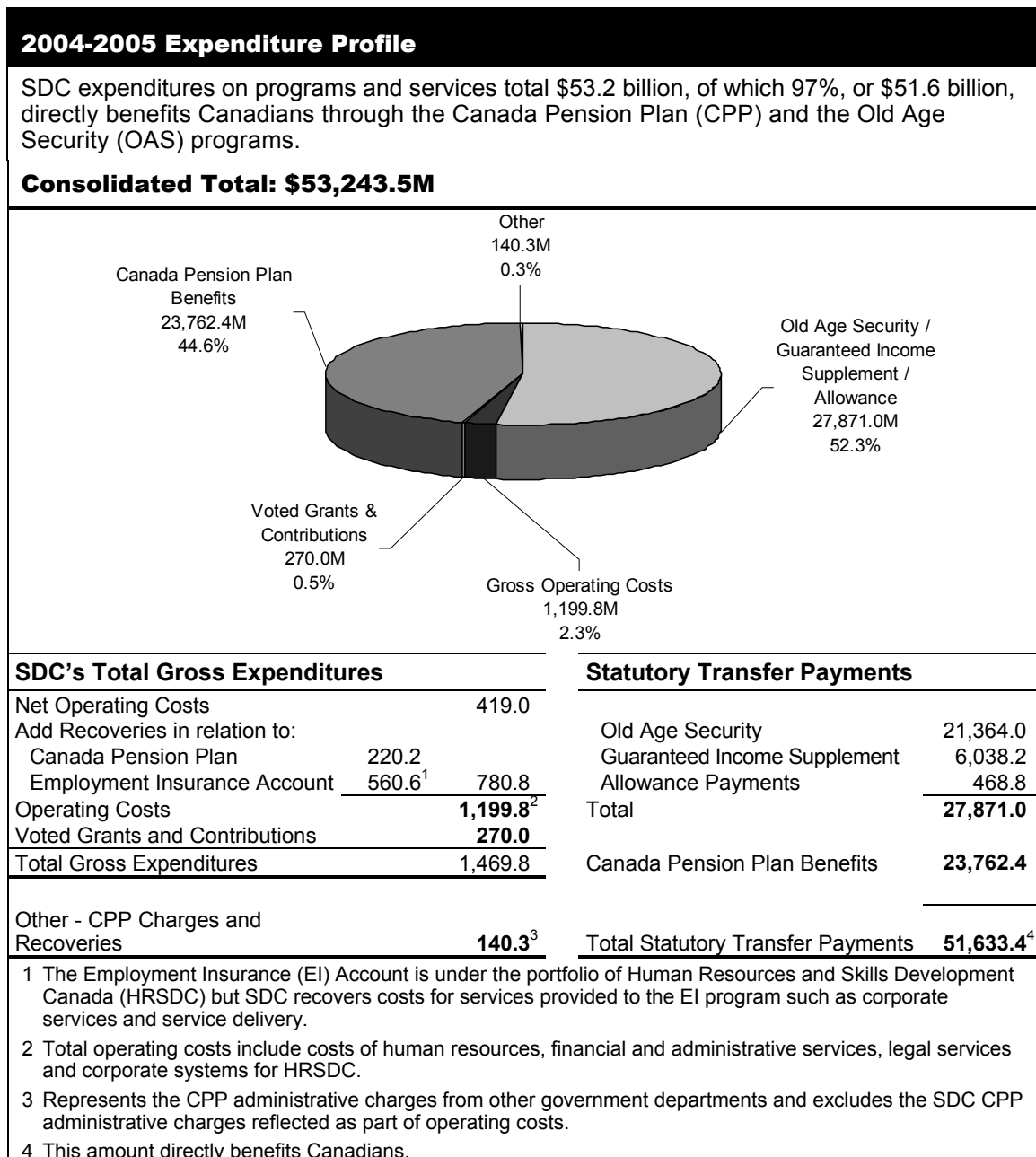
	Income Support	Inclusion and Participation	Vibrant Communities	Investments in Children and Families	Service Innovation
Outcomes	A Canada where the quality of life and inclusion for Seniors is enhanced and poverty alleviated through sustainable public pensions, benefits and supports.	A Canada where the social and economic participation of Persons with Disabilities is enhanced.	A Canada where vibrant and inclusive communities meet the social development needs of Canadians.	A Canada where the capacities of Individuals, Children, Families and Communities are strengthened in order to promote social inclusion, participation and well-being.	A Canada where service delivery is focused on citizen needs.
Program Activities	<p>Canada Pension Plan - Retirement, Survivors, and Death</p> <ul style="list-style-type: none"> ❖ Benefits ❖ Administration <p>Old Age Security/ Guaranteed Income Supplement</p> <ul style="list-style-type: none"> ❖ Benefits ❖ Administration 	<p>Canada Pension Plan - Disability</p> <ul style="list-style-type: none"> ❖ CPP Benefits - Disability ❖ CPP Administration ❖ Disability <p>Labour Market Agreements for Persons with Disabilities</p> <ul style="list-style-type: none"> ❖ Federal/ Provincial/ Territorial Agreements ❖ Administration <p>Opportunities Fund for Persons with Disabilities</p> <ul style="list-style-type: none"> ❖ Contributions ❖ Administration 	<p>Social Development Partnerships Program²</p> <ul style="list-style-type: none"> ❖ Grants and Contributions ❖ Administration <p>Voluntary Sector Initiative</p> <p>Understanding the Early Years</p> <p>New Horizons for Seniors Program</p>	<p>National Child Benefit Initiative</p> <p>Early Childhood Development Agreement</p> <p>Multilateral Framework for Early Learning and Child Care</p>	<p>Modernizing Service for Canadians - Research and Development</p> <p>Enterprise-Wide Service Delivery</p>
Modern Service and Benefits Delivery					
Corporate and Shared Services					
Clients: Seniors, Persons with Disabilities, Communities, Community Organizations, Children, Families and Individuals					
Partners: All levels of Government, Canadians and their MPs, Employers, Unions, Service Providers, Community Organizations, Not-for-Profit and Voluntary Sectors, Non-Governmental Organizations, Research Partners, International Organizations					

² Funds for the Voluntary Sector Initiative and Understanding the Early Years are administered through the SDPP Terms and Conditions.

Financial Information

As of March 31, 2005, SDC had approximately 12,000 employees responsible for \$53 billion in spending that benefits Canadians. By far, the largest component is for income support to Canadians, with 97% of SDC's expenditures directed to program benefits that Parliament has legislated. These are paid under the Old Age Security program, which is funded from general tax revenue, and for the full range of benefits from the Canada Pension Plan (CPP), which is a contributory program that is not part of the Consolidated Revenue Fund. SDC funds its other programs, initiatives and policy activities from its operating and non-statutory grant and contributions expenditures.

Expenditure Profile



Year in Review

The Policy and Planning Environment

The foundation elements of Social Development Canada planning for 2004-2005 were the medium- to longer-term factors that are shaping Canada's society and economy—demographic change; evolving work, family and community commitments; the state of poverty and social exclusion; the impacts of globalization; and Canadians' expectations of service delivery and accountability. The department described those factors and their implications for SDC planning in its 2004-2005 Report on Plans and Priorities and they continued to guide its ongoing policies, programs and activities throughout the year.

The Government decision to pursue a very active social policy agenda proved significant to SDC priorities because that agenda included many issues for which SDC has the lead federal role. The Government decided that it wanted to further address the issues facing seniors and persons with disabilities. It placed an even greater priority than before on expanded support for early learning and child care. It identified a need to better understand and meet the needs of caregivers and to further the development of the social economy.

In these and other areas, the Government drew upon Social Development Canada's commitment to social policy leadership. SDC was called on for advice and support in crafting possible policy and program options and for turning commitments into actions. The department's specific contributions were reflected in the October 2004 Speech from the Throne, the Budget 2005 and other Government decisions, all of which are described later in this section.

As the following sections indicate, 2004-2005 was a year in which the department took the steps needed to establish the formal legal, accountability and other frameworks consistent with the creation of this new department. SDC made progress in building the foundation for the policy leadership that is central to its mandate. Most importantly for Canadians, the department was actively engaged in helping the Government to meet major social policy commitments to Canadians including:

- ❖ Progress toward new Early Learning and Child Care agreements with the provinces and territories;
- ❖ Improved programs, services and income support for seniors;
- ❖ Implementation of new Labour Market Agreements for Persons with Disabilities with participating provinces; and
- ❖ Canada Pension Plan-Disability Program enhancements that permit the reinstatement of benefits to people who have returned to work but then must leave due to a recurring disability.

Establishing the Key Structures for Social Development Canada

This active policy environment coincided with the essential work needed to formally establish SDC after its 2003 creation. As part of this, the department put in place the structures and frameworks necessary for effective achievement of government-wide and departmental goals. These included:

- ❖ Support to the Government for the legislative progress of Bill C-22, the *Department of Social Development Act*, which formally established the department, and which was passed into law after the end of the fiscal year;
- ❖ Efforts to develop a comprehensive performance measurement framework, which will enable the monitoring of program performance and progress towards SDC's strategic outcomes and program activities;
- ❖ Progress on a new Program Activity Architecture; and
- ❖ Departmental organizational changes to align its structures with its current responsibilities and to improve coordination and results.

Building the Foundation for Policy Leadership

SDC's contributions to the Government's agenda drew on a strong and expanded policy capacity. During the year, SDC took many actions to build that capacity, including progress on:

- ❖ An overarching policy framework that will guide the work of the department in meeting the social development needs of Canadians;
- ❖ A knowledge plan focused on departmental knowledge creation and management;
- ❖ An assessment of Canada's aging society and its implications for SDC;
- ❖ Exploration of emerging social policy issues and policy innovation through conferences and events; and
- ❖ Undertaking consultations and engagement activities with citizens, communities and key stakeholders in order to address social development policy issues, and to continue making citizen engagement an integral part of the way the department does business.

Achieving Results on Government and Departmental Commitments

During 2004-2005, SDC not only met the most significant objectives that were set out in the Report on Plans and Priorities, it also achieved results on the additional priorities that the Government set out during 2004-2005 in the Speech from the Throne and the Budget. This can be best demonstrated through summaries of SDC's six formal strategic outcomes.

Strategic Outcome 1

A Canada where the quality of life and inclusion for Seniors is enhanced and poverty alleviated through sustainable public pensions, benefits and supports.

In addition to SDC's ongoing activities and program delivery and collaboration, the department's 2004-2005 achievements of greatest visibility to Canadians under this strategic outcome were:

- ❖ Exceeding most service commitments to the 4.1 million people receiving OAS benefits, the 1.5 million GIS beneficiaries, the 3.1 million people with CPP Retirement benefits and the 945,000 CPP Survivors' beneficiaries, including efforts to modernize delivery and reach out to inform individuals of benefits for which they might be eligible.
- ❖ Supporting the work of the Prime Minister's Task Force on Active Living for Seniors, which proposed an extensive and diverse agenda touching many aspects of seniors' needs in Canada.

- ❖ Assisting in the analysis and planning that led to the decision to increase the Guaranteed Income Supplement, the Allowance and the Allowance for the Survivor to help address the needs of Canada's poorest seniors. Starting January 1, 2006, the Guaranteed Income Supplement will be increased by \$18 a month for single recipients and by \$29 a month for couples. It will increase by the same amount again on January 1, 2007.
- ❖ Support for the Government in connection with the Budget 2005 commitment of providing \$13 million in funding over five years to establish a National Seniors' Secretariat that will serve as a focal point for collaborative efforts in addressing the new challenges facing seniors.
- ❖ Successful launch of the New Horizons for Seniors Program (more information under Strategic Outcome 3).
- ❖ Collaboration with other government departments and with the provinces and territories to improve services and information to seniors such as the Canada Benefits Finder, an on-line service that provides clients with information on programs and services.

Strategic Outcome 2

A Canada where the social and economic participation of Persons with Disabilities is enhanced.

In addition to SDC's ongoing activities and program delivery and collaboration, the department's 2004-2005 achievements of greatest visibility to Canadians under this strategic outcome were:

- ❖ Supporting the Government in gaining the approval of Parliament and the provinces to amend Canada Pension Plan legislation to allow for the automatic reinstatement of disability benefits for clients who cannot keep working because their disability has recurred. This measure was implemented on January 31, 2005.
- ❖ Improved coordination of services, such as support to Canada Pension Plan-Disability clients in dealing with tax implications of retroactive CPP disability benefits and long-term disability insurance payments.
- ❖ Conducting the Employment Systems Review that examined the Labour Market Agreements for Persons with Disabilities, Opportunities Fund and other federal and provincial employment programming for persons with disabilities that led to the start of a program redesign process to deal with potential areas of duplication and to address unmet needs.
- ❖ Supporting the Government in its Budget 2005 commitment to provide a \$6 million grant to support the Canadian National Institute for the Blind's Digital Library, \$1 million per year for three years for the National Library and Archives and \$2.9 million this year to support the Participation and Activity Limitation Survey (PALS).
- ❖ Reporting and researching on the situation of persons with disabilities in Canada as well as tools and support to improve policy-making and services, including: *Advancing the Inclusion of Persons with Disabilities 2004*, the Government of Canada's second comprehensive report on disability in Canada; *Canadian Attitudes Towards Disability Issues: a national study public awareness and attitudes towards disability in Canada*; *Supports and Services for Adults and Children with Disabilities in Canada: An Analysis of Data on Needs and Gaps*; and, a *Frequently Asked Questions Guide* on programs and services available to support the inclusion of Canadians with disabilities.

- ❖ The coming into effect on April 1, 2004, of the Federal-Provincial Labour Market Agreements for Persons with Disabilities (LMAPD), replacing the Employability Assistance for People with Disabilities initiative.

Strategic Outcome 3

A Canada where vibrant and inclusive communities meet the social development needs of Canadians.

In addition to SDC's ongoing activities and program delivery and collaboration, the department's 2004-2005 achievements of greatest visibility to Canadians under this strategic outcome were:

- ❖ Formal conclusion of the Voluntary Sector Initiative and the establishment of ongoing efforts to strengthen the capacity of the voluntary sector, and to help fulfill Government commitments to the sector.
- ❖ Successful launch of the New Horizons for Seniors Program and the funding of 336 proposals as well as support by the Government in connection with the Budget 2005 commitment to increase funding from the initial \$10 million annual allocation to \$15 million (2005-2006), \$20 million (2006-2007) and \$25 million (2007-2008 and beyond).
- ❖ Issuing a first call for proposals under Understanding the Early Years to make effective use of the funds allocated through the 2004 budget.
- ❖ Leading federal efforts—in collaboration with Industry Canada—to support the social economy with an initial emphasis on capacity building and financing.

Strategic Outcome 4

A Canada where the capacities of Individuals, Children, Families and Communities are strengthened in order to promote social inclusion, participation and well-being.

In addition to SDC's ongoing activities and program delivery and collaboration, the department's 2004-2005 achievements of greatest visibility to Canadians under this strategic outcome were:

- ❖ Carrying out the discussions with the provinces, territories and other partners that were reflected in the Budget 2005 commitment to provide \$5 billion in funding over five years for a new initiative for early learning and child care based on four key principles—quality, universally inclusive, accessible and developmental.
- ❖ Fulfillment of reporting commitments as specified under the National Child Benefit and Early Childhood Development, and Multilateral Framework on Early Learning and Child Care agreements.

Strategic Outcome 5

A Canada where service delivery is focused on citizen needs.

In addition to our ongoing activities and program delivery and collaboration, our 2004-2005 achievements of greatest visibility to Canadians under this strategic outcome were:

- ❖ Support for the Government in connection with the Budget 2005 commitment to implement the Service Canada initiative over five years, which will draw on the work done by SDC and other departments to modernize service delivery.
- ❖ Improvements to the national infrastructure for identity and integrity through work with other federal departments that will help ensure the consistent identification, authentication and validation of individuals who request services.
- ❖ Work with provincial governments to improve linkages between the Social Insurance Register (SIR) and provincial and territorial vital statistics sources for more accurate and complete data on the SIR.
- ❖ Interdepartmental cooperation to develop a streamlined and integrated approach for the collection, use and maintenance of payroll, earnings and income information.
- ❖ Testing of “service offerings” for seniors, persons with disabilities, youth and working age adults that would integrate information based on citizen needs, not program structures.
- ❖ Integration of SDC call centre operations which led to an increase of 800,000 more calls being answered in 2004-2005 than in 2003-2004 as well as improved service quality and other benefits.
- ❖ Consolidation of more than 170 separate departmental Internet sites into a single, citizen-centred Internet channel with two Web sites and a decrease in Web pages from 400,000 to 40,000.
- ❖ Many examples of simplified and streamlined SDC services, including the use of the Internet.

Strategic Outcome 6

Effective corporate services.

In addition to SDC’s ongoing activities, the department’s 2004-2005 achievements of greatest visibility to Canadians under this strategic outcome were:

- ❖ A wide range of initiatives to provide human resources, systems, legal and financial and administrative services in ways that reduced costs.
- ❖ Preparation to implement the new *Public Service Modernization Act*.
- ❖ Action to meet official languages commitments and diversity expectations.
- ❖ Continued efforts to expand awareness of values and ethics and promote learning.
- ❖ Improved corporate planning, stewardship and accountability through an improved planning function and implementation of the Management Accountability Framework.
- ❖ Analysis of departmental operations to meet Expenditure Review requirements, particularly through the Service Canada initiative and the decision to transfer responsibility for collections to the Canada Revenue Agency.

Social Development Canada and Canada’s Performance Report

Canada’s Performance is an annual report by the President of the Treasury Board to Parliament. This report analyzes the current situation and progress towards major outcomes that the Government is seeking in Canadian life. Many of the largest contributions that Social Development Canada (SDC) makes to the lives of Canadians and

their communities can be demonstrated by the range of contributions that the department makes towards achieving two specific outcomes set out in *Canada's Performance*:

Income Security and Employment for Canadians

- ❖ SDC makes a significant contribution to the income security of many Canadian seniors through public pensions. Public pensions such as the Old Age Security program and the Canada Pension Plan account for 97% of all SDC spending.
- ❖ Poverty rates for people aged 65 years and older have fallen significantly over the past decade. However, a significant minority of seniors remain poor. Social Development Canada continues to focus its policies, programs and initiatives on poverty reduction among seniors and to seek a better understanding of the factors that contribute to low income prior to retirement.
- ❖ SDC makes a significant contribution to the income security of disabled Canadians and their families through Canada Pension Plan Disability Benefits and the Child Disability Benefit. The CPP Disability Benefit program features substantial support to assist persons with disabilities to return to work to the extent possible.
- ❖ SDC's responsibility for the Labour Market Agreements for Persons with Disabilities enables the department to share the costs of provincial employment and social programs for persons with disabilities.
- ❖ SDC's responsibility for the Opportunities Fund for Persons with Disabilities enables it to assist persons with disabilities to prepare for and obtain employment or self-employment as well as to develop the skills necessary to maintain that new employment.
- ❖ SDC plays a leading role on federal initiatives for children and families and in collaboration with provincial and territorial governments, in particular through the National Child Benefit; the Early Childhood Development Agreement and the Multilateral Framework on Early Learning and Child Care.
- ❖ SDC is responsible for work with its provincial and territorial partners in order to implement the Budget 2005 commitment to a new early learning and child care initiative beginning in 2005-2006.

An Inclusive Society that Promotes Diversity

- ❖ A focal point of SDC's leadership role across the federal government and with provinces and territories is to achieve the full participation of persons with disabilities in workplaces and in their communities. The department's support for disability organizations is intended to help their efforts to achieve a more inclusive society.
- ❖ SDC is responsible for overall Government of Canada strategies to strengthen the voluntary sector and community-based organizations that reflect Canada's diversity, including the department's lead role in the Government of Canada's work with the voluntary sector through the Voluntary Sector Initiative. This work helps to support SDC's own policy development, and strengthens networks that support the voluntary sector's capacity and its contribution to Canadian society.
- ❖ SDC has taken on the lead federal role in supporting the growth of the social economy in Canada, which encompasses not-for-profit activities and enterprises that harness civic and entrepreneurial energies for community benefit.
- ❖ The Understanding the Early Years initiative is providing communities with information on their children's readiness to learn, regardless of their background.
- ❖ The New Horizons for Seniors Program supports activities that encourage seniors to contribute to their communities through social participation and active living.

Key Performance Indicators for SDC

Social Development Canada uses some indicators to track performance and identify areas for improvement in services to Canadians and internal operations.

Indicator	2004-2005		2003-2004		2002-2003	
	Result	Obj	Result	Obj	Result	Obj
Speed of Service						
Percentage of all CPP Disability initial application decisions made within 120 calendar days of receipt of completed application	70%	75%	82%	70%	<i>Not tracked</i>	
Percentage of all CPP Disability reconsideration decisions made within 120 calendar days of receipt	67%	70%	78%	65%	<i>Not tracked</i>	
Percentage of OAS benefits paid within the first month of entitlement	93%	90%	<i>Not tracked</i>		<i>Not tracked</i>	
Percentage of callers answered by a service delivery agent within three minutes	95.5%	95%	99%	95%	96.3%	95%
Service Quality						
Official Language Complaints – Service to the Public ³	11					
Official Language Complaints – Language of Work ⁴	5					
Timely production of payment files in support of all payments to Canadians ⁵	99.7%	95%	99.4%	95%	99.6%	95%
Availability of automated service channels (See Footnote 5)	97.8%	94%	95.6%	94%	96.5%	94%
Collections (\$ Thousands)						
EI	\$280,155	\$271,900	\$301,179	\$290,630	\$291,930	\$262,210
Employment Programs	\$10,943	\$4,445	\$13,524	\$6,155	\$6,947	\$5,875
Inactive CPP and OAS	\$12,293	\$10,100	\$12,066	\$10,365	\$12,187	\$10,515
Canada Student Loans Default	\$175,899	\$163,000	\$152,342	\$142,100	\$130,410	\$118,000
Total	\$479,290	\$449,445	\$479,111	\$449,250	\$441,474	\$396,600
Representative Workforce Indicators⁶						
	Current Representation		Availability Census 2001⁷		Availability Census 1996	
Visible Minority Representation (%)	7.1%		10.1%		9.0%	
Aboriginal Representation (%)	1.6%		2.4%		3.1%	
Persons with Disabilities Representation (%)	4.0%		3.6%		7.1%	
Women Representation (%)	57.5%		57.8%		64.8%	

³ Only actual results are reported for this indicator. These numbers represent the first baseline for SDC.

⁴ Only actual results are reported for this indicator. These numbers represent the first baseline for SDC.

⁵ Data for both SDC and HRSDC.

⁶ Targets were established using the National Workforce Availability Estimates for HRDC in 2003-2004. These targets may be revised to reflect the new Census data on workforce availability for SDC.

⁷ Employment Equity targets were established as per PSHRMAC's 2001 National Availability Estimates for SDC in 2004-2005.

SECTION I – Overview

This year the achieved outcome related to CPP Disability is lower than the target as most processing centres have been in a backlog situation over the last fiscal year. The inventory of work on hand increased for a variety of reasons including a labour disruption in the fall resulting in the management responses not being able to address the situation in a timely manner. A detailed national workload recovery plan has been developed and implemented. Ongoing management of the plan saw an improvement in all centres in the first quarter of 2005-2006 with a forecasted recovery date of November 2005. It is anticipated that national key performance indicators will be met consistently by January 2006.

Strategic Outcome 1

A Canada where the quality of life and inclusion for Seniors is enhanced and poverty alleviated through sustainable public pensions, benefits and supports.

Description

The Government of Canada's role in social security for seniors began with the introduction of the Old Age Pension in 1927. Today, SDC makes a particularly significant contribution to the lives of Canada's seniors through the more than \$50 billion in direct income support provided to them through two key pillars of Canada's retirement income system—the Canada Pension Plan (CPP) and Old Age Security (OAS) benefit programs.

In recent years, the Government of Canada has recognized that an effective response to the needs of seniors, a fast-growing component of society, requires strategies, policies and programs that will ensure improvement in their quality of life. In 2004-2005, SDC became the lead federal department for seniors in collaboration with the provinces, territories and other partners. As a result, SDC is now engaged in a wider range of policy activities, research and programs that will further advance this strategic outcome. SDC is also engaged in collaborative relationships to help generate program efficiencies and improved access for seniors to benefits, services and programs across jurisdictions.

Program, Resources and Results Linkages**Program Activity:**

Canada Pension Plan: The Canada Pension Plan (CPP) is a federal-provincial social insurance pension plan, providing contributors and their families with a basic level of protection against loss of earnings due to retirement, disability or death. Funded mostly through compulsory contributions from employers and employees, CPP coverage extends to workers—including self-employed workers—throughout Canada, with the exception of Quebec where benefits are provided under the Quebec Pension Plan (Régime des Rentes du Québec).

Old Age Security: Old Age Security (OAS) benefits provide basic income to Canadian citizens and residents who meet age, residence and legal status requirements. It is financed from Government of Canada general tax revenues and indexed quarterly to the Consumer Price Index. Recognizing the difficult financial circumstances faced by many seniors, OAS provides additional income-tested benefits for low-income individuals, namely; the Guaranteed Income Supplement (GIS), the Allowance and the Allowance for the Survivor. The GIS is a monthly benefit available to OAS pensioners with little or no other income. The amount of the benefit is dependent upon marital status, residence and income. The Allowance is available to qualified 60- and 64-year-old spouses and common-law partners of OAS/GIS pensioners. The Allowance for the Survivor is available to low-income individuals aged 60 to 64 whose spouse or common-law partner is deceased and who have not re-married nor entered into a common-law relationship.

SECTION II – Analysis of Performance by Strategic Outcome

Program Level Indicators:

INDICATORS	CURRENT LEVEL
Percent change—measured on a year over year basis—in the number of seniors eligible for but not receiving the Guaranteed Income Supplement (GIS) who filed income tax returns	❖ -31% ⁸

Resources²

Strategic Outcome 1:

A Canada where the quality of life and inclusion for Seniors is enhanced and poverty alleviated through sustainable public pensions, benefits and supports.

Gross Spending (millions of dollars)	2004-2005 ¹		
	Planned Spending	Total Authorities	Actual
Gross Operating Expenditures	232.1	213.8	205.9
Statutory Transfer Payments:			
Old Age Security	27,940.0	27,871.0	27,871.0
CPP Benefits Payments ³	20,401.4	20,620.0	20,584.7
Total	48,573.5	48,704.8	48,661.6
Full-Time Equivalent	3,055	2,744	2,744

1 2004-2005 financial data has been restated to report on the six Strategic Outcomes, as per the 2004-2005 Report on Plans and Priorities.

2 The above figures include actual expenditures of 1,768 FTEs and \$107.6 million related to ISP telephone, Internet and mail services which also serve to support Strategic Outcome 2 and 5. For further information on how these resources will benefit Canadians, please refer to the section entitled Strategic Outcome 5: A Canada where service delivery is focused on citizen needs.

3 These benefit figures have been reduced by their estimated share of overpayments.

Results Linkages:

Key Priority 1: Ensure consistent, ongoing service delivery to Canadians (ongoing priority)

The core of this priority was the department's ongoing responsibility to provide public pensions to millions of Canadians. In 2004-2005, Social Development Canada administered 4.1 million OAS benefits, 1.5 million GIS benefits, 3.1 million CPP Retirement benefits and 945,000 CPP Survivors' benefits.

⁸ OAS pensioners must apply for GIS. The focus of GIS take-up efforts was to ensure that application information reaches those who did not know they were eligible to apply. SDC gets the information on whether they are eligible through their income tax returns. The -31% is the percentage change, meaning there are 31% fewer seniors eligible for but not receiving GIS—that shows great progress as we are reaching a third of all eligible seniors, year over year.

The chart of key performance indicators in Section I illustrates that SDC exceeded the service commitments related to public pensions for seniors. These indicators provide a measurement for timely service to clients. They include CPP Retirement and OAS basic pension benefits paid on time, and calls answered within three minutes.

Social Development Canada also worked to ensure that Canadians have the information they need about public pensions and their potential eligibility for them.⁹ To meet this objective, the department introduced an expanded vision for its outreach activities. It includes increased partnership development and enhances our engagement with citizens and partners. That engagement now extends to input from citizens and partners in shaping and adjusting policies to meet the needs of seniors.

The department continued its efforts to modernize benefit delivery, including the use of on-line services. This moved SDC closer to simplifying OAS/ CPP benefit delivery, which, in turn, will allow for new policies and the legislative changes that will permit the department to introduce streamlined processes for CPP Retirement, OAS and GIS.

Success Story: Ensuring That Canadians Get The Benefits They Deserve

The Child Rearing Drop-Out (CRDO) provision of CPP may increase a person's CPP benefit by recognizing the lower income that can happen when caring for young children. Under the CRDO Review, which began in 2002, SDC is reviewing the accounts of CPP beneficiaries to determine whether they might benefit from the application of the CRDO.

In 2004-2005, SDC mailed simplified CRDO application kits to 26,000 CPP beneficiaries who we believed might be eligible for it. We received more than 12,500 applications in return.

Key Priority 2: Inform the international and domestic policy agenda relating to income security, aging and seniors across jurisdictions and governments (ongoing priority)

The aging population in Canada and in other developed countries and the continuing changes in the demographic profile of Canadian seniors mean it is important to ensure that the designs of government programs continue to meet the needs of seniors. Social Development Canada's work in this regard in 2004-2005 operated in four contexts. In all four, the department was increasingly focused on some key issues: meeting the needs of low-income seniors; questions of fairness and equity; issues around the work-to-retirement transition; changing social relationships; and ensuring the administration of the income security programs is simple and efficient.

SDC's own programs and responsibilities were the first context for its actions. Of particular note was the department's work to support the Government as it decided to make an increase to the Guaranteed Income Supplement for low-income seniors as part

⁹ This document is available at: <http://www.seniors.gc.ca>.

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of its commitments in the October 2004 Speech from the Throne and Budget 2005. This increase of \$36 for a single GIS recipient and \$58 for couples—to be phased in two steps in January 2006 and January 2007—will add to Canada’s leading international reputation for improving incomes for seniors.

The second context for action was SDC’s role within the Government of Canada, which stemmed from the fact that SDC became the lead federal department for seniors during 2004-2005. SDC provided support to the Prime Minister’s Task Force on Active Living and Dignity for Seniors to produce its report, *Creating a National Seniors Agenda*.¹⁰ The report identified the importance of establishing a National Action Plan for Seniors in light of coming demographic changes. It also underscored the importance of aligning the efforts of all government departments that support seniors. This led to work now underway to establish a National Seniors’ Secretariat that will serve as a focal point for the federal government’s senior-related efforts. The report also recommended an increase in the GIS for low-income seniors and made recommendations on housing, social inclusion and recognition of seniors’ contributions to Canadian life.

SDC also established working relationships with many other federal departments and agencies that provide programs and services to seniors. This cooperation resulted in the Seniors Service Strategy, an annex to the Service Vision for Canadians, which will help the department to improve services to seniors across the government.

The third context for action arose from the leadership role that the Minister of Social Development now plays as the federal lead of the Federal-Provincial-Territorial Forum of Ministers Responsible for Seniors. SDC worked with its provincial and territorial counterparts to identify issues of importance to seniors that the Ministers could establish as common priorities. These issues included healthy aging and reducing social isolation, and attention to improving how programs and services for seniors across jurisdictions work together, rather than at cross purposes, towards the betterment of seniors.

The department worked on information sharing agreements across jurisdictions, which help to ensure that benefits administered by SDC, as well as by provincial and territorial governments, can more easily reach seniors. These agreements complement initiatives such as the Canada Benefits Finder,¹¹ an on-line service to provide clients with eligibility information on programs and services across jurisdictions. It also helps to reveal gaps and duplication in the policies and services for seniors of different governments.

Another intergovernmental initiative was SDC’s work on research and analysis of issues of relevance for the Canada Pension Plan Triennial Review process. This is a regular three-year-review of the financial health of the CPP by federal and provincial Ministers of Finance. The process began with a December 2004 report of the Chief Actuary on the Canada Pension Plan confirming the ongoing financial sustainability of the CPP. The department also monitored the Government of Quebec’s review of its own Quebec Pension Plan (QPP), to ensure that any amendments to the QPP can be assessed for possible impact on the CPP. To further support the review SDC considered issues such

¹⁰ This document is available at: http://www.tonyianno.parl.gc.ca/documents/seniors_e_final.pdf.

¹¹ This document is available at: <http://www.canadabenefits.gc.ca>.

as the work to retirement transition for Canadians and longer-term policy challenges for the stewardship of OAS and CPP programs.

The final context for action was the department's international work. A specific and ongoing focus was Canada's social security agreements,¹² which facilitate eligibility for benefits for people, or their surviving spouses or common-law partners, who have lived or worked in Canada and any of 45 countries. In 2004-2005, SDC began formal negotiations with Japan and held implementation discussions with Turkey for an agreement that was ratified and entered into force January 1, 2005. The department also signed agreements with Estonia and Morocco that did not enter into force during the 2004-2005 fiscal year. Agreements with Latvia and Lithuania are ready for signature in 2005-2006.

Lessons Learned: Working with Other Governments and Stakeholders

The preliminary departmental work done concerning seniors has underscored the importance of partnerships and collaboration across all federal departments, as well as with other levels of government, on advancing efforts to address the rapid growth in the number of seniors. Initial work with stakeholders has also pointed to the importance of engaging these groups and seniors. These insights will be used to guide the department's efforts to develop a comprehensive action plan on seniors that will address the needs and opportunities of today's and tomorrow's seniors.

Strategic Outcome 2:

A Canada where the social and economic participation of Persons with Disabilities is enhanced.

While Canada Pension Plan Disability Benefits, for which SDC is responsible, first became payable in 1970, the Government of Canada's focus on policies, programs and partnerships designed to enhance the full participation of persons with disabilities in Canadian life began to take substantial shape in the 1980s. In 1998, federal, provincial and territorial Ministers responsible for Social Services released *In Unison: A Canadian Approach to Disability Issues*.¹³ This document describes the vision and long-term policy directions aimed at promoting the full citizenship of people with disabilities in all aspects of Canadian society. Building on *In Unison*, the Government of Canada has outlined priorities for action within its own departments and agencies, with provinces and territories, with the disability community, and with other partners to ensure sustained progress towards full citizenship for people with disabilities.

Many Government of Canada departments and agencies provide services and supports that benefit people with disabilities. However, Social Development Canada is the lead department responsible for policy and program activities for persons with disabilities, knowledge development, and building and maintaining ongoing partnerships with other levels of government and the disability community. SDC's responsibilities under this

¹² This document is available at: <http://www.sdc.gc.ca/asp/gateway.asp?hr=en/isp/ibfa/socagree.shtml&hs=sya>.

¹³ http://www.socialunion.ca/pwd/unison/unison_e.html.

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strategic outcome emphasize income security and disability policy and programming for the 3.6 million persons with disabilities across Canada including supporting inclusion, and training and employment for persons with disabilities in their communities. Much of this work involves collaboration with, and support for, initiatives delivered by the provinces and territories and by disability community organizations.

Program, Resources and Results Linkages

Program Activity:

Canada Pension Plan – Disability: CPP Disability is an earnings replacement program providing a monthly benefit payable to contributors who meet the minimum contributory requirements and whose disability is “severe and prolonged,” as defined in the legislation. Children of disabled contributors are eligible for a flat-rate monthly benefit, up to the age 18, or 25 if in full-time attendance at school.

INDICATORS	CURRENT LEVEL
Number of CPP Disability appeals to two arm’s length tribunals (Office of the Commissioner of Review Tribunals and the Pension Appeals Board)	<ul style="list-style-type: none">❖ Office of the Commissioner of Review Tribunal (OCRT): 3916❖ Pension Appeals Board (PAB): 1,034

Labour Market Agreements for Persons with Disabilities (LMAPD): As of April 1, 2004, the federal-provincial Labour Market Agreements for Persons with Disabilities replaced the Employability Assistance for People with Disabilities initiative (EAPD). Through its two-year bilateral agreements with all provinces, the Government of Canada contributes funding to provincial programs and services that will improve the employment situation of Canadians with disabilities by enhancing their employability, increasing the employment opportunities available to them, and building on their existing knowledge base.

INDICATORS	CURRENT LEVEL
<ul style="list-style-type: none">❖ Number of participants in programs and services under the LMAPD, by province❖ Number of participants completing a program or service through LMAPD programming, where there is a specific start and end point to the intervention, by province❖ Number of participants who obtained or were maintained in employment through LMAPD programming, where the program or service supports this activity	<ul style="list-style-type: none">❖ Figures for these indicators for the first year of LMAPD (2004-2005) will be reported on in December 2005

Opportunities Fund for Persons with Disabilities: The Opportunities Fund (OF) is a contributions program designed to assist persons with disabilities to prepare for and obtain employment or self-employment as well as to develop the skills necessary to maintain that new employment. In addition, the OF administers contributions to national and regional projects to support partnerships and innovative approaches for integrating individuals with disabilities into employment or self-employment and for addressing barriers to an individual’s labour market participation.

Social Development Partnerships Program – Disability: The Social Development Partnerships Program Disability Component (SDPP-D) is a broad-based multi-year grant and contribution program that seeks to advance the Government of Canada’s disability agenda by promoting the full participation of Canadians with disabilities in learning, work and community life through projects and organizations within the disability community. The disability component of the Social Development Partnerships Program (SDPP-D) supports research that promotes awareness of issues that relate to persons with disabilities and their families. The program also promotes the generation, dissemination and application of knowledge, innovative solutions and best practices. The Office for Disability Issues administers the disability component of the Social Development Partnerships Program which is described in detail under Strategic Outcome 3.

The **Community Inclusion Initiative** operates under the umbrella of SDPP-D. Two sponsor organizations—the Canadian Association for Community Living and People First of Canada—receive funding to support small community-based projects based on national guidelines. Projects are meant to assist communities with developing the capacities to successfully include persons with intellectual disabilities.

Resources

Strategic Outcome 2:

A Canada where the social and economic participation of Persons with Disabilities is enhanced.

Gross Spending (millions of dollars)	2004-2005¹		
	Planned Spending	Total Authorities	Actual
Gross Operating Expenditures	64.6	63.4	59.0
Non-Statutory Grants and Contributions ^{2, 3}	248.7	243.6	235.8
CPP Disability Benefits ⁴	3,168.1	3,186.0	3,177.7
Total	3,481.4	3,493.0	3,472.5
Full-Time Equivalents	870	736	736

1 2004-2005 financial data has been restated to report on the six Strategic Outcomes, as per the 2004-2005 Report on Plans and Priorities.

2 Non-Statutory Grants and Contributions Authorities figure has been restated from original authority level of \$248.7 million to reflect internal reallocations.

3 Excludes Grants and Contributions resources related to the disability component of Social Development Partnership Program. These are included in Strategic Outcome 3.

4 These benefit figures have been reduced by their estimated share of overpayments.

Results Linkages:

Key Priority 1: Provide federal leadership on issues affecting persons with disabilities (ongoing priority)

Social Development Canada has the lead federal responsibility for disability issues. Through significant collaboration with departments most involved with disability issues and with voluntary sector representatives, we improve coherence of federal policies and programs. With our partners, SDC took a variety of actions to increase knowledge of disability issues, including *Advancing the Inclusion of Persons with Disabilities 2004*,

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the Government of Canada's second comprehensive report on disability in Canada. The report measured progress towards inclusion of Canadians with disabilities in comparison to other Canadians.¹⁴ SDC also published the results of a public opinion poll that the department commissioned during 2003-2004 on Canadian attitudes towards disability issues.¹⁵

Jointly with Statistics Canada, SDC moved forward on the second Participation and Activity Limitation Survey (2006 PALS), which will be part of the 2006 Census. The department worked with a range of partners to determine which data to collect, since it will help governments, the disability community and others to better understand and respond to the needs of persons with disabilities.

Social Development Canada developed a *Frequently Asked Questions Guide* to key government programs and services for people with disabilities, their caregivers and other persons concerned with disability issues.¹⁶ The department also released the new *Access and Inclusion Toolkit*, a resource for officials in federal departments and agencies to use as they develop policies, programs and services that incorporate inclusive approaches and take into account the perspectives of Canadians with disabilities.

A central element of SDC's federal lead responsibility for disability issues continued to be collaboration with the department's partners in provincial and territorial governments on such issues as how to better coordinate services and programs for persons with disabilities. For example, SDC worked with those partners to produce *Supports and Services for Adults and Children Aged 5 - 14 with Disabilities in Canada: An analysis of data on needs and gaps*, which was released in December 2004.¹⁷ That research then helped SDC and its provincial and territorial colleagues to explore possible improvements to disability income and supports.

At an international level, SDC worked with other federal departments, provinces and territories and national disability organizations to make Canada's contribution to the development of the proposed United Nations Convention on the Protection and Promotion of the Rights and Dignity of Persons with Disabilities. To gain a better understanding of Canada's disability income system and how it compares to other national disability income programs, our department and the United States Social Security Administration co-hosted an international seminar for 25 policy experts from eight countries on disability income policy in May 2004. Findings are contributing to ongoing policy analysis and development on issues such as effective work incentives and employment supports. A measure of Canada's reputation was the invitation to provide expert advice to the Government of Poland on addressing policy challenges in their disability income support program.

¹⁴ The report is available at: http://www.sdc.gc.ca/en/gateways/nav/top_nav/program/odi.shtml.

¹⁵ The report is available at: <http://www.sdc.gc.ca/asp/gateway.asp?hr=en/hip/odi/documents/attitudesPoll/index.shtml&hs=pyp>.

¹⁶ This document is available at: <http://www.sdc.gc.ca/asp/gateway.asp?hr=en/hip/odi/documents/advancingInclusion04/index.shtml&hs=pyp>.

¹⁷ The report is available at: http://www.socialunion.ca/pwd_e.html.

Key Priority 2: Build strategic partnerships (ongoing priority)

While much of SDC's leadership role under the previous priority involved development and strategic partnerships, many of those partnerships also supported work with provinces to fill gaps in education and skills development for persons with disabilities. In particular, we worked together to implement the new Labour Market Agreements for Persons with Disabilities (LMAPD),¹⁸ which came into effect on April 1, 2004.¹⁹ With the additional \$30 million in funding announced in Budget 2004, the Government of Canada's support for the LMAPD increased to \$223 million annually.

Accountability is an important element of LMAPD. Governments committed to undertaking public reporting and evaluation activities to report on results and demonstrate progress made towards improving the employment situation of persons with disabilities. While reporting will begin in December 2005, governments released baseline reports on December 3, 2004, that will provide a basis for future analysis.

Another focus of SDC's strategic partnerships was the Employment Systems Review of federal employment programs for persons with disabilities including examinations of the Opportunities Fund for Persons with Disabilities and LMAPD. This process required SDC to work with other departments, central agencies, and the disability community to identify the potential for greater coordination and coherence across these activities as well as in provincial employment programming for persons with disabilities and the employment programming provided under Part II of the *Employment Insurance Act*. As a result, the Opportunities Fund's terms and conditions were extended to the end of the 2006-2007 fiscal year, permitting a program redesign to deal with potential areas of duplication and to address unmet needs.

During 2004-2005, the Opportunities Fund was used to provide employment related services to 4,507 eligible persons with disabilities, through 701 contribution agreements as well as other agreements directly made with eligible persons with disabilities. Of these clients, 4,085 (91%) enhanced their employability and 1,231 (27%) became employed or self-employed. This compared favourably to data for 2003-2004.

Several initiatives addressed the need for improved coordination mechanisms to better serve mutual clients of the Canada Pension Plan – Disability Program (CPP-D) and either provincial social assistance programs or private long-term disability insurance. For example, governments are working on client-centred administrative streamlining opportunities and opportunities for collaboration on return-to-work initiatives. This has

¹⁸ For more information, please visit http://www.sdc.gc.ca/asp/gateway.asp?hr=en/hip/odi/08_multilateralFramework.shtml&hs=pyp.

¹⁹ While the Quebec government subscribes to the general principles of the Multilateral Framework for Labour Market Agreements for Persons with Disabilities, it did not participate in its elaboration. However, it does contribute by sharing information and best practices. The Quebec government intends to continue treating this question with the federal government in a bilateral way. All references to joint positions of the federal, provincial and territorial governments in this document do not include the Quebec government.

Northwest Territories, Nunavut and the Yukon have confirmed their support for the principles and direction of the Multilateral Framework. They will continue to provide labour market programs for people with disabilities, and will participate in the Multilateral Framework in the future if outstanding fiscal arrangement issues are resolved. This situation does not represent a change for the territories, which did not participate in EAPD.

already led to the identification of best practices in some jurisdictions and their promotion for adoption by others. A new information-sharing project with the Canada Revenue Agency aims to reduce the possibility that disability clients who receive both CPP-D and taxable long-term disability insurance benefits might inadvertently pay tax on the retroactive portion of the CPP-D benefits. As a complementary initiative SDC also began to send clients a detailed tax information sheet and more detailed letters of explanation about the tax implications.

Key Priority 3: Enhance community capacity building for persons with disabilities (ongoing priority)

Ongoing administration of the disability component of the Social Development Partnerships Program (SDPP-D) and through the Opportunities Fund continued to represent much of the department's work under this priority.

While SDC had a 2004-2005 base allocation for SDPP-D of \$11 million, the department reallocated \$5 million in funds from other programs to enable it to support 42 initiatives managed by 35 organizations. One major activity was the department's work with 30 organizations from the disability community to initiate an evaluation of the Community Inclusion Initiative. SDC also consulted with national disability organizations on activities to be supported through the Opportunities Fund.

As part of the commitment to collaboration with the disability community, SDC organized Ministerial round table discussions in St. John's and Vancouver. The department also worked with the Department of Canadian Heritage on the Budget 2005 initiatives that provided a \$6 million grant to support the Canadian National Institute for the Blind's Digital Library, and \$1 million per year for three years for the National Library and Archives.

Key Priority 4: Fulfill commitments to Parliament regarding the disability component of the Canada Pension Plan (new priority)

The Government made a series of specific commitments in response to the report of the Standing Committee on Human Resources Development and the Status of Persons with Disabilities, *Listening to Canadians: A First View of the Future of the Canada Pension Plan Disability Program*, for which SDC had the primary responsibility.

One of these was to follow through on the commitment to amend the Canada Pension Plan to allow for the automatic reinstatement of CPP-D benefits. Automatic reinstatement is a safety net that allows clients, whose benefits were stopped because they returned to work, to have their benefits reinstated if they are unable to continue working because of a recurrence of the same or a related disability within two years of the date their benefits stopped. Provincial consent is required to implement this change and was obtained. Automatic reinstatement is now available to clients who report a return to work and whose CPP-D benefits were stopped on or after January 31, 2005. This change is expected to be particularly helpful for clients with episodic or recurrent conditions and will be a positive incentive for people to try to return to work.

SDC also followed through on the commitment to work collaboratively with the provinces to identify reasonable options for changes to CPP-D that affect vulnerable clients. To do so, a new federal-provincial-territorial process was established to examine

key issues identified in the Committee's report and began with the effects of current contributory eligibility requirements on long-term CPP contributors and the possible elimination of the four-month waiting period for terminally ill applicants.

As part of the work being done to address these issues, the department reviewed the files of long-term contributors who were denied CPP-D benefits because of a lack of contributions in four of the previous six years that is required by law. The subsequent analysis will provide a profile of this group of contributors and increase understanding of how the more stringent requirement for recent contributions affected their eligibility.

Another study was conducted on terminally ill CPP-D clients to gain an insight into end-of-life conditions and the impact of the four-month waiting period for this vulnerable group. Consultations with experts and a literature search also began to document the end-of-life needs of individuals diagnosed with a terminal illness.

The Standing Committee recommended that a scheduled evaluation of CPP-D begin earlier than planned in 2004-2005. This process began, as committed, with the development of an evaluation framework that will be the basis for the evaluation tendering process that is expected to start in the fall of 2005.

Lessons Learned: Using Stakeholder Feedback to Improve Program Delivery

Through dialogue, working with the community, building from stakeholder feedback and evaluations, SDC continues to work on improving the program and service delivery of the Opportunities Fund and SDPP-D programs in order to more effectively address the needs of persons with disabilities.

Strategic Outcome 3:

A Canada where vibrant and inclusive communities meet the social development needs of Canadians.

Description

In recent years, the Government of Canada has recognized the valuable role of community-based organizations in finding local responses to challenges and opportunities. It has come to see those organizations as strategic partners towards advancing our shared priorities as well as essential elements of healthy communities.

As a department with a social policy leadership role, SDC established this strategic outcome to provide a focus in its efforts towards building capacity in communities and supporting non-profit and voluntary organizations. SDC makes strategic investments that build knowledge, facilitate information sharing and support effective practices in community development. This department is also leading federal efforts to foster the growth of the social economy in Canada—the numerous not-for-profit activities and enterprises that harness civic and entrepreneurial energies for community benefit.

Program, Resources and Results Linkages

Program Activity:

Social Development Partnerships Program: The Social Development Partnerships Program is a nationally delivered grant and contribution program. The program provides funding to a broad range of non-profit and voluntary sector organizations through several funding streams including Early Learning and Child Care, Official Languages for Minority Communities, Social Inclusion and the Thérèse Casgrain Volunteer Award. It funds organizations in support of broader initiatives such as the Government of Canada’s Disability Agenda, (for more information, please see Strategic Outcome 2) and the Voluntary Sector and Understanding the Early Years initiatives. Overarching program objectives are to:

- ❖ Increase the effectiveness of the non-profit sector in meeting the social development needs and aspirations of persons with disabilities, children and their families, and other vulnerable or excluded populations in Canada; and
- ❖ Improve the quality and responsiveness of governments’ social policies and programs.

INDICATORS	CURRENT LEVEL
❖ # of organizational grants and contributions delivered	<ul style="list-style-type: none"> ❖ 38 in Early Learning and Child Care (ELCC) ❖ 14 in Social Inclusion (SI) ❖ 13 Grants to national non-profit organizations in both ELCC & SI (See Note 1)
❖ # of communities reached	<ul style="list-style-type: none"> ❖ 41 organizations received funding in 2004-2005 ❖ 27 organizations in CFP 2005 (See Note 2)
❖ Increase in # of partnerships, by type	<ul style="list-style-type: none"> ❖ 1 new grant recipient (Aboriginal) (See Note 3)
❖ # of projects, by type, that contribute to community needs	<ul style="list-style-type: none"> ❖ By nature and theme of funded projects, they may directly or indirectly contribute to community needs
<p>Note 1: In 2004-2005 SDPP funded a total of 52 contributions: 38 in ELCC & 14 in SI. SDPP also funded Grants to 13 national non-profit organizations in both ELCC & SI.</p> <p>Note 2: Up to 27 new contributions will be recommended under the recent Call for Proposals for ELCC and SI, which will provide funding through fiscal years 2005-2006 to 2007-2008.</p> <p>Note 3: A first-time Grant was approved for the First Nations Child and Family Caring Society of Canada in the amount of \$450,000 over fiscal years 2004-2005 to 2006-2007.</p>	

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Voluntary Sector Initiative: The Voluntary Sector Initiative (VSI), which ended its formal mandate in March 2005, was a unique five-year undertaking to strengthen the relationship between the Government of Canada and the voluntary sector, and to strengthen the sector’s capacity to better serve Canadians.

Program indicators are under development.

New Horizons for Seniors Program: The New Horizons for Seniors Program (NHSP), launched in 2004-2005, provides project funding to community-based organizations for projects led by or involving seniors which encourage seniors to contribute to their communities through social participation and active living. An early implementation review has been started.

Program Level Indicators: New Horizons for Seniors Program

INDICATORS	CURRENT LEVEL
❖ # of participants involved in funded projects	❖ Approximately 80,000
❖ # of partnerships, by type	❖ 552 (See Note 1)
❖ # of communities reached	❖ 231 different communities received funding
❖ # of projects, by theme, that contribute to community needs	❖ 336 projects (See Note 2)
❖ # of individuals impacted by projects	❖ Data not yet available (See Note 3)

Note 1: 72% of funded projects involved partners. These partners included non-profit organizations, other federal government programs, provincial governments, municipal governments and the private sector.

Note 2: NHSP Project themes and corresponding # of approved projects are: Social Participation (111), Contribution to Community (90), Active Living of Seniors (114), and Partnership Building (16). By design, all funded projects contribute to community need.

Note 3: As the first round of funded projects, activities is still taking place, final reporting on the impact on individuals and their communities is not yet available.

Understanding the Early Years: The Understanding the Early Years (UEY) initiative provides funding and tools to help communities collect information on their children's readiness-to-learn; the family factors that influence children’s development; and the availability of local resources to support families with young children. The initiative also supports community mobilization to collectively act on the information in order to improve conditions.

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INDICATORS	CURRENT LEVEL
❖ Number of UEY sites sponsored (total over time)	❖ 12 pilot sites
	❖ Up to 100 new sites under the new UEY initiative
❖ Number of communities continuing with UEY-related programs after sponsorship is complete	❖ To be determined
❖ Number of UEY agreements in place	❖ 12 pilot sites: First five (5) communities ending their contribution agreements in summer 2005; Second seven (7) pilot sites ending in fiscal year 2006-2007
	❖ Up to 100 new agreements under the new UEY initiative through 2011
❖ Establishment of UEY Knowledge Network	❖ Under development
❖ Collection of data in each UEY community on children's readiness-to-learn; on family (structure, income, education of parents) and on resources in the community available to families with young children	❖ Completed in all 12 pilot sites
	❖ First new UEY sites (estimated 22) will begin data collection in early 2006
❖ Reports prepared by each UEY community on action plan, community mapping report and integrated data report	❖ Completed in first five (5) pilot sites
	❖ Will be completed in second seven (7) pilot sites in 2006-2007

Resources

Strategic Outcome 3:

A Canada where vibrant and inclusive communities meet the social development needs of Canadians.

Gross Spending (millions of dollars)	2004-2005 ¹		
	Planned Spending	Total Authorities	Actual
Gross Operating Expenditures	9.3	8.7	8.6
Non-Statutory Grants and Contributions ^{2, 3}	37.2	34.8	34.2
Total	46.5	43.5	42.8
Full-Time Equivalent	54	73	73

1 2004-2005 financial data has been restated to report on the six Strategic Outcomes, as per the 2004-2005 Report on Plans and Priorities.

2 Non-Statutory Grants and Contributions Authorities figure has been restated from original authority level of \$29.7 million to reflect internal reallocations.

3 Includes Grants and Contributions resources related to the disability component of Social Development Partnership Program which is discussed under Strategic Outcome 2.

Results Linkages:

Key Priority 1: Provide federal leadership, oversight and coordination in strengthening the capacity of social non-profit and voluntary sector (new priority)

Under the Voluntary Sector Initiative (VSI) (2000 to 2005), the Government of Canada and the voluntary sector collaborated on a number of initiatives designed to strengthen their relationship and to strengthen the capacity of the voluntary sector.²⁰ Key deliverables during 2004-2005 were:

- ❖ the identification, in collaboration with the non-profit and voluntary sector, of future priorities for joint work with the Government of Canada;
- ❖ identification of common issues, good practices and themes around collaboration learned from that portion of the VSI known as Sectoral Involvement In Departmental Policy Development;
- ❖ collaborative investment in the Voluntary Sector Portal²¹ by three federal departments: Industry Canada, Human Resources and Skills Development Canada, and SDC, through a single contribution agreement managed by SDC;
- ❖ expanded knowledge of the importance, both in size and in economic significance, of the non-profit and voluntary sector in Canada and in the world through the *National Survey of Nonprofit and Voluntary Organizations* and of the Johns Hopkins University Report on the *Canadian Non-Profit and Voluntary Sector in Comparative Perspective*;
- ❖ completion of projects concerning human resources in the voluntary sector laying the groundwork for the establishment of a Voluntary Sector Human Resources Council;
- ❖ development of a collaborative problem solving approach with the voluntary sector, for issues coming out of the implementation of the Accord and Codes; and
- ❖ completion of process evaluations for the Voluntary Sector Initiative and for Sectoral Involvement in Departmental Policy Development.

With its partners, SDC conducted work to strengthen and develop new forms of collaboration among the non-profit, voluntary, private and public sectors to support social and economic development as well as community-based social innovation. This included groundwork for the Task Force on Community Investments that will examine federal policies and practices relating to the use of transfer payments and the funding of initiatives in support of community investments.

Social Development Canada began leading federal efforts regarding the social economy in 2004-2005. These efforts included support to the Parliamentary Secretary to the Minister of Social Development with special emphasis on the Social Economy in her role as Chair of the National Roundtable on the Social Economy. It also involved work with Industry Canada and the Regional Development Agencies on how to improve access to financing for social economy enterprises and how to improve their capacity. SDC also began efforts that it expects to lead to a longer-term federal policy framework for the social economy.

²⁰ For more information see the VSI Web site at <http://www.vsi-isbc.ca>.

²¹ The Voluntary Sector Portal: <http://www.voluntarygateway.ca>.

Key Priority 2: Develop, design and implement the New Horizons for Seniors Program (new priority)

In 2004-2005, SDC worked with other levels of government, the voluntary sector, communities and stakeholders, including seniors' organizations, to achieve the successful implementation of the New Horizons for Seniors Program (NHSP), which was announced in Budget 2004. At that time, the Government committed \$8 million in 2004-2005 and \$10 million annually thereafter for the operating resources and grants administered under NHSP.

The program was officially launched on October 22, 2004. The first Call for Applications was from October 25 to December 13, 2004. In this first Call, SDC received 1,452 applications. Of these, 336 could be funded, fully expending the \$5 million available for grants in 2004-2005.

In response to the demand, Budget 2005 included increased funding of NHSP by an additional \$5 million in 2005-2006, \$10 million in 2006-2007, and \$15 million in 2007-2008, bringing the annual budget to \$25 million in subsequent years. This will significantly expand support for community-based projects led by seniors.

Examples of projects that received New Horizons for Seniors funding in 2004-2005

City of Medicine Hat Senior Services - The Seniors' Bus Buddy program

The Seniors' Bus Buddy project will match experienced senior bus riders with at-risk seniors who need local transit services. Developed and implemented by senior volunteers, the program will increase the mobility of seniors, contribute to active lifestyles, and expose isolated seniors to the programs and services available in the community. The project actively engaged community partners such as the Senior Citizens Advisory Committee, the Transit Advisory Committee, CHAT TV, the City of Medicine Hat's Transit and Senior Services Departments.

Le Centre polyvalent des aînés francophones de Port Colborne - Club d'Artisanat Marie-Rose

Club d'Artisanat Marie-Rose is a Francophone project in a primarily Anglophone community, that involves seniors at risk of isolation. The seniors are encouraged to participate by teaching crafts to young people in partnership with a local Francophone secondary school.

Page One Writers - Pathways through the Ages

Page One Writers will create a story on the evolution of the Deer Lake community through interviews with seniors that are supplemented with background research. The end result will be a town history captured on audio and video and used as a storyboard along the proposed walking trail. Seniors will have an opportunity to share their skills, experience and wisdom and create a lasting and ongoing legacy of the Town of Deer Lake for future generations to enjoy. The Page One Writers organization secured the partnership of a local business association.

Key Priority 3: Expand the Understanding the Early Years Initiative (new priority)

Communities use information generated by the Understanding the Early Years (UEY) initiative to develop action plans to inform future policies, programs and investments that enable their young children to thrive in their early years. Originally a pilot project, the expansion of this initiative from 12 to 100 communities was announced in the February 2004 Speech from the Throne.

2004-2005 was the planning year for the expanded UEY as SDC identified the best ways to implement the announced funding of \$68 million over seven years. The year ended with the launch of the first Call for Proposals. Over the next four years, SDC will implement UEY activities in up to 25 additional communities per year with a wind-down period in 2009-2010 and 2010-2011.

Success Story: Understanding the Early Years

The South Eastman area of Manitoba is participating in the Understanding the Early Years (UEY) initiative. South Eastman incorporates more than 80 unique communities spread over 10,000 square kilometres, and comprises a population of almost 57,000 people. UEY South Eastman is sponsored by South Eastman Health, supported by a parent-child coalition, and works in partnership with five school divisions in the region. Since 2001, UEY South Eastman has been collecting information from families, teachers, and program and service providers to help communities better understand how their children are doing before they start school and where extra energy is needed to improve children's outcomes. The research also highlights where communities are doing well.

UEY research showed that South Eastman children were scoring well on several measures, including physical health, social skills, emotional maturity, and communication and general knowledge. However, it also showed that South Eastman children scored significantly below other Canadian children in literacy and language development.

The community mobilized to address this issue. UEY South Eastman organized a two-day inter-sectoral workshop to discuss literacy, during which it presented research findings highlighting the importance of literacy in the early years, and its connection to better health, education, employment and income. A volunteer working group was organized to move the community literacy agenda forward.

Another example of concrete action to improve children's literacy is the *Baby Steps* and *Little Learner Bags* initiatives. As of January 2004, all new babies born in South Eastman and all children registering for kindergarten receive a literacy bag that contains books, toys, school-readiness items and folders of information to help enhance their early learning.

Key Priority 4: Continue to deliver the Social Development Partnerships Program (ongoing priority)

The Social Development Partnerships Program (SDPP) continued to be a major vehicle for supporting departmental policy objectives through funding to non-profit and voluntary sector organizations engaged in knowledge creation and dissemination, partnership building, community capacity building, and policy dialogue. Investments were made through several funding streams with priorities that focused mainly on improving outcomes for persons with disabilities, children and families, and other vulnerable or excluded populations.

Since 2003, funds have been delivered through the SDPP to strengthen the capacity of non-governmental organizations (NGOs) in creating and disseminating knowledge and fostering partnerships that will enhance culturally and linguistically relevant early childhood development for children and their families in official language minority communities and strengthen related policy dialogue with governments. Strengthening non-governmental organizations capacity is one of two initiatives being managed by SDC as part of the early childhood development measures in the Government of Canada Action Plan for Official Languages.

Lessons Learned: Building Collaboration

The Voluntary Sector Initiative (VSI) provided many lessons that will contribute to the future success of large cross-cutting, horizontal initiatives both among federal government departments and with external organizations. VSI results demonstrate that collaboration enhances understanding and trust in the policy development process and for the setting of shared priorities. The following guidelines have been identified for successful collaborations.

1. It is important to carefully establish the parameters for the collaboration and the setting of strategic, achievable goals. Time frames must be set realistically, allowing for the necessary time to build relationships and to consult with broader constituencies.
2. Transparency about the mandate of the collaboration must be clearly communicated to the broader constituencies that may eventually become engaged in policy dialogue or other consultations.
3. Structure matters and must be planned, including effective mechanisms for coordination, governance and accountability. Together the parties must establish governance structures that are well-connected to each of their decision-making processes.
4. Process is important. There must be sufficient time and funding for people to build relationships and learn to work together. However, there also needs to be a sense that the process will deliver concrete results in terms of the original objectives.
5. All collaborating parties must ensure the transparency of financial reporting in a decentralized structure where the collaborators control their own budgets.

Lessons Learned: Community Well-Being

Research and practice increasingly suggest that efforts to improve local well-being benefit from the involvement of a broad partnership of individuals and organizations. For example, early outcomes from Understanding the Early Years, an initiative that provides funding and tools to help communities collect information on children's readiness to learn, show that much depends upon a broad coalition of participants, the importance of strong local leadership, high quality local data about the assets and circumstances of the community, flexible government funding, and time to build trust and capacity among community partners as they work together to learn and develop long-term strategies. Programs that provide funding for a single issue in anticipation of quick results may not promote processes that are conducive to communities' success. Moreover, the very diversity of community circumstances, residents, and local assets mean that there is no single formula that serves all.

Strategic Outcome 4

A Canada where the capacities of Individuals, Children, Families and Communities are strengthened in order to promote social inclusion, participation and well-being.

Description

In 1999, the Government of Canada, in partnership with provincial and territorial governments, began work on a National Children's Agenda. This Agenda sets out a vision in which all of Canada's children have the best possible opportunity to develop to their full potential as healthy, successful, and contributing members of society. Coinciding with this work was the emergence of a strong body of research noting that the early years establish the foundation for the competence and coping skills that will affect learning, behaviour and health in later life. Based on this research, federal, provincial and territorial governments identified early childhood development as a key area for action, and, more recently, have focused on early learning and child care.

Governments recognize that to secure a vibrant and productive society, the well-being of children is crucial. Through investments in key initiatives, participating governments have agreed to particular policy objectives that will enhance the well-being of children. Social Development Canada is responsible for federal leadership on these initiatives and is actively involved in facilitating learning and reporting on results under all of them.

Program, Resources and Results Linkages**Program Activity:**

The Government of Canada works with the governments of the provinces and territories on three major initiatives to support children and their families.

SECTION II – Analysis of Performance by Strategic Outcome

The **National Child Benefit (NCB)** is a partnership among the federal, provincial and territorial governments and First Nations. It aims to help prevent and reduce the depth of child poverty: to promote attachment to the labour market by ensuring that families will always be better off as a result of working; and to reduce overlap and duplication through closer harmonization of program objectives and benefits through simplified administration. Through the NCB initiative, the Government of Canada provides income support for low-income families with children through the NCB Supplement, as part of the Canada Child Tax Benefit. In turn, provinces and territories, as well as First Nations have the flexibility to adjust social assistance or child benefit payments by an amount equivalent to the NCB Supplement. This permits families on social assistance to maintain at least the same level of benefits as before, while providing additional funds for new or enhanced provincial and territorial programs benefiting low-income families with children. Budget 2003 announced an investment plan for the NCB, which will add \$965 million annually to the NCB Supplement by 2007. This included an increase of \$150 per child in July 2003. Additional investments of \$185 per child will be implemented in 2005, and again in 2006, for low-income families with children. For a two-child, low-income family, this will represent a 146 percent increase in federal child tax benefits since 1997.

Through the **Early Childhood Development Agreement**, federal, provincial and territorial governments have committed to improving and expanding early childhood development supports for young children—prenatal to age six—and their parents. The Government of Canada transfers \$500 million per year, via the Canada Social Transfer, to provincial and territorial governments to improve and expand programs and services in four key areas: promoting healthy pregnancy; birth and infancy; improving parenting and family supports; strengthening early childhood development, learning and care; and strengthening community supports.

The objectives of the federal, provincial and territorial **Multilateral Framework on Early Learning and Child Care** are to promote early childhood development and support the participation of parents in employment or training by improving access to affordable, quality early learning and child care programs and services. Beginning in 2003-2004, the Government of Canada is transferring \$1.05 billion over five years through the Canada Social Transfer to support provincial and territorial government investments in early learning and child care. Budget 2005 committed on-going funding of \$350 million per year to provinces and territories in support of investments in early learning and child care. Investments can include capital and operating funding, fee subsidies, wage enhancements, training, professional development and support, quality assurance, and parent information and referral.

Building on the Early Childhood Development and Multilateral Framework on Early Learning and Child Care Agreements, the 2005 federal budget also committed the federal government to provide additional funding of \$4.8 billion over five years to provinces and territories for a new initiative for early learning and child care.

SDC is also involved in specific initiatives and activities within the jurisdiction of the Government of Canada.

SECTION II – Analysis of Performance by Strategic Outcome

The **Child Disability Benefit (CDB)** is paid by the Canada Revenue Agency as a monthly supplement to the Canada Child Tax Benefit and Children's Special Allowances payments to low- and modest-income families with a severely disabled child. SDC participated in the development of the CDB and is involved in its ongoing implementation.

SDC provided **Canada Pension Plan (CPP)** benefits to 84,500 children of deceased contributors to the CPP Account. In addition to CPP benefits for people with disabilities (described in Strategic Outcome 2), payments were made to 89,300 children of these beneficiaries.

SDC also plays a key role, on behalf of the Government of Canada, in the development and exchange of knowledge, information, and best practices related to children and their families.

Resources

Strategic Outcome 4:

A Canada where the capacities of Individuals, Children, Families, and Communities are strengthened in order to promote social inclusion, participation and well-being.²

Gross Spending (millions of dollars)	2004-2005 ¹		
	Planned Spending	Total Authorities	Actual
Gross Operating Expenditures	2.4	2.4	1.6
Total	2.4	2.4	1.6
Full-Time Equivalents	10	10	10

1 2004-2005 financial data has been restated to report on the six Strategic Outcomes, as per the 2004-2005 Report on Plans and Priorities.

2 SDC's operating costs for this outcome are minimal. The National Child Benefit initiative is delivered by the Canada Revenue Agency and the Government of Canada mainly supports the Early Childhood Development Agreement and the Multilateral Framework on Early Learning and Child Care objectives via the Canada Social Transfer to provinces and territories. These resources have been specifically allocated for the purposes of the National Child Benefit initiative. Over time, workload on these resources has grown to include activities associated with Multilateral Framework on Early Learning and Child Care and the Early Childhood Development Agreements.

Results Linkages

Key Priority 1: Ensure effective implementation of the National Child Benefit Initiative (ongoing priority)

The implementation of the National Child Benefit (NCB) and the effectiveness of the initiative in meeting its objectives are monitored through the NCB Progress Reports—the fifth report was published March 2005—and joint federal-provincial-territorial evaluation activities.

The most recent evidence of the impact of these investments was provided in the *NCB Progress Report 2003*, which was released in March 2005, and its supplementary report, *Impact of the NCB on the Incomes of Families with Children: A Simulation Analysis*. For

SECTION II – Analysis of Performance by Strategic Outcome

example, in 2001, the NCB was responsible for preventing an estimated 40,700 families with 94,800 children from living in low income—as defined by Statistics Canada’s after-tax, low-income cut off. This represented an 8.9% reduction in the number of low-income families. These families with children saw their disposable income increase, on average, by \$2,200 or 9.2% as a direct result of the NCB. The NCB was also found to reduce the depth of child poverty, with low-income families with children seeing their income rise, on average, 12.3% closer to the low-income cut off.

The federal-provincial-territorial joint *NCB Evaluation Synthesis Report* also provides evidence that the NCB has been working. The report illustrates that the NCB has been effective in promoting parents’ attachment to the labour market by making work more attractive than social assistance. In fact, research using administrative data from several provinces demonstrates that the NCB has been successful in lowering the “welfare wall” and facilitating the transition from social assistance to work. The report also illustrates that the NCB is reducing overlap and duplication through federal/provincial/territorial coordination and integration in the delivery of child benefits. Joint work by federal, provincial and territorial partners on the design of NCB benefits and the establishment of more transparent processes related to the development and sharing and reporting of data have led to improved program design.

Success Story: The National Child Benefit and Canada Child Tax Benefit

Anne is a single mother with two children, John, six and Mark, four. Though Anne works hard to support her family, she found that her employment income was not enough to sustain her and her children. The need for extra help was highlighted when Anne learned that John had Attention Deficit/Hyperactive Disorder and needed daily medication.

Through the National Child Benefit Supplement and the Canada Child Tax Benefit, Anne receives the extra income she needs to continue working and provide for her family. Anne also benefits from the National Child Benefit reinvestments program which subsidizes the medication expenses and the cost of child care.

Key Priority 2: Ensure effective implementation of the Early Childhood Development Agreement (ongoing priority)

SDC continued to play the lead role on behalf of the Government of Canada in working with provinces and territories to implement the Early Childhood Development (ECD) Agreement, which includes reporting under that Agreement. A joint federal-provincial-territorial Web portal on ECD and Early Learning and Child Care (ELCC) for reporting to Canadians was launched in fall 2004.²²

The Government of Canada released its annual report *Early Childhood Development Activities and Expenditures: Government of Canada Report 2003-2004* in February 2005. This report details Government of Canada expenditures on early childhood development

²² The portal, <http://www.ecd-elcc.ca>, includes all federal, provincial and territorial reports that are described under this strategic outcome.

based on a framework for reporting that was established by federal/provincial/territorial governments. It is complemented by the annual reports that each participating province and territory produced on its early childhood development activities and expenditures. These reports are highlighting that the Government of Canada transfer and the complementary provincial and territorial actions are resulting in important early childhood development programs throughout the country such as initiatives to address fetal alcohol spectrum disorder, early literacy and child care. SDC continued to work with provinces/territories to improve reporting under the Agreement by addressing data gaps on young children and sharing information on best practices, research, knowledge development and evaluation related to early childhood development.

Key Priority 3: Ensure effective implementation of the Multilateral Framework on Early Learning and Child Care (ongoing priority)

In 2004-2005, SDC continued to play the lead role on behalf of the Government of Canada in working with provinces and territories to implement the Multilateral Framework on Early Learning and Child Care. This included reporting under the Multilateral Framework and working with provinces and territories to improve the quality of reporting over time. All participating governments agreed to report annually on their early learning and child care activities and their expenditures based on a shared framework for reporting. For its part, the Government of Canada released its annual report, *Early Learning and Child Care Activities and Expenditures: 2003-2004*, in February 2005.

The federal, provincial and territorial reports to date have shown enhancements to early learning and child care programs across the country through initiatives such as improvements to fee subsidies, supports for inclusive child care, and grants for capital improvements.

SDC and representatives of seven provinces developed a joint evaluation framework on early learning and child care programs and services to meet the commitment outlined in the Multilateral Framework on Early Learning and Child Care.

Key Priority 4: Ensure effective implementation of the Child Disability Benefit (new priority)

In recognition of the special needs of low- and modest-income families with a severely disabled child, the 2003 federal budget introduced a Child Disability Benefit. During 2004-2005, SDC contributed to the process that resulted in the 2005 federal budget announcement that the maximum annual Child Disability Benefit would be increased to \$2,000 from \$1,681 per child beginning in July 2005.

Lessons Learned: Building Federal, Provincial and Territorial Collaboration for a New Early Learning and Child Care Initiative

Federal, Provincial and Territorial Ministers Responsible for Social Services have a strong and productive history of working together on initiatives for children and their families. Through initiatives like the Early Childhood Development Agreement and Multilateral Framework on Early Learning and Child Care, governments have learned the power of shared long-term objectives, strong public accountability for progress, and joint work on knowledge and effective practices to ensure children have the best possible start in life.

Governments are drawing upon these lessons to establish a new initiative for early learning and child care that will serve as a complement to the broad range of supports governments already provide.

Budget 2005 committed the federal government to providing additional funding of \$5 billion to provinces and territories for investment in early learning and child care programs and services, including \$700 million to be made available through a third party trust from which provinces and territories can draw down on a per capita basis for 2004-2005 and 2005-2006, and a further \$4.1 billion to be made available over four years beginning in 2006-2007.

This commitment for additional funding enabled the Government of Canada to continue discussions with provinces and territories and culminated in the signing of several Agreements in Principle in the spring of 2005, with the remainder to follow.

Strategic Outcome 5**A Canada where service delivery is focused on citizen needs.****Description**

The Government of Canada has made a priority of a more effective and responsive delivery of services to Canadians. Departments are expected to achieve a more citizen-centred service that meets the needs of individuals well, while controlling costs and using new technologies effectively. As a department responsible for some of the Government's largest income benefit programs, Social Development Canada is in the forefront of identifying new and better ways to meet the needs of the Canadians who deal with us, while meeting the expectations that we will deliver the right benefits to the right people in the most appropriate ways possible.

During 2004-2005, SDC's service delivery mandate evolved rapidly. Throughout the year SDC delivered services in support of its programs as well as those of Human Resources and Skills Development Canada (HRSDC). SDC was also a major participant in the Government of Canada-Wide Service Canada initiative. As well, it also managed the administration of the Social Insurance Number (SIN) and the Social Insurance Register (SIR).

Program, Resources and Results Linkages

Program Service Activity:

The resources under this strategic outcome during 2004-2005 were focused on SDC's responsibility to manage:

- ❖ telephone services through a network of call centres;
- ❖ Internet-based services; and
- ❖ mail services provided by SDC processing centres that receive and deal particularly with completed applications for Canada Pension Plan and Old Age Security services and benefits, appeals and other client service situations.

Resources²

Strategic Outcome 5:

A Canada where service delivery is focused on citizen needs.

Gross Spending (millions of dollars)	2004-2005¹		
	Planned Spending	Total Authorities	Actual
Gross Operating Expenditures ³	37.3	100.1	95.5
Total	37.3	100.1	95.5
Full-Time Equivalent	654	1,142	1,142

1 2004-2005 financial data has been restated to report on the six Strategic Outcomes, as per the 2004-2005 Report on Plans and Priorities.

2 The above figures exclude actual expenditures of 1,768 FTEs and \$107.6 million related to ISP telephone, Internet and mail services which serve to support this Strategic Outcome, in addition to Strategic Outcome 1 and 2. These resources are linked to statutory benefits (CPP and OAS) and are included under Strategic Outcome 1.

3 SDC provided services without charge to HRSDC at an estimated gross cost of \$9.7M in support of HRSDC programs.

Results Linkages:

Although not linked to any specific key priority under this strategic outcome, progress on SDC's Modernizing Services for Canadians (MSC) initiative was the foundation for much of the approach under this strategic outcome. The MSC goal was *To transform service to Canadians by focusing on what citizens need in a way that supports their full participation in the workplace and community*. This translated into movement towards a "one-stop shop" concept to simplify access to services for citizens.

The MSC project led to, at its conclusion in December 2004, the basis of a new service delivery model for SDC and some specific change initiatives. These, in turn, formed the basis of the Budget 2005 decision to implement the Service Canada initiative, which will take on our current service delivery responsibilities as part of providing one-stop, easy access to all federal programs and services—telephone, Internet, in-person or by mail—for social benefits and other programs. It will also have a mandate to enhance the integrity of social benefit programs.

Key Priority 1: To provide improvements to the national infrastructure for identity and integrity (previous priority)

During 2004-2005, SDC developed department-wide integrity and identity policies, and is now implementing a comprehensive approach to risk management. This will help ensure the consistent identification, authentication and validation of individuals who request services.

SDC worked with a network of other federal departments to establish standard protocols to govern the use and exchange of data within a secure Government of Canada infrastructure. In addition, the department worked with provincial governments to improve links between the Social Insurance Register (SIR) and provincial and territorial sources of data such as births and deaths. These links will help improve the accuracy, timelines and completeness of the data on the SIR and facilitate more integrated and seamless service delivery for Canadians. These efforts also led to the development of a national model that set out the technical, legal and financial parameters to allow for the secure exchange of vital event data between the SIR and provinces and territories. In addition, nearly one million Social Insurance Numbers issued to temporary residents expired as a result of the April 2004 introduction of an expiry date linked to their authorized stay in Canada.

With the shift to on-line services, SDC created a departmental registration and authentication model to use SIDs and the SIR as the basis for verifying part of the data related to a person's identity. An initial step assessed the feasibility of drawing on the SIR to validate a person's birth date for CPP and OAS applicants. Parliament also amended the legislation governing the CPP and OAS to provide the Minister of Social Development with the authority to use SIR as a validation source. Implementation is expected to be complete by fall 2005 and will be available for all programs and service delivery channels: on-line, by telephone, by mail, and in-person.

Key Priority 2: To develop a streamlined and integrated approach across government for the collection, use and maintenance of payroll, earnings and income information (previous priority)

SDC, the Canada Revenue Agency and HRSDC recognized that collaboration on their collection, use, and maintenance of payroll, earnings, and income information would streamline processes and produce savings for employers as well as for the Government of Canada. The three organizations continued to work together and with other partners on a range of initiatives in this area. Additionally, SDC agreed to transfer the responsibility for collections of overpayments to CRA as part of Expenditure Review.

Key Priority 3: To continue the development of a Service Strategy and Service Offerings (previous priority)

The idea of "service offerings" is to move away from the traditional program focus of service delivery and towards a more comprehensive and integrated approach based on meeting citizen needs and achieving policy outcomes. During 2004-2005, SDC moved forward on this with a focus on specific groups of Canadians (e.g. seniors, persons with disabilities, youth and working age adults) and paid particular attention to improving how clients in these groups get information on programs. This department also dealt with new electronic service offerings such as *My Account*, which will enable Canadians to have a single point of access for many of their government services.

SDC also led work on enhancements to the Canada Benefits site, which provides one-stop shopping for government benefit services and information. The site has coordinated inter-jurisdictional information about programs and services and has organized them around clients' needs. The Canada Benefits site received awards as a result of its successes to date and it has been extremely well-received by the Canadians who use it.

Key Priority 4: To provide enterprise-wide Internet and telephone client service for Social Development Canada (SDC) and Human Resources and Skills Development Canada (HRSDC) (previous priority)

Social Development Canada's Call Centre Harmonization initiative integrated 23 independent call centres that supported all major benefit programs—CPP, OAS and Employment Insurance. As a result, agents answered 800,000 more calls in 2004-2005 than 2003-2004, service quality improved, call blockages were reduced by half, and the number of toll-free numbers was reduced from 1,200 to 600. As well, 40% more calls were managed by interactive voice response (IVR) compared to 2003-2004 and the number of blocked EI calls that were managed by IVR was reduced from 12 million to 4.7 million.

SDC consolidated more than 170 separate departmental Internet sites into a single, citizen-centred Internet channel with two Web sites and reduced 400,000 Web pages to 40,000, providing simpler access for Canadians.

SDC also finished replacing its former network of dedicated kiosks with lower cost, remotely administered personal computers in local government services offices through the Citizen Access Workstation Service. This change provided Canadians with a standard, easy-to-use interface for many government services.

Success Story: Easy to Reach by Internet

Social Development Canada (SDC) continues to make it easier for Canadians to find the information they need and to receive the personal services they require on-line. Popular on-line service products and tools now include: Tax Information Slips; CPP Statement of Contributions On-line Request; the CPP Retirement application form; the Canadian Retirement Income Calculator; the Benefits Finder; Record of Employment-Web; Electronic Claimant Reporting; and Appli-Web, which enables Canadians to complete Employment Insurance benefit applications.

Success Story: Recognition for Service Excellence

SDC's work on improving services to Canadians on-line was recognized at the Government Technology Exhibition and Conference (GTEC) where the department won both gold and silver medals for innovative service delivery to citizens and businesses. Canada was recently ranked #1 globally for e-government service delivery by *Accenture* in their annual survey of the global eGovernment environment. SDC manages the *Canadians Gateway* http://www.canada.gc.ca/cdns/indiv_e.html on the Canada.gc.ca site.

Key Priority 5: Simplify and streamline benefits and service delivery (ongoing priority)

Social Development Canada's work on the simplification and streamlining of services and benefit delivery to improve service to Canadians and reduce costs took many forms during 2004-2005.

The department completed the simplification of the Canada Pension Plan and Old Age Security forms and information sheets by reducing them from 28 pages to 11 pages. The simplification involved the use of plain-language and redesign. These forms are now available on the Internet in a print and fill "smart" format. The "smart" feature includes drop-down menus to make it easier and less time consuming to fill. The forms can be completed on-line, printed, signed and then mailed for processing.

In addition, SDC designed and implemented a CPP retirement application form that can be submitted over the Internet. The client follows a simple step-by-step process to complete the application and then prints, signs and mails a signature page with documentation. This is the first step towards achieving our goal of fully on-line applications.

SDC worked on regulations to reduce the need for clients to provide evidence about their age, identity and marital status that may already be on the Social Insurance Register or other federal data sources. The department developed a regulatory package that would provide the Minister of Social Development with the authority to validate the age, identity and marital status of applicants through information sharing with the SIR. If approved, this will enable SDC to further simplify and streamline the application processes.

The department completed a file transfer protocol with the Canada Revenue Agency that will serve as the foundation for a largely seamless and paperless process to support Guaranteed Income Supplement applications. This will improve service to the majority of Canada's most disadvantaged low-income pensioners.

SDC mailed almost 100,000 pre-filled applications for the Guaranteed Income Supplement (GIS) to OAS pensioners, resulting in 64,000 new GIS clients. Also, the department mailed CPP retirement applications to more than 58,000 clients who were eligible for a CPP retirement pension.

A new Internet service, the Tax Information Slips On-line service for CPP and OAS, was launched by SDC making this information available on-line to most clients, improving service, and leading to reduced printing and mailing costs. Similar results are expected from two other services the department substantially completed during the year. The View and Update Personal Information and the Statement of Contributions View services will enable Canadians to check their personal information on-line, resulting in cost avoidance in SDC telephone calls, printing, mailing and processing activities. The latter service will benefit more than 13 million Canadians who contribute to the CPP.

SDC's systems work to support the Employment Insurance (EI) program's on-line Record of Employment (ROE) service (ROE Web), which helped to improve the product and increased client confidence and usage. Approximately 525,000 ROEs were issued on-line by some 10,400 employers this year compared to only 482 employers the previous year. Other systems improvements supported the EI Appli-Web initiative that now allows Canadian citizens to apply on-line for Compassionate Care benefits, as well as standard EI benefits. Some two million clients used Appli-Web in 2004-2005, an increase of more than 65% over the previous year.

More EI recipients are using an improved on-line means of reporting information that is managed by SDC systems support. Claimant reports filed in the last quarter of 2004-2005 represented an increase of 40% over the previous year.

Key Priority 6: To develop a strategy and action plan for regional service delivery (new priority)

Social Development Canada analyzed leading practices for regional service delivery and developed criteria for the future configuration of the in-person network based upon the objective of increasing federal presence and reaching more Canadians in under-served communities. The department also developed initial concepts for office configuration that would facilitate easy access for citizens and provide improved access to self-service and assisted service. Cost models were developed to facilitate the development of service delivery scenarios and this work has been incorporated into the planned expansion of the federal presence for the Service Canada initiative.

Lessons Learned: Improving Program Integrity with Risk-Based Approaches

To further enhance the integrity of the Social Insurance Register (SIR), SDC conducted extensive research and analysis of SIN/SIR policies, procedures and practices. This work led to the implementation of risk-based approaches for the SIN application, adjudication and investigation functions, and the deactivation of more than 650,000 SINs that had not been used in the past five years. In addition, this research and analysis was used to guide the development of the Social Insurance Number Direct Application, Integrated Birth Registration and Integrated Death Notification service offerings, which will help transform service for Canadians, while also further contributing to enhancing the integrity of the SIR and all Government of Canada programs that use the SIN.

Strategic Outcome 6

Effective corporate services.

Description

Social Development Canada's (SDC) corporate services support the achievement of all departmental strategic outcomes, including meeting the expectations of Canadians and Parliament, especially with respect to the stewardship and management of public funds and resources.

Success Story: The E-Welcome Pilot Project

SDC's shared services branches worked together to develop a pilot E-Welcome Intranet site for new employees. This on-line guide outlines what new staff members need to know, and what administrative processes they must complete, on their first few days on the job. The Guide provides administrative details, forms, accounts and delivers information that will ensure employees have a more efficient and smooth transition into their new workplace. The pilot, now being run in National Headquarters, will be evaluated in 2005-2006.

Program, Resources and Results Linkages

In SDC, corporate services consisted of two types of branches during 2004-2005. First, Strategic Direction and Public and Ministerial Affairs provided support exclusively to other SDC branches. Second, Financial and Administrative Services, Systems, Human Resources and Legal Services all worked in a “shared services model”. All of them provided services to both SDC and Human Resources and Skills Development Canada (HRSDC). This shared services approach was organized to provide consistent, high quality service to both departments while minimizing the proliferation of corporate service infrastructures and costs associated with having each department provide such services separately.

Resources

Strategic Outcome 6:
Effective corporate services.

Gross Spending (millions of dollars)	2004-2005 ¹		
	Planned Spending	Total Authorities	Actual
Gross Operating Expenditures ²	776.2	844.6	829.2
Total	776.2	844.6	829.2
Full-Time Equivalents	5,614	6,696	6,685

1 2004-2005 financial data has been restated to report on the six Strategic Outcomes, as per the 2004-2005 Report on Plans and Priorities.

2 Social Development Canada also provides human resources, financial and administrative services and corporate systems for Human Resources and Skills Development Canada (HRSDC). These services were provided without charge to HRSDC at an estimated gross cost of \$592.8M. This cost is attributable to both Strategic Outcome 5 and 6 in the amounts of \$9.7M and \$583.1M, respectively.

Results Linkages

During 2004-2005, SDC had the responsibility of developing, gaining approval for and implementing fundamental decisions on the governance structures for this newly-organized department. This involved acting on the need to transfer positions and to reorganize branches to achieve better integration of efforts and potential savings. This was complemented by efforts to integrate corporate business planning. Beyond this, SDC had committed to a number of priorities in our Report on Plans and Priorities for 2004-2005.

Key Priority 1: Provide effective shared corporate services in the areas of human resources, financial and administrative services and corporate systems to SDC and HRSDC (new priority)

The goal of shared services has been to ensure consistent service and to achieve efficiencies. During 2004-2005, this had some specific focuses for attention.

For example, Social Development Canada played a lead role in establishing a Canadian Social Sciences Library by working with stakeholders—federal government departments, universities, research organizations and the private sector. Together we defined actions that would enhance access to and preserve Canadian social science information and data.

The department developed a long-term strategic accommodation plan to provide efficiencies and cost effectiveness across both departments. We consolidated our financial and administrative services. This included developing a common regional service delivery model and the creation of 17 national generic positions—down from 300 different positions previously—to ensure more consistent and less costly service.

The shared services commitment also led to changes in service delivery and strategies. For example, SDC defined a new Service Delivery Strategy that was adopted by all regions and served as a foundation for inter-departmental efforts. The department developed Service Level Agreements and Memorandums of Understanding to clarify our services to other branches and established an enterprise-wide Collection Services organization to integrate these services.

Because of their importance to employees and our services to Canadians, SDC enhanced its information systems. For example, it developed and added improvements to the Common System for Grants and Contributions, which enabled the 4,500 users in both departments to manage all aspects of agreements under grant and contribution programs.

Social Development Canada continued work on its Income Security Programs (ISP) IT Renewal (ITR) Project. This project will result in the replacement of many old application systems that support administration of the Canada Pension Plan, Old Age Security and the international income security program agreements that Canada has with other countries. A recent Treasury Board Secretariat report assessed a sample of major IT projects across government, based on various factors, and cited ISP ITR as a best practice.

The department also introduced some new on-line products and services to reduce administrative costs and increase quality of information for management purposes and audit. The new Electronic Documents System enhances local office use of computer processing reports by posting them electronically on the Intranet rather than shipping paper reports from the computer centres. This service significantly reduces delivery time, as well as printing, shipping and storage costs.

Key Priority 2: Support a dynamic workforce (ongoing priority)

Given the importance of skilled staff and a representative workplace in which values and ethics are recognized and acted upon, Social Development Canada took action across many topics.

Progress was made in implementing the new *Public Service Modernization Act* including working closely with the unions. The Labour Management Consultation Committees were considered a government best practice. And, SDC also developed an Informal Conflict Management System model based on results of a diagnostic survey, focus groups and consultation with bargaining agents and senior management. As a result of these efforts, we met the mandatory obligations that were set for March 31, 2005, and were on track for full implementation in both departments by December 2005.

Progress was also made on official languages commitments, particularly in increasing the number of bilingual executives and feeder group employees. By the end of 2004-2005, the percentage of executives who met the linguistic profile of their position rose from 84% to 90% in SDC. Similar increases were achieved for the executive feeder groups in both departments and those who were in receipt of the bilingualism bonus. As part of

SECTION II – Analysis of Performance by Strategic Outcome

achieving these results, 1,100 employees participated in language training during the year and revised Official Languages policies were implemented, which contributed to creating a respectful workplace and facilitating the delivery of services to clients in the language of their choice.

SDC's Embracing Change initiative has been designed to improve the representation of members of visible minorities in the public service, particularly in leadership roles. The department was active on equity issues, focusing directly on improving the situation at the executive level with the objective of influencing cultural change.

For example, a selection process was held to recruit 10 members of under-represented designated groups for EX positions but succeeded in completing 12 appointments. This success resulted in the Public Service Commission (PSC) using SDC's assistance to run a similar process for visible minority candidates. The selection plan that was developed as part of SDC's Employment Equity Plan to increase the numbers of executives in the designated groups was promoted as a *best practice* by the Public Service Human Resources Management Agency of Canada and was highlighted during the PSC President's appearance before the Senate Committee on Human Rights.

Success Story: Representative Workforce Indicators

- ❖ SDC is within 1.1% of achieving its representation goal for members of visible minority groups.
- ❖ SDC exceeded its representation goals for Aboriginal peoples and women.
- ❖ The representation rate achieved for persons with disabilities was exceeded by double the availability.

SDC continued to reinforce values and ethics as the basis of actions. To do so, we implemented a four-point framework—Modeling Behaviour, Refresh Knowledge, Balanced Approach and Clarifying Consequences—in our human resources business processes. The department developed and distributed values and ethics tools such as communiqués and corporate messages throughout the year, ran workshops for managers and staff, and integrated these issues into departmental orientation sessions, management development courses, and into the performance and learning agreements for non-executive staff.

The new approach to human resources management (HRM) taking shape across the government led SDC to update the HRM learning tools that are offered to managers. To meet the need for the strongest financial management skills possible among managers and staff with financial responsibilities, the department developed a Financial Management Training Plan for the year.

Social Development Canada saw leadership as important, especially given the rate of change in our workplaces. This led to initiatives and tools to enable managers and staff to support change management. It also included implementation of a Performance Management Process for non-executives in both departments which includes a Performance Learning Agreements component.

Key Priority 3: Achieve effective stewardship and accountability (ongoing priority)

During 2004-2005, Social Development Canada took the fundamental steps to ensure that the department could meet government-wide requirements for effective stewardship and accountability. One of the most important steps was to implement the SDC governance structures. This went well beyond work to structure the department to meet its challenges effectively. It included the establishment of processes to confirm accountabilities, which extended to the creation of a performance management framework for the department. All of this was supported by meeting the requirement to appoint professionally-accredited departmental comptrollers to sign off on all new spending initiatives.

Keys to our stewardship and accountability efforts were the development of a corporate planning function and a Management Accountability Framework (MAF). SDC's approach to developing the MAF ensured that it would work in an integrated fashion with other reports and reporting mechanisms such as the Departmental Performance Report commitments. The department also identified effective measures, reporting methodologies and mechanisms.

The corporate planning function has enabled the department to focus on the short-, medium- and long-term direction of SDC by identifying initiatives for the 2005-2006 strategic plan, preparing the 2004-2005 environmental scan, completing the 2005-2006 Report on Plans and Priorities, and responding to the Treasury Board Secretariat (TBS) on the department's Management Accountability Framework Assessment, including management practices and priorities for improvement.

SDC adapted quickly to significant changes that arose during the year. A notable example was its part in efforts to plan for a smooth transition to the Service Canada initiative that was announced in Budget 2005. This involved activities such as developing a funding framework, analyzing organizational impacts, and producing the briefing and communication material to support the budget announcements.

Stewardship and accountability have been a focus of attention. One example is the implementation of systems to disclose all contracts for goods and services valued at more than \$10,000. This includes validation for accuracy and reviews of selected contracts for adherence to policy requirements. This information is posted quarterly on the departmental Web site.

SDC corporate services groups made a full contribution to the success of the *Government of Canada Expenditure Review* exercise, largely by collecting and analyzing the information needed to develop scenarios and providing advice on the financial and human resource impacts of reduction options.

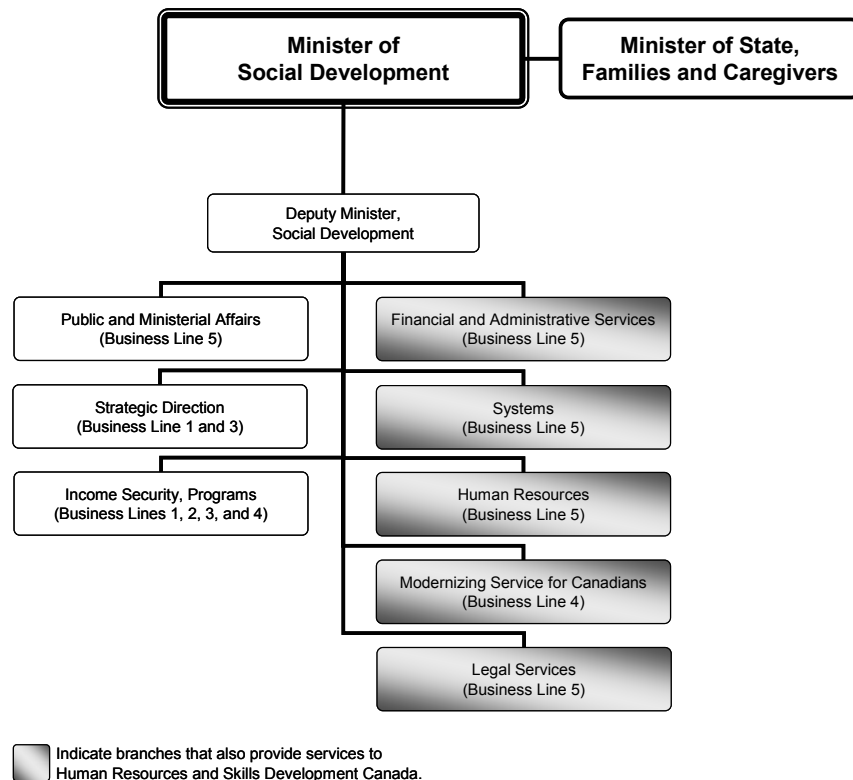
SECTION II – Analysis of Performance by Strategic Outcome

Organizational Information 2004-2005

By Business Line

The organizational model for 2004-2005 Social Development Canada fiscal year, sets out a branch structure in which individual branches were focused on the achievement of one or more strategic outcomes and work with resources and responsibilities allocated under one or more departmental business lines.

SDC had five business lines—(1)Social Development Policy, (2)Income Security Programs, (3)Social Partnerships, (4)Benefits and Service Delivery, and (5)Corporate Services—some of which were specifically linked to particular strategic outcomes, while others support the achievement of multiple strategic outcomes.

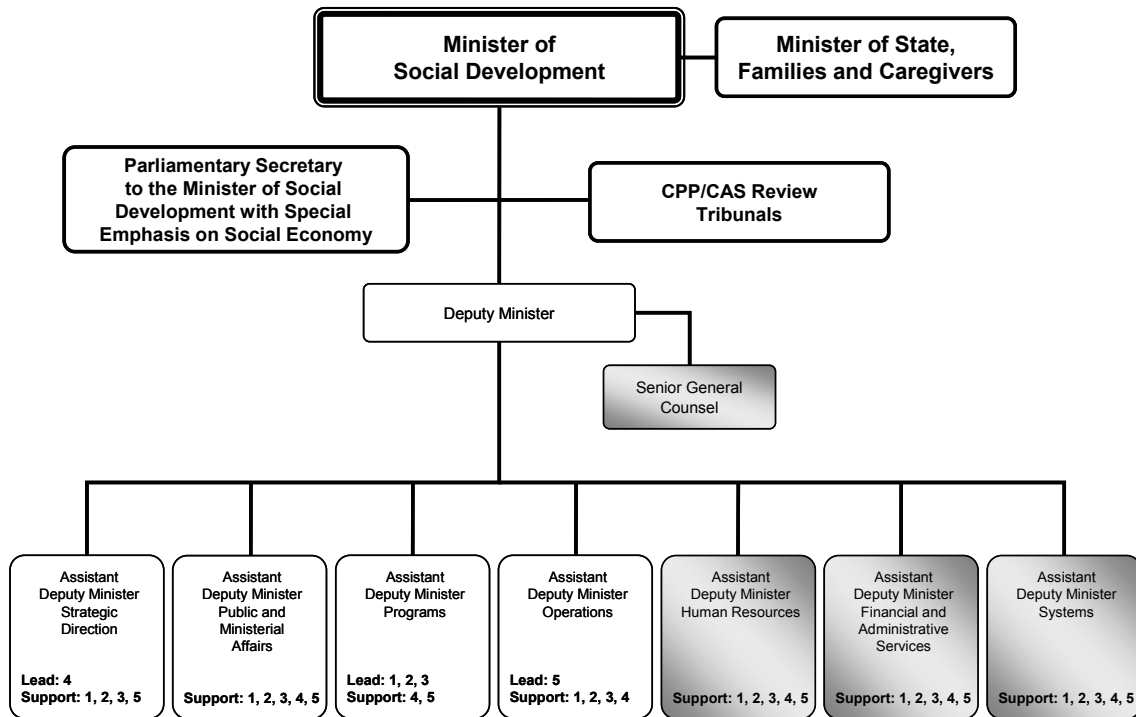


Organizational Information as of March 2005

By Strategic Outcomes

The organizational model for SDC went through major changes since the development of its Program Activity Architecture (PAA) and the transition. The organizational chart sets out a branch structure in which each branch is dedicated to achieving one or more program activities by leading the activity, supporting it, or both, and by managing the resources and responsibilities allocated under them. At the end of the 2004-2005 fiscal year, SDC was operating on a structure aligned with the PAA. This model encourages collaboration among branches and a strong focus on results for Canadians.

The organizational model will continue to evolve after March 31, 2005, since the department is a new organization.



The numbers refer to the Strategic Outcomes. Shaded zones indicate branches that also provide services to Human Resources and Skills Development Canada (HRSDC). Social Development Canada (SDC) is responsible for providing shared corporate services in the areas of human resources, financial and administrative services, and corporate systems to both SDC and HRSDC.

Table 1: Comparison of Planned to Actual Spending

(\$ millions)	2004-2005 ¹			
	Main Estimates	Planned Spending	Authorities	Actual Spending
Income Support	28,158.7	28,172.1	28,084.8	28,076.9
Inclusion and Participation	273.3	313.3	307.0	294.8
Vibrant Communities	28.9	46.5	43.5	42.8
Investments in Children and Families	1.5	2.4	2.4	1.6
Service Innovation	36.8	37.3	100.1	95.5
Effective corporate services	773.5	776.2	844.6	829.2
Gross Expenditures	29,272.7	29,347.8	29,382.4	29,340.8
Less: Respendable revenue	(718.7)	(739.7)	(793.6)	(780.8)
Total Net Budgetary	28,554.0	28,608.1	28,588.8	28,560.0
Specified Purpose Accounts				
Canada Pension Plan		23,962.6	24,198.5	24,148.8
Departmental Recoveries charged to EI		511.6	562.3	560.6
Departmental Employee Benefit Plan recoverable from CPP		(26.7)	(25.8)	(25.9)
Total SDC		53,055.6	53,323.8	53,243.5
<i>Plus:</i>				
<i>Cost of services received without charge</i>		12.9	17.4	12.2
Net Department Cost		53,068.5	53,341.2	53,255.7
Full-Time Equivalents	9,870	10,257	11,401	11,390

1 2004-2005 financial data has been restated to report on the six Strategic Outcomes, as per the 2004-2005 Report on Plans and Priorities.

Financial Highlights:

In 2004-2005, the department was authorized to spend \$28,589 million or \$19 million less than the planned spending of \$28,608 million. This was mainly due to a net decrease of \$76 million in transfer payments related primarily to changes in the average monthly benefits and expected number of recipients for statutory Old Age Security payments. This was offset by a net increase of \$57 million in net operating resources received for various departmental requirements such as statutory payments to private collection agencies and the transfer of funding from Human Resources and Skills Development Canada in support of the shared services relationship between the two departments.

The actual expenditures of \$28,560 million were \$29 million lower than Social Development Canada's total authorities of \$28,589 million. This was mainly due to a net operating lapse of \$20 million related primarily to frozen resources as well as a net lapse of \$8 million in grants and contributions expenditures attributable mainly to reduced requirements under the Labour Market Agreements for Persons with Disabilities.

Table 1.1: Crosswalk Between Strategic Outcomes and Business Lines

Business Lines	Strategic Outcomes					Total	
	A Canada where the quality of life and inclusion for Seniors is enhanced and poverty alleviated through sustainable public pensions, benefits and supports	A Canada where the social and economic participation of Persons with Disabilities is enhanced	A Canada where vibrant and inclusive communities meet the social development needs of Canadians	A Canada where the capacities of Individuals, Children, Families and Communities are strengthened in order to promote social inclusion, participation and well-being ¹	A Canada where service delivery is focused on citizen needs		Effective corporate services
1. Social Development Policy	FTE	0	0	0	10	694	704
	\$M	0.0	0.0	0.0	1.6	50.6	52.2
2. Income Security Programs	FTE	916	665	0	0	50	1,631
	\$M	27,962.1	51.4	5.0	0.0	4.2	28,022.7
3. Social Partnerships	FTE	0	71	73	0	0	144
	\$M	0.0	243.4	37.8	0.0	0.0	281.2
4. Benefits and Service Delivery	FTE	1,828	0	0	0	2,748	5,718
	\$M	114.8	0.0	0.0	0.0	335.6	545.9
5. Corporate Services	FTE	0	0	0	0	3,193	3,193
	\$M	0.0	0.0	0.0	0.0	438.8	438.8
Subtotal	FTE	2,744	736	73	10	6,685	11,390
	\$M	28,076.9	294.8	42.8	1.6	829.2	29,340.8
CPP Benefits		20,584.7	3,177.7	0.0	0.0	0.0	23,762.4
Total		48,661.6	3,472.5	42.8	1.6	829.2	53,103.2
Other Costs							140.3
CPP Costs (Other Government Department (OGD) Administrative Costs)							53,243.5

¹ SDC's operating costs for this outcome are minimal. The National Child Benefit initiative is delivered by the Canada Revenue Agency and the Government of Canada mainly supports the Early Childhood Development Agreement and the Multilateral Framework on Early Learning and Child Care objectives via the Canada Social Transfer to provinces and territories. These resources have been specifically allocated for the purposes of the National Child Benefit initiative. Over time, workload on these resources has grown to include activities associated with Multilateral Framework on Early Learning and Child Care and the Early Childhood Development Agreements.

SECTION III – Supplementary Information

Table 2: Use of Resources by Program Activities

2004-2005¹

(\$ millions)

Program Activity	FTEs	Operating	Voted Grants and Contributions	Sub-Total: Gross Expenditures	Statutory Grants and Contributions ²	Total Gross Expenditures	Less: Respendable Revenue	Total Net Expenditures
Income Support	2,851	218.7	-	218.7	27,940.0	28,158.7	(127.3)	28,031.4
	3,055	232.1	-	232.1	27,940.0	28,172.1	(138.8)	28,033.3
	2,744	213.8	-	213.8	27,871.0	28,084.8	(118.7)	27,966.1
	2,744	205.9	-	205.9	27,871.0	28,076.9	(113.5)	27,963.4
Inclusion and Participation	696	54.5	218.8	273.3	-	273.3	(26.6)	246.7
	870	64.6	248.7	313.3	-	313.3	(35.1)	278.2
	736	63.4	243.6	307.0	-	307.0	(34.9)	272.1
	736	59.0	235.8	294.8	-	294.8	(30.3)	264.5
Vibrant Communities	53	6.2	22.7	28.9	-	28.9	-	28.9
	54	9.3	37.2	46.5	-	46.5	-	46.5
	73	8.7	34.8	43.5	-	43.5	-	43.5
	73	8.6	34.2	42.8	-	42.8	-	42.8
Investments in Children and Families	-	1.5	-	1.5	-	1.5	(1.0)	0.5
	10	2.4	-	2.4	-	2.4	(1.5)	0.9
	10	2.4	-	2.4	-	2.4	(0.2)	2.2
Service Innovation	10	1.6	-	1.6	-	1.6	(0.1)	1.5
	650	36.8	-	36.8	-	36.8	(24.0)	12.8
	654	37.3	-	37.3	-	37.3	(24.6)	12.7
Effective corporate services	1,142	100.1	-	100.1	-	100.1	(70.8)	29.3
	1,142	95.5	-	95.5	-	95.5	(70.8)	24.7
	5,620	773.5	-	773.5	-	773.5	(539.8)	233.7
Total	5,614	776.2	-	776.2	-	776.2	(539.7)	236.5
	6,696	844.6	-	844.6	-	844.6	(569.0)	275.6
	6,685	829.2	-	829.2	-	829.2	(566.1)	263.1
Total	9,870	1,091.2	241.5	1,332.7	27,940.0	29,272.7	(718.7)	28,554.0
	10,257	1,121.9	285.9	1,407.8	27,940.0	29,347.8	(739.7)	28,608.1
	11,401	1,233.0	278.4	1,511.4	27,871.0	29,382.4	(793.6)	28,588.8
	11,390	1,199.8	270.0	1,469.8	27,871.0	29,340.8	(780.8)	28,560.0

Legend:

For each Program Activity:

First line	Main Estimates
Second line	Planned Spending
Third line	Total Authorities
Fourth line	Total Actual Spending

¹ 2004-2005 financial data has been restated to report on the six Strategic Outcomes, as per the 2004-2005 Report on Plans and Priorities.

² Excludes Specified Purpose Accounts.

SECTION III – Supplementary Information

Table 3: Voted and Statutory Items

2004-2005					
(\$ millions)					
Voted or Statutory Item	Voted or Statutory Wording	Main Estimates	Planned Spending	Total Authorities	Actual Spending
1	Operating Expenditures	265.5	271.8	313.5	293.3
5	Grants and Contributions	241.5	285.9	278.4	270.0
(S)	Minister of Human Resources Development - Salary and Motor Car Allowance	0.1	0.1	0.1	0.1
(S)	Old Age Security Payments	21,553.0	21,553.0	21,364.0	21,364.0
(S)	Guaranteed Income Supplement Payments	5,949.0	5,949.0	6,038.2	6,038.2
(S)	Allowance Payments	438.0	438.0	468.8	468.8
(S)	Payments to private collection agencies pursuant to Section 17.1 of the <i>Financial Administration Act</i>	-	-	14.8	14.8
(S)	Contribution to employee benefit plans ¹	106.9	110.3	110.7	110.7
(S)	Spending proceeds from the disposal of surplus Crown assets	-	-	0.3	0.1
(S)	Refunds of amounts credited to revenues in previous years	-	-	-	-
Total Department		28,554.0	28,608.1	28,588.8	28,560.0

1 This statutory item includes the Government's contributions as an employer to various benefits 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.

Table 4: Net Cost of Department

(\$ millions)	2004-2005
Total Actual Spending	28,560.0
Plus: Specified Purpose Accounts ¹	24,683.5
Total SDC	53,243.5
<i>Plus: Services received without charge</i>	
Contributions covering employers' share of employees' insurance premiums and expenditures paid by TBS (excluding revolving funds)	11.5
Worker's compensation coverage provided by Human Resources and Skills Development	0.6
Salary and associated expenditures of legal services provided by Justice Canada	0.1
	12.2
2004-2005 Net Cost of Department	53,255.7

¹ Includes Canada Pension Plan, Departmental Recoveries charged to EI, Departmental Employee Benefits Plan recoverable from CPP.

SECTION III – Supplementary Information

Table 5: Sources of Responsible and Non-Responsible Revenue

Responsible Revenue					
(\$ millions)	2004-2005 ¹				
	Actual 2003-2004 ²	Main Estimates	Planned Revenue	Total Authorities	Actual Revenues
Income Support					
CPP Recovery		127.3	138.8	118.7	113.5
Inclusion and Participation					
CPP Recovery		26.3	34.8	34.9	30.3
EI Recovery		0.3	0.3	-	-
Investment in Children & Families					
CPP Recovery		0.9	1.4	-	-
EI Recovery		0.1	0.1	0.2	0.1
Service Innovation					
CPP Recovery		0.7	0.7	1.8	1.8
EI Recovery		23.3	23.9	69.0	69.0
Effective corporate services					
CPP Recovery		52.9	52.4	75.9	74.6
EI Recovery		486.9	487.3	493.1	491.5
Total Responsible Revenue	804.8	718.7	739.7	793.6	780.8
By Type:					
Total CPP Recovery	260.9	208.1	228.1	231.3	220.2
Total EI Recovery	543.9	510.6	511.6	562.3	560.6

Non-Responsible Revenue					
(\$ millions)	2004-2005 ¹				
	Actual 2003-2004 ²	Main Estimates	Planned Revenue	Total Authorities	Actual Revenues
Income Support					
EBP Recovery from CPP		15.0	17.1	16.5	16.5
User fee: Searches of the CPP and OAS data banks to locate individuals		0.1	0.1	0.1	0.1
		15.1	17.2	16.6	16.6
Inclusion and Participation					
EBP Recovery from CPP		5.3	6.0	5.9	5.9
Service Innovation					
EBP Recovery from EI account		4.6	4.6	5.0	4.9
EBP Recovery from CPP		0.1	0.1	0.1	0.1
User fee: Social Insurance Number Replacement Card Fee		1.9	1.9	1.9	1.9
		6.6	6.6	7.0	6.9

SECTION III – Supplementary Information

Table 5: Sources of Respendable and Non-Respendable Revenue (Cont.)

Effective corporate services					
EBP Recovery from CPP		3.0	3.4	3.3	3.3
EBP Recovery from EI account		44.3	44.4	48.3	47.4
User fee: Access to Information Requests		-	-	-	-
Adjustment to Prior Years' Payables					1.8
Miscellaneous Items					1.6
		47.3	47.8	51.6	54.1
Total Non-Respendable Revenue	87.3	74.3	77.6	81.1	83.5
By Type:					
Total EBP Recovery from CPP	27.5	23.4	26.6	25.8	25.8
Total EBP Recovery from EI	54.1	48.9	49.0	53.3	52.3
Total User Fees	2.0	2.0	2.0	2.0	2.0
Other	3.7	-	-	-	3.4
Total Respendable and Non-Respendable Revenue	892.1	793.0	817.3	874.7	864.3

1 2004-2005 financial data has been restated to report on the six Strategic Outcomes, as per the 2004-2005 Report on Plans and Priorities.

2 The split of the non-respendable revenues between HRSDC and SDC, as published in the 2003-2004 DPR, has been revised to reflect the correct split. Further, the breakdown by Strategic Outcome of Respendable and Non-Respendable Revenues is not available for fiscal year 2003-2004.

Table 6: Details on Transfer Payments

Social Development Canada has a number of transfer payment programs. These support individuals, communities, the private and voluntary sectors, and other orders of government in the achievement of shared human development goals. SDC is subject to the revised policy on Transfer Payments that 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, the department is helping to demonstrate sound management of, control over, and accountability for transfer payments.

Consistent with this policy, SDC has developed descriptive material on each program, including stated objectives, expected results and outcomes, and milestones for achievement. The following table provides a list of the active transfer payment programs. A fact sheet for each program over \$5 million is also provided.

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

Table 6.1: Details on Transfer Payments Programs

Name of Transfer Payment Program: Old Age Security Program: Old Age Security Pensions (Statutory)

Start Date: 1952	End Date: n/a	Total Funding: The Old Age Security pension is financed from Government of Canada general tax revenues.
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Description of Transfer Payment Program: The Old Age Security pension is a monthly benefit available, if applied for, to most Canadians 65 years of age or over, if they fulfill the residence requirements. An applicant's employment history is not a factor in determining eligibility, nor does the applicant need to be retired. Old Age Security pensioners pay federal and provincial income tax. Higher income pensioners also repay part or all of their benefit through the tax system.

Objective(s), expected result(s) and outcomes: Basic income for most seniors who apply and meet the requirements of the OAS program.

Achieved results or progress made: In 2004-2005, OAS benefits were provided to an average of 4,098,785 pensioners. Payments totalled \$21,364.0M.

(\$ millions)	Actual Spending 2002-2003	Actual Spending 2003-2004	Planned Spending 2004-2005	Total Authorities 2004-2005	Actual Spending 2004-2005	Variance(s) between Planned and Actual Spending
Program Activity (PA):						
Income Support						
Total Grants	19,822.6	20,696.8	21,553.0	21,364.0	21,364.0	189.0
Total Contributions						
Total Other Transfer Payments						
Total PA	19,822.6	20,696.8	21,553.0	21,364.0	21,364.0	189.0
Total TPP	19,822.6	20,696.8	21,553.0	21,364.0	21,364.0	189.0

Comments on Variances: Total variance of \$189 million reflects a decrease in the average monthly benefit rate from \$453.34 to \$449.50 (0.8%). This was partially offset by an increase in the average number of monthly recipients from 4,093,128 to 4,098,785 (0.1%), which accounts for a corresponding increase of \$31 million. This was offset by an increase of \$31 million received from higher-income recipients via the OAS Repayment of Benefit.

Significant Evaluation Findings and URL to last evaluation: A summative evaluation of OAS is underway. Expected completion December 2007.

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Table 6.2: Details on Transfer Payments Programs

Name of Transfer Payment Program: Old Age Security Program: Guaranteed Income Supplement (Statutory)						
Start Date: 1967		End Date: n/a		Total Funding: The Guaranteed Income Supplement program is financed from Government of Canada general tax revenues.		
Description of Transfer Payment Program: The Guaranteed Income Supplement is a monthly benefit paid to residents of Canada who receive a full or partial Old Age Security pension and who have low income.						
Objective(s), expected result(s) and outcomes: Income Support for low-income seniors.						
Achieved results or progress made: In 2004-2005, an average of 36.23% of OAS pensioners received GIS, or 1,484,834 people. Payments totalled \$6,038.2M.						
						Variance(s) between Planned and Actual Spending
(\$ millions)	Actual Spending 2002-2003	Actual Spending 2003-2004	Planned Spending 2004-2005	Total Authorities 2004-2005	Actual Spending 2004-2005	
Program Activity (PA): Income Support						
Total Grants	5,470.6	5,792.0	5,949.0	6,038.2	6,038.2	(89.2)
Total Contributions						
Total Other Transfer Payments						
Total PA	5,470.6	5,792.0	5,949.0	6,038.2	6,038.2	(89.2)
Total TPP	5,470.6	5,792.0	5,949.0	6,038.2	6,038.2	(89.2)
Comments on Variances: The average monthly rate increased from \$336.32 to \$338.87 (0.8%), resulting in an increase of \$45 million. The average number of monthly recipients increased from 1,474,058 to 1,484,834 (0.7%), which accounts for \$44 million.						
Significant Evaluation Findings and URL to last evaluation: A summative evaluation of GIS and Allowance completed March 2005. Report pending.						

Table 6.3: Details on Transfer Payments Programs

Name of Transfer Payment Program: Old Age Security Program: The Allowance (Statutory)						
Start Date: 1975	End Date: n/a			Total Funding: The Allowance payments program is financed from Government of Canada general tax revenues.		
Description of Transfer Payment Program: The Allowance is a monthly benefit paid to OAS pensioners' spouses or common-law partners, and survivors, aged 60 to 64, who reside in Canada and who have low income.						
Objective(s), expected result(s) and outcomes: Income Support for spouses and common-law partners of low-income seniors, and survivors, aged 60 to 64.						
Achieved results or progress made: In 2004-2005, the income of an average of 93,748 spouses and common-law partners of low-income seniors, and survivors, aged 60 to 64, were supported by the Allowance. Allowance Payments totalled \$468.8M.						
	Actual Spending 2002-2003	Actual Spending 2003-2004	Planned Spending 2004-2005	Total Authorities 2004-2005	Actual Spending 2004-2005	Variance(s) between Planned and Actual Spending
(\$ millions)						
Program Activity (PA): Income Support						
Total Grants	399.2	413.6	438.0	468.8	468.8	(30.8)
Total Contributions						
Total Other Transfer Payments						
Total PA	399.2	413.6	438.0	468.8	468.8	(30.8)
Total TPP	399.2	413.6	438.0	468.8	468.8	(30.8)
Comments on Variances: The average monthly rate increased from \$377.80 to \$416.90 (10.3%), accounting for an increase of \$43 million. This was partially offset by a reduction in the average number of monthly recipients from 96,611 to 93,748 (3.0%), accounting for \$12 million.						
Significant Evaluation Findings and URL to last evaluation: A summative evaluation of GIS and Allowance completed March 2005. Report pending.						

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Table 6.4: Details on Transfer Payments Programs

Name of Transfer Payment Program: Social Development Partnerships Program						
Start Date: April 2003		End Date: ongoing ¹		Total Funding: \$61.7M ²		
Description of Transfer Payment Program: The Social Development Partnerships Program provides grants and contributions funding to non-profit organizations working to meet the social development needs of persons with disabilities, children and their families, and other vulnerable or excluded populations in Canada.						
Objective(s), expected result(s) and outcomes: The long-term objectives of the program are to:						
<ul style="list-style-type: none"> ❖ increase the effectiveness of the non-profit sector in meeting the social development needs and aspirations of persons with disabilities, children and their families and other vulnerable or excluded populations; and ❖ improve the quality and responsiveness of governments' social policies and programs. 						
The program's more immediate objectives, against which the program will be evaluated, are to:						
<ul style="list-style-type: none"> ❖ promote the generation, dissemination and application of knowledge on emerging social concerns, innovative solutions, best practices, and social and economic outcomes as they relate to persons with disabilities, children and their families, and other vulnerable or excluded populations; ❖ foster collaboration, partnerships, alliances and networks to advance shared social goals and priorities; and ❖ strengthen the capacity of organizations in the social non-profit sector with respect to governance, policy and program development, community outreach, organizational administration and management. 						
Achieved results or progress made: SDPP funding through grants and contributions has enhanced knowledge and awareness of social issues, contributed to policy development, and the application of solutions and best practices; to greater collaboration within and across sectors to meet shared goals; and to greater capacity within national social non-profit organizations to promote social development and inclusion.						
SDPP funding continues to demonstrate its capacity to support organizations in the non-profit and voluntary sector to be more effective in meeting the social needs and aspirations of their constituents. Results of work funded under the program contribute to knowledge building and dissemination and to informing policy-making at the community and national levels.						
						Variance(s) between Planned and Actual Spending
(\$ millions)	Actual Spending 2002-2003	Actual Spending 2003-2004	Planned Spending 2004-2005	Total Authorities 2004-2005	Actual Spending 2004-2005	
Program Activity (PA): Vibrant Communities						
Total Grants	6.8	7.0	14.1	9.7	9.7	4.4
Total Contributions	23.4	25.5	18.1	20.1	19.5	(1.4)
Total Other Transfer Payments						
Total PA	30.2	32.5	32.2	29.8	29.2	3.0
Total TPP	30.2	32.5	32.2	29.8	29.2	3.0

Table 6.4: Details on Transfer Payments Programs

(Cont.)

Comments on Variances: Total variance of \$3M is due primarily to the Budget 2004 funding for Understanding the Early Years (\$6M) and Voluntary Sector Initiative (\$3M) being reprofiled to future years and/or allocated for operating requirements. This was offset by transfers from other departments related primarily to the Voluntary Sector Initiative (\$1M) and from internal reallocation to fund the disability component (\$5M).

Significant Evaluation Findings and URL to last evaluation:

Program Evaluation Released in 2003-2004.

<http://www.sdc.gc.ca/en/cs/sp/sdc/evaluation/page00.shtml>

Program Evaluation Framework for renewed program close to final at end of 2004-2005.

Program Summative Evaluation scheduled for 2006-2007.

Note: Funds for the Voluntary Sector Initiative, Understanding the Early Years and Official Language Minority Communities are administered through the SDPP Terms and Conditions.

1 The current terms and conditions expire in March 2008.

2 Represents total expenditures from April 2003 to March 2005.

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Table 6.5: Details on Transfer Payments Programs

Name of Transfer Payment Program: Opportunities Fund for Persons with Disabilities						
Start Date: April 1997		End Date: ongoing ¹		Total Funding: \$192.9M ²		
Description of Transfer Payment Program: The Opportunities Fund is designed to assist persons with disabilities to return to work. Individuals who self-identify as persons with disabilities, are unemployed and not normally eligible for Employment Insurance Part II Employment Programs can apply for the Opportunities Fund. Financial assistance in support of eligible activities may be provided to eligible recipients in the form of contributions.						
Objective(s), expected result(s) and outcomes:						
<ul style="list-style-type: none"> ❖ To assist persons with disabilities to prepare for and obtain employment or self-employment as well as to develop the skills necessary to maintain that new employment. ❖ To support effective and innovative activities such as, but not limited to, the following: encouraging employers to provide individuals with work opportunities and experience, assisting individuals with increasing their employment skill level and helping individuals to start their own business; and ❖ To work in partnership with organizations for persons with disabilities, including the private sector, to support innovative approaches of: integrating individuals with disabilities into employment or self-employment; and addressing barriers to an individual's labour market participation. 						
Achieved results or progress made: As of period 12 (2004-2005), the Opportunities Fund has been used to provide employment related services to 4,507 eligible persons with disabilities, through 701 contribution agreements as well as other agreements directly made with eligible persons with disabilities. Of these clients, 4,085 clients (91%) have enhanced their employability and 1,231 (27%) have become employed or self-employed. The period 14 statistics are expected in the near future and all three values are expected to increase.						
In 2003-2004, 3,873 clients were served. Of these, 2,435 (63%) enhanced their employability and 1,579 (41%) became employed or self-employed. In 2002-2003, 3,566 clients were served, 2,539 (71%) enhanced their employability and 1,794 (50%) found employment or became self-employed.						
	Actual Spending 2002-2003	Actual Spending 2003-2004	Planned Spending 2004-2005	Total Authorities 2004-2005	Actual Spending 2004-2005	Variance(s) between Planned and Actual Spending
(\$ millions)						
Program Activity (PA)						
Total Grants						
Total Contributions	21.9	20.3	26.7	25.3	24.0	2.7
Total Other Transfer Payments						
Total for PA	21.9	20.3	26.7	25.3	24.0	2.7
Total TPP	21.9	20.3	26.7	25.3	24.0	2.7

Table 6.5: Details on Transfer Payments Programs

(Cont.)

Comments on Variances: Total variance of \$2.6M includes \$1.5M reallocated to the Disability component of the Social Development Partnership Program and \$1.2M reduced requirements under the Opportunities Fund. Surplus has been significantly reduced in 2004-2005 due to significant efforts on the part of national and regional program consultants and stronger control mechanisms. As well, in 2002-2003 and 2003-2004, \$3M was provided to the Aboriginal Relations Office to provide for employment programming for Aboriginal persons with disabilities.

Significant Evaluation Findings and URL to last evaluation: A second Summative Evaluation of the Opportunities Fund is currently underway. Field work is expected to begin in July 2005. Part I results will be ready in February 2006 and Part II results in August 2007. The results of the first Summative Evaluation can be found at the following Web site:

<http://www.sdc.gc.ca/en/cs/sp/sdc/evaluation/page00.shtml>

1 The current terms and conditions expire in March 2007.

2 Represents total expenditures from April 1997 to March 2005.

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Table 6.6: Details on Transfer Payments Programs

Name of Transfer Payment Program: Labour Market Agreements for Persons with Disabilities						
Start Date: April 2004		End Date: ongoing ¹		Total Funding: \$211.8M ²		
Description of Transfer Payment Program: The Labour Market Agreements for Persons with Disabilities (LMAPD) replaced the previous initiative, Employability Assistance for People with Disabilities (EAPD), on April 1, 2004. Under the LMAPD, the Government of Canada contributes funding to provincial programs and services to improve the employment situation of Canadians with disabilities by enhancing their employability, increasing the employment opportunities available to them, and building on the existing knowledge base.						
Budget 2004 increased the existing annual Government of Canada commitment of \$192 million under EAPD by an additional \$30 million for a total of \$222 million annually under LMAPD—this amount does not include \$1 million for operating costs.						
Objective(s), expected result(s) and outcomes: The key outcome is to improve the employment situation of persons with disabilities. Measuring and reporting on program and societal indicators and undertaking evaluation activities will help to assess progress toward enhancing program effectiveness and improving the employment situation of persons with disabilities.						
Reporting under the Agreements includes selected societal indicators—employment income, educational attainment and employment rate of working age persons with disabilities—and the following program indicators:						
a) Number of participants in programs and services;						
b) Number of participants completing a program or service where there is a specific start and end point to the intervention; and						
c) Number of participants who obtained or were maintained in employment where the program or service supports this activity.						
Achieved results or progress made: Governments released baseline reports under the LMAPD on December 3, 2004. These baseline reports included program objectives, descriptions, target populations, planned expenditures, and societal indicators.						

(\$ millions)	Actual	Actual	Planned	Total	Actual	Variance(s)
	Spending	Spending	Spending	Authorities	Spending	between
	2002-2003	2003-2004	2004-2005	2004-2005	2004-2005	Planned
						and Actual
						Spending
Program						
Activity (PA)						
Inclusion & Participation						
Total Grants						
Total Contributions						
Total Other Transfer						
Payments	189.2 ³	189.2 ³	222.0	218.3	211.8	10.2
Total for PA	189.2 ³	189.2 ³	222.0	218.3	211.8	10.2
Total TPP	189.2 ³	189.2 ³	222.0	218.3	211.8	10.2

Table 6.6: Details on Transfer Payments Programs

(Cont.)

Comments on Variances: Total variance of \$10.2M is due to reduced requirements of \$6.5M under the LMAPD agreements in 2004-2005, as well as \$3.7M in funding set aside for the territories which was not required and was re-directed to the disability component of the Social Development Partnerships Program.

Significant Evaluation Findings and URL to last evaluation: There are no evaluation findings available yet as this was the first year of the LMAPD.

1 The current agreements expire in March 2006.

2 Represents total expenditures from April 2004 to March 2005.

3 Dollar amounts for 2002-2003 and 2003-2004 were under the Employability Assistance for People with Disabilities (EAPD) initiative, the predecessor to LMAPD.

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Table 6.7: Details on Transfer Payments Programs

Name of Transfer Payment Program: New Horizons for Seniors Program						
Start Date: October 2004		End Date: ongoing ¹		Total Funding: \$5M ²		
Description of Transfer Payment Program: This program supports local projects across Canada that help seniors participate in social activities, pursue an active life and contribute to their communities.						
Objective(s), expected result(s) and outcomes: The NHSP supports a wide range of community-based projects across Canada that will enable seniors to participate in social activities, pursue an active life and contribute to their community. The specific objectives are:						
<ul style="list-style-type: none"> ❖ Harness the skills, experience and wisdom of seniors to help themselves and their community; ❖ Reduce the risk of social isolation of seniors; ❖ Strengthen social foundations at the community level and invest in social well-being; ❖ Ensure all seniors are able to benefit from, and contribute to, the quality of life in their community through social participation and lifelong active living; and ❖ Develop governance approaches that encourage provincial, territorial and municipal governments as well as voluntary, social economy and non-profit sectors, to work collaboratively within communities to effectively address existing or emerging issues. 						
The NHSP targeted outcomes are:						
<ul style="list-style-type: none"> ❖ Increased social participation, empowerment and inclusion of seniors; ❖ Reduced isolation of vulnerable seniors; ❖ Strengthened networks and associations between community members, community organizations, and governments; and ❖ Enhanced opportunities for building community capacity and partnerships to respond to existing or emerging social challenges. 						
Achieved results or progress made: In 2004-2005, SDC worked with other levels of government, the voluntary sector, communities and stakeholders, including seniors' organizations, to achieve the successful implementation of the New Horizons for Seniors Program (NHSP). The program was officially launched on October 22, 2004. The first call for applications was from October 25 to December 13, 2004. In this first Call for Applications, 1,452 applications were received. Of these, 336 were funded, fully expending the \$5M available this year.						
						Variance(s) between Planned and Actual Spending
(\$ millions)	Actual Spending 2002-2003	Actual Spending 2003-2004	Planned Spending 2004-2005	Total Authorities 2004-2005	Actual Spending 2004-2005	
Program Activity (PA): Inclusion and Participation						
Total Grants	0.0	0.0	5.0	5.0	5.0	0.0
Total Contributions						
Total Other Transfer Payments						
Total for PA	0.0	0.0	5.0	5.0	5.0	0.0
Total TPP	0.0	0.0	5.0	5.0	5.0	0.0

Table 6.7: Details on Transfer Payments Programs

(Cont.)

Comments on Variances: Not applicable

Significant Evaluation Findings and URL to last evaluation: The New Horizons RMAF has been completed and indicates that the Formative Evaluation will be completed by the end of the third quarter of 2006-2007.

1 The current terms and conditions expire in September 2009.

2 Represents total expenditures from October 2004 to March 2005.

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Table 7: User Fees

	Fee Type (R) or (O) ¹	Fee Setting Authority	Date Last Modified	Planning Years								
				2004-2005		2005-2006		2006-2007		2007-2008		
				Forecast Revenue (\$000)	Actual Revenue (\$000)	Full Cost (\$000)	Performance Standard	Performance Results	Forecast Revenue (\$000)	Estimated Full Cost (\$000)	Forecast Revenue (\$000)	Estimated Full Cost (\$000)
A. User Fee												
Searches of the CPP and OAS data banks to locate individuals	(O)	Financial Administration Act		144	137	137	20 days ²	100%	144	144	144	144
ATIP Requests	(R)	Access to Information Act		3	1	2	30 days	88%	3	2	3	2
Social Insurance Number Replacement Card Fee	(R)	Employment Insurance Act		1,892	1,872	2,426	15 days ³	100% ⁴	1,872	2,426	1,872	2,426
Total User Fees				2,039	2,010	2,565			2,019	2,572	2,019	2,572

B. Date Last Modified:

C. Other Information:

- 1 Regulatory (R) or Other Products and Services (O).
- 2 Depending on the volume of searches by request, the searches will be completed no later than 20 working days after receipt of the request.
- 3 A card will be replaced within 15 working days after the receipt of the request.
- 4 Performance standard introduced in 2004-2005 is considered as standard measure.

Table 7-B: Policy on Service Standards for External Fees

A. External Fee	Service Standard	Performance Result	Stakeholder Consultation
Searches of the CPP and OAS data banks to locate individuals	Processing time of 20 days upon receipt at the National Search Unit.	20-day standard met at 100%.	n/a

B. Other Information:

The Standard is an internal figure established by calculating the speed of processing by the analyst.

Standard may change with number of searches and/or requests.

This is considered to be a reasonable amount of time due to unpredictable amount of requests for searches.

A. External Fee	Service Standard	Performance Result	Stakeholder Consultation
ATIP Requests	Processing time of 30 days upon receipt, logging and acknowledgement of request.	30-day standard met at 88%	31 stakeholder consultations in fiscal year 2004-2005

B. Other Information:

A. External Fee	Service Standard	Performance Result	Stakeholder Consultation
Social Insurance Number Replacement Card Fee	A card will be replaced within 15 working days after the receipt of the request	15-day standard met at 100%	n/a

B. Other Information:

The standard was set by Bathurst Operational management and NHQ SIR program management personel.

The standard is being re-examined at the present time.

Table 8: 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. Social Development Canada is responsible for the stewardship of one such account, the Canada Pension Plan (CPP).

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 federal government and the participating provinces. As administrator, the federal government's authority to spend is limited to the balance in the plan.

The following information updates forecasted data on the CPP that was provided in Social Development Canada's *2004-2005 Part III Report on Plans and Priorities*.²³ 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.

Canada Pension Plan

The following table summarizes the financial results for the Canada Pension Plan (CPP) from 2002-2003 to 2004-2005. In 2002-2003, the Government of Canada changed its basis of accounting from the modified accrual accounting to the full accrual basis of accounting. This change in accounting policy has been applied retroactively and the financial statements have been restated accordingly.

As well, following the adoption of Bill C-3 during 2003-2004, the evaluation of the provincial, territorial and federal bonds was changed from cost to fair value. The change in accounting policy has been applied retroactively and the financial statements have been restated to reflect this.

More information relating to 2004-2005 is reported in the CPP financial statements which can be found in the 2005 Public Accounts of Canada, Volume 1, Section 6.²⁴

²³ Please reference to: http://www.tbs-sct.gc.ca/est-pre/20042005/SDC-DSC/SDC-DSCr45_e.asp.

²⁴ Please reference to: <http://www.pwgsc.gc.ca/recgen/text/home-e.html>.

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CPP – Summary

(\$ millions)	2002-2003 ³	2003-2004	2004-2005	
	Actual – Restated		Forecast ⁴	Actual
Revenue				
Contributions	25,203	28,029	29,328	28,941
Investment Income				
Canada Pension Plan	2,910	2,682	2,303	2,070
CPP Investment Board ¹	(4,152)	7,209	-	4,983
CPP Investment Fund ²	193	357	-	(945)
Total Investment Income	(1,049)	10,248	2,303	6,108
Total Revenue	24,154	38,277	31,631	35,049
Expenditures				
Benefit Payments	21,575	22,607	23,806	23,763
Administrative Expenses	422	410	392	386
Total Expenditures	21,997	23,017	24,198	24,149
Increase	2,157	15,260	7,433	10,900
Year-End Balance	57,251	72,511	79,944	83,411

1 Canada Pension Plan Investment Board actual amounts are based on their audited financial statements.

The CPP Investment Board invests mainly in equities. The investment income is determined mainly by the change in fair values of these investments.

2 The Canada Pension Plan Investment Fund is made up of provincial, territorial and government bonds. As of March 31, 2004, these are valued at fair value. The revenue of the fund is made up of the interest from the bonds as well as the change in fair values of these investments. The interest income from the Investment Fund is presented under *Canada Pension Plan* of this section.

3 2002-2003 figures have been restated to reflect the change brought upon by the evaluation of the provincial, territorial and federal bonds from cost to fair value in 2003-2004.

4 2004-2005 Forecast are figures reported in the 2005-2006 Report of Plans and Priorities.

Table 9: Summary of Maximum monthly Benefits
Statutory Annual Reports
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.

(dollars) Fiscal Year	Basic Pension	Income Supplement		Allowance		Increase
		Single	Married	Regular	Survivor	
Monthly benefit by fiscal year						
2004-2005 Actuals						
January 1, 2005	471.76	560.69	365.21	836.97	924.04	0.0%
October 1, 2004	471.76	560.69	365.21	836.97	924.04	1.1%
July 1, 2004	466.63	554.59	361.24	827.87	913.99	0.7%
April 1, 2004	463.39	550.73	358.73	822.12	907.64	0.2%
2004-2005 Estimates						
January 1, 2005	471.77	560.70	365.22	836.99	924.06	0.2%
October 1, 2004	470.83	559.58	364.49	835.32	922.22	0.9%
July 1, 2004	466.63	554.59	361.24	827.87	913.99	0.7%
April 1, 2004	463.39	550.73	358.73	822.12	907.64	0.6%
2003-2004 Actuals						
January 1, 2004	462.47	549.63	358.01	820.48	905.83	0.2%
October 1, 2003	461.55	548.53	357.30	818.85	904.03	0.0%
July 1, 2003	461.55	548.53	357.30	818.85	904.03	1.2%
April 1, 2003	456.08	542.03	353.06	809.14	893.31	0.6%
Fiscal year average (annual benefits)						
2004-2005 Actuals	5,620.62	6,680.10	4,351.17	9,971.79	11,009.13	1.7%
2004-2005 Estimates	5,617.86	6,676.80	4,349.04	9,966.90	11,003.73	2.3%
2003-2004 Actuals	5,524.95	6,566.16	4,277.01	9,801.96	10,821.60	2.9%

Table 10: Number of Persons Receiving Old Age Security Benefits, by Province or Territory and by Type

Province or Territory	March 2004				March 2005			
	Old Age Security (OAS) Pension	Guaranteed Income Supplement (GIS)	Allowance	GIS as % of OAS	Old Age Security (OAS) Pension	Guaranteed Income Supplement (GIS)	Allowance	GIS as % of OAS
Newfoundland	66,611	44,165	4,357	66.30	68,079	44,246	4,275	64.99
Prince Edward Island	18,732	9,344	612	49.88	18,993	9,150	593	48.18
Nova Scotia	129,251	57,996	4,445	44.87	130,968	58,051	4,441	44.32
New Brunswick	101,856	52,143	4,164	51.19	103,348	51,968	4,221	50.28
Quebec	998,167	478,665	31,132	47.95	1,019,463	480,043	31,802	47.09
Ontario	1,504,986	435,392	25,000	28.93	1,537,943	438,245	26,989	28.50
Manitoba	156,166	59,805	3,402	38.30	156,598	58,739	3,594	37.51
Saskatchewan	145,589	58,078	3,287	39.89	145,745	57,561	3,499	39.49
Alberta	320,319	115,818	7,334	36.16	328,045	115,469	7,372	35.20
British Columbia	529,899	175,731	9,501	33.16	542,962	179,703	10,852	33.10
Yukon	1,939	658	43	33.94	2,016	678	48	33.63
Northwest Territories ^a	2,554	1,520	152	59.51	2,668	1,539	160	57.68
International ^b	74,296	9,036	82	12.16	76,554	8,898	82	11.62
Total	4,050,365	1,498,351	93,511	36.99	4,133,382	1,504,290	97,928	36.39

a. Data for Nunavut are included.

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

SECTION III – Supplementary Information

Table 11: Old Age Security Payments, by Province or Territory and by Type, Fiscal Year 2004-2005

Province or Territory	Old Age Security (OAS) Pension	Guaranteed Income Supplement (GIS)	Allowance	Total
Newfoundland	378,841,564	167,341,907	22,073,517	568,256,988
Prince Edward Island	105,976,153	35,038,877	2,691,707	143,706,737
Nova Scotia	728,838,127	209,005,901	19,701,050	957,545,078
New Brunswick	575,030,878	190,863,574	20,386,223	786,280,675
Quebec	5,606,954,939	1,833,807,493	139,446,088	7,580,208,520
Ontario	8,215,393,603	1,888,987,200	136,057,151	10,240,437,954
Manitoba	869,121,933	219,766,914	17,747,384	1,106,636,231
Saskatchewan	819,316,715	214,027,606	18,039,583	1,051,383,904
Alberta	1,765,989,125	467,922,059	37,003,661	2,270,914,845
British Columbia	2,866,612,392	774,628,895	54,078,302	3,695,319,589
Yukon	10,996,622	2,649,440	240,676	13,886,738
Northwest Territories ^a	14,723,617	7,065,134	1,039,431	22,828,182
International ^b	151,390,646	27,050,039	278,533	178,719,218
Total	22,109,186,314	6,038,155,039	468,783,306	28,616,124,659
Recovery tax portion of OAS	-745,144,027			-745,144,027
Total including recovery tax	21,364,042,287	6,038,155,039	468,783,306	27,870,980,632

a. Data for Nunavut are included.

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

Table 12: Major Regulatory Initiatives

Regulations	Expected Results	Performance Measurement Criteria	Results Achieved
<p>Canada Pension Plan Regulations - Automatic reinstatement of CPP Disability benefits: Amendments to CPP Regulations that enable the SDC to implement the new automatic reinstatement provision were approved in January 2005. Legislative amendment to the CPP for automatic reinstatement of CPP disability benefits was contained in Bill C-30, the <i>Budget Implementation Act</i>, 2004. Regulations for automatic reinstatement set out the time limitation and the information and evidence to be provided to the Minister in relation to requests for reinstatement of the CPP disability benefit under the new Section 70.1 of the CPP.</p>	<p>It is anticipated that this new entitlement will encourage CPP-D* clients who want to try to work to make the attempt without risking the loss of their benefits. This provision will be particularly important for beneficiaries with cyclical disabilities.</p>	<p>An evaluation framework for assessing automatic reinstatement is being developed.</p>	<p>Since this is a new provision, there are no results to report at this time.</p>

* Canada Pension Plan Disability

Table 13: Parliamentary Committee Recommendations

The following section provides a summary of activities undertaken by Social Development Canada to respond to those Parliamentary Committee Reports that have partly or wholly affected Social Development Canada.

Raising Adult Literacy Skills: The Need For A Pan-Canadian Response. The Third Report of the Standing Committee on Human Resources Development and the Status of Persons with Disabilities.

Tabled June 2003

Available at:

<http://www.parl.gc.ca/committee/CommitteePublication.aspx?COM=3269&Lang=1&SourceId=101674>

Government of Canada Response to Raising Adult Literacy Skills: The Need For A Pan-Canadian Response. The Third Report of the Standing Committee on Human Resources Development and the Status of Persons with Disabilities.

Tabled November 2003

Available at:

<http://www.sdc.gc.ca/en/cs/comm/reports/literacy/index.shtml>

Background

- ❖ The report, *Raising Adult Literacy Skills: The Need for a Pan-Canadian Response*, was tabled by the Standing Committee on Human Resources Development and the Status of Persons with Disabilities in June 2003.
- ❖ The report focuses on the issue of adult literacy and its connected impact on education, employment, income, quality of life and health. Additionally, it identifies populations in need of particular literacy policy attention, including persons with disabilities.
- ❖ The Committee found that persons with disabilities have lower literacy levels than the rest of the Canadian population and this can pose an additional barrier in their attempts to obtain higher education and to find and maintain adequate employment.
- ❖ There were three recommendations that are related to Social Development Canada. The following is an update on the activities related to these recommendations during fiscal year 2004-2005.

Status Update on Disability-Related Recommendations

Recommendation 14

The Committee recommends that some of the National Literacy Secretariat's new resources for stable funding be allocated to literacy projects for persons with disabilities, in recognition of the fact that many individuals with learning disabilities need long-term literacy assistance for which multi-year funding would be appropriate.

Status

The National Literacy Secretariat (NLS) is funding a project related to persons with disabilities and literacy. A formal request should be made to the National Literacy Secretariat to provide input.

Input is still needed on anything that SDC's Office for Disability Issues has done with the NLS to respond to the spirit of the recommendation.

Table 13: Parliamentary Committee Recommendations**(Cont.)****Recommendation 15**

The Committee recommends that the comprehensive agreement that is currently being negotiated with the provinces and territories to remove barriers to participation in work and learning for persons with disabilities include literacy and numeracy skills development as key components.

Status

The federal-provincial Multilateral Framework and Labour Market Agreements for Persons with Disabilities (LMAPD) came into effect on April 1, 2004. Through two-year bilateral agreements with all provinces, the Government of Canada contributes funding to provincial programs and services to improve the employment situation of Canadians with disabilities by enhancing their employability, increasing the employment opportunities available to them, and building on their existing knowledge base.

Provincial labour market programs and services funded under the LMAPD are to be consistent with one or more of the following priority areas: education and training; employment participation; employment opportunities, connecting employers and persons with disabilities; and building knowledge. Programs and services enhancing literacy and numeracy skills could be included.

Provinces are responsible for the design, delivery and administration of LMAPD-funded programs and services. Governments have the flexibility to determine their own priorities and approaches in addressing the needs of persons with disabilities in their jurisdictions.

Recommendation 16

The Committee recommends that the federal government expand the budget (i.e., \$23.8 million in 2003-2004) of the Opportunities Fund for Persons with Disabilities by \$5 million and dedicate additional funding to literacy and numeracy development.

Status

In an effort to increase coherence in its labour market programming for persons with disabilities, the Government of Canada is undertaking a review of the Opportunities Fund (OF). This review will examine a range of options and strategies to strengthen OF's role in enhancing the inclusion of Canadians with disabilities in the life of their communities. Flexibility to address a broad range of issues which affect the productive engagement of persons with disabilities, such as literacy and numeracy skills, will be an important consideration in moving forward.

Listening to Canadians: A First View of the Future of the Canada Pension Plan Disability Program. The Fifth Report of the Standing Committee on Human Resources Development and the Status of Persons with Disabilities.

Tabled in June 2003

Available at:

<http://www.parl.gc.ca/InfoComDoc/37/2/HUMA/Studies/Reports/humarp05-e.htm>

Government of Canada Response to Listening to Canadians: A First View of the Future of the Canada Pension Plan Disability Program. The Fifth Report of the Standing Committee on Human Resources Development and the Status of Persons with Disabilities.

Tabled in November 2003

Available at:

<http://www.sdc.gc.ca/asp/gateway.asp?hr=en/isp/pub/cpp/disability/5threport/5thpg1.shtml&hs=cdp>

Table 13: Parliamentary Committee Recommendations**(Cont.)****Status**

After the end of the 2004-2005 fiscal year, on April 28, 2005, the Minister of Social Development tabled the Government of Canada's first progress report on the commitments made in the government's response to the Standing Committee on Human Resources Development and the Status of Persons with Disabilities' report, *Listening to Canadians: A First View of the Future of the Canada Pension Plan Disability Program*.

The progress report detailed the significant achievements of Social Development Canada and the Government since its response was tabled in November 2003. The progress report focused on the role that CPP Disability is playing in improving the delivery of benefits to Canadians and the ongoing work being done to simplify and improve the application process.

Notably, the progress report discussed the passage of legislation to implement the Automatic Reinstatement of CPP Disability benefits, which came into effect on January 31, 2005. The report also outlines progress made in areas related to simplifying and streamlining the application process, including a pilot project to simplify the CPP Disability application process.

New policy development was also discussed in the report, which committed the Government to working with the provinces and territories to consider options that would address the issues of long-term contributors and the waiting period for terminally ill applicants. A file review on the effects of current contributory eligibility requirements on long-term CPP contributors and the possible elimination of the four-month waiting period for terminally ill applicants was conducted. These reviews provided a profile of these contributors and a better understanding of how the current eligibility requirement affected their application.

Work has begun on a comprehensive evaluation of CPP Disability to follow through on another commitment in the government response. The evaluation will focus on validating the objectives of the program and determining the extent to which the program is being appropriately delivered to clients and stakeholders. The Government has engaged its provincial and territorial partners and established a client interface working group that reports to the CPP Committee to focus on improving client coordination mechanisms.

***The Guaranteed Income Supplement: The Duty to Reach All.* Sixth Report of the Standing Committee on Human Resources Development and the Status of Persons with Disabilities**

Tabled in December 2001

Available at:

<http://www.parl.gc.ca/InfoComDoc/37/1/HUMA/Studies/Reports/HUMARP6-E.HTM>

***Government of Canada Response to The Guaranteed Income Supplement: The Duty to Reach All.* The Sixth Report of the Standing Committee on Human Resources Development and the Status of Persons with Disabilities**

Tabled May 1, 2002

Available at:

<http://www.sdc.gc.ca/en/isp/pub/oas/6threport/6thtoc.shtml>

On December 4, 2001, the Standing Committee on Human Resources Development and the Status of Persons with Disabilities issued its Sixth Report entitled, *The Guaranteed Income Supplement: The Duty to Reach All*. In this report, the Standing Committee recognized that the Guaranteed Income Supplement (GIS) is an essential program for low- and moderate-income seniors and recommended that the department continue its efforts to identify and contact seniors who may be eligible for the GIS. The former Human Resources Development Canada tabled an official response to the Committee on May 1, 2002, entitled, *Reaching Canadians for 75 Years*. Since then, the department has undertaken the following activities to increase awareness of the GIS and encourage people to apply.

Table 13: Parliamentary Committee Recommendations

(Cont.)

Committee Recommendation	Since May 2002, SDC has...	Current Status
❖ The simplification and automation of notification, application and renewal processes <i>(Recommendations 1, 2 and 6)</i>	❖ Worked with the CRA to integrate the application for renewed GIS benefits through regular income tax reporting system.	Refer to <i>Strategic Outcome #5: A Canada where service delivery is focused on citizen needs.</i>
	❖ Worked with the CRA to reach GIS clients who are not filing individual tax returns and encourage them to do so.	
	❖ Simplified forms for individuals from whom these are still required, including working with the CRA to develop pre-filled applications for first-time applicants.	
	❖ Annual mailings to selected low-income seniors who have not applied but are identified through the tax system as potentially eligible for income supplements.	
❖ An extensive public awareness campaign <i>(Recommendation 5)</i>	❖ Simplified policies.	Public awareness is ongoing through Outreach activities in local offices. CRA continues to issue letters to tax filers who may be eligible for public pensions.
	❖ Targeted mailouts of forms and information with 4.5 million T4 Statements.	
	❖ GIS national advertising campaign of advertisements on television, radio, and in weekly community newspapers.	
	❖ Ongoing public awareness through Outreach activities.	
❖ Public reporting of the Government's progress on the GIS under-subscription issue <i>(Recommendation 7)</i>	❖ Letters sent by CCRA to elderly, low-income tax filers over age 65 who declared low income but had not applied for OAS and/or GIS benefits.	Ongoing
	❖ 2002-2003 HRDC Departmental Performance Report. ❖ 2003-2004 SDC Departmental Performance Report.	

In moving forward, activities and accomplishments that further advance GIS Take-Up will be addressed in tandem with our efforts to modernize our programs and services for the benefit of all Canadians. (See *Strategic Outcome 5: A Canada where service delivery is focused on citizen needs.*)

Table 14: Audits and Evaluations

Social Development Canada (SDC) is committed to ensuring that it gets the best possible results from its programs, policies and services, and that it does so in an effective and efficient manner. The department can assess this through audits and evaluations.

Audits provide management with objective assessments and assurance on key aspects of management practices, control systems, and information used for decision-making and financial reporting. Audits also guide management in determining where the organization is most exposed to risk, and what remedial actions are available and appropriate.

Evaluations, on the other hand, examine all elements of a program, ranging from the procedures and policies that are used to design and deliver the program, to measuring the achieved results or impacts—both intended and unintended—of the program. Evaluations provide credible and objective evidence of how well programs and policies are working, and how they might be improved.

While the evaluation and audit functions are distinct, both contribute to ensuring that the SDC has timely, strategically-focused, objective and evidence-based information on its management practices and on the performance of its policies, programs and services, to produce better results for Canadians.

Fiscal year 2004-2005 was a year of ongoing change for Internal Audit and Evaluation that included a departmental reorganization, the creation of Service Canada, and the initiatives of the Office of the Comptroller General which are expected to culminate in a new Treasury Board Internal Audit Policy. All of these factors had a profound impact, most particularly on the internal audit function. Within this context, the Audit and Evaluation Directorate developed risk-oriented, multi-year audit and evaluation plans to ensure that resources were focused on significant departmental programs, services and priorities.

In keeping with the direction of the Office of the Comptroller General, internal audit coverage included the mapping and assessment of control frameworks for programs deemed to be higher risk. In addition, a significant effort was dedicated to the attestation of financial statements and system capabilities and security. Fiscal year 2004-2005 could be qualified as being highly productive in providing a solid foundation for continued assurance services.

Despite the significant changes that were occurring in its external environment, within the Audit and Evaluation Directorate reporting relationships remained stable and clear, modern audit methodologies and tools were familiar to staff, and the external Quality Assurance process produced results that clearly demonstrated the soundness of audit approaches and products and helped to ensure continued improvement of the function.

The audit work plan for 2004-2005 was ambitious and was predicated on certain resource levels. Staff changes throughout the year and the concurrent resource shortfalls had an impact on the completion of planned work and, consequently, some audit projects are experiencing delays.

During fiscal year 2004-2005, a significant amount of time and effort was dedicated to working with provincial and territorial governments in undertaking joint evaluation work. Most notable was the completion of a joint comprehensive evaluation of the National Child Benefit Initiative. This was an important achievement in partnership and accountability. In addition, evaluation officials were closely involved in the development of an overarching *Evaluation Framework for Early Learning and Child Care*. This work was undertaken jointly through a federal/provincial/territorial evaluation working group.

Table 14: Audits and Evaluations

(Cont.)

Evaluation efforts also focused on grant and contribution programs, labour market agreements for persons with disabilities, and income security programs. Planning has begun on a number of evaluations of income security programs, including the Canada Pension Plan Disability program and the Old Age Security program.

SDC publishes and makes its audits and evaluations available to Canadians. The following chart includes audits, reviews and evaluation studies that were published, completed or in progress during 2004-2005, and are organized by departmental strategic outcomes. Executive summaries, observations, recommendations and management action plans are published on SDC Internet sites.²⁵

Audits and Evaluations	
To provide Canadians with:	As demonstrated by the findings of the following:
A Canada where the quality of life and inclusion for Seniors is enhanced and poverty alleviated through sustainable public pensions, benefits and supports.	<ul style="list-style-type: none"> ❖ <i>Consolidated Statement of Administrative Costs Charged to the Canada Pension Plan by HRDC, March 31, 2003 (completed)</i> ❖ <i>Attest Audit of the Administrative Costs Charged to the Canada Pension Plan for year ending March 31, 2004 (completed)</i> ❖ <i>Guaranteed Income Supplement: Process Control Mapping and Analysis (in progress)</i>
A Canada where the social and economic participation of Persons with Disabilities is enhanced.	<ul style="list-style-type: none"> ❖ <i>Audit of Canada Pension Plan Disability (in progress)</i> ❖ <i>Evaluation of the Canada Pension Plan Disability Vocational Rehabilitation Program (published)</i> ❖ <i>Summative Evaluation of the Canada Pension Plan Disability Program (in progress)</i> ❖ <i>Summative Evaluation of the Manitoba Labour Market Agreement for Persons with Disabilities (in progress)</i> ❖ <i>Summative Evaluation of the Prince Edward Island Labour Market Agreement for Persons with Disabilities (in progress)</i> ❖ <i>Demonstration Evaluation of the Manitoba Disability Research Project (in progress)</i> ❖ <i>Summative Evaluation of Opportunities Fund for Persons with Disabilities (in progress)</i>

²⁵ Recent evaluations and special studies are posted at <http://www.sdc.gc.ca/en/cs/sp/sdc/evaluation/page00.shtml>. Recent audits and reviews are posted at <http://www.sdc.gc.ca/en/cs/sp/sdc/audit/page00.shtml>.

SECTION III – Supplementary Information

Audits and Evaluations	(Cont.)
<p>A Canada where vibrant and inclusive communities meet the social development needs of Canadians.</p>	<ul style="list-style-type: none"> ❖ <i>Audit of Social Development Partnerships Program (completed)</i> ❖ <i>The Voluntary Sector Initiative Process Evaluation (published)</i> ❖ <i>Evaluation of the Sectoral Involvement in Departmental Policy Development (SIDPD) (published)</i> ❖ <i>Summative Evaluation of Community Inclusion Initiative (in progress)</i> ❖ <i>Summative Evaluation of Social Development Partnerships Program (in progress)</i>
<p>A Canada where the capacities of Individuals, Children, Families and Communities are strengthened in order to promote social inclusion, participation and well-being.</p>	<ul style="list-style-type: none"> ❖ <i>Early Implementation Review of the New Horizons for Seniors Program (in progress)</i> ❖ <i>Federal/Provincial/Territorial Evaluation of the National Child Benefit Initiative (completed)</i> ❖ <i>Evaluation of the Federal Grant Provided to the Canadian Policy Research Networks Inc. (completed)</i> ❖ <i>Multilateral Framework on Early Learning and Child Care (in progress)</i>
<p>A Canada where service delivery is focused on citizen needs.</p>	<ul style="list-style-type: none"> ❖ <i>Audit of National Software Distribution/Release Management (completed)</i> ❖ <i>Comprehensive Audit of Information Technology Security (completed)</i> ❖ <i>2003 Annual Systems Under Development (SUD) Audit Report for Canada Student Loans and Grants System (CSLGS) and Income Security Programs Information Technology Renewal (ISP-ITR) (completed)</i> ❖ <i>Managed Network Services Audit (completed)</i> ❖ <i>Audit of Application Development (in progress)</i> ❖ <i>System Under Development (SUD) Audit – Income Security Programs Information Technology Renewal (in progress)</i> ❖ <i>System Under Development (SUD) Audit – Enterprise Portal (e-Portal) (in progress)</i> ❖ <i>Modernizing Services for Canadians – Phase I Evaluation (completed)</i>
<p>Effective corporate services.</p>	<ul style="list-style-type: none"> ❖ <i>Review of the HRDC Financial Statements – March 31, 2003 (completed)</i> ❖ <i>Audit of Management of Personal Information (published)</i> ❖ <i>Priority Payments Audit (in progress)</i>

Table 15: Sustainable Development Strategy

Following the reorganization of Human Resources Development Canada (HRDC) in December 2003, HRDC's 2004-2006 sustainable development strategy was tabled in Parliament on behalf of Social Development Canada (SDC) and Human Resources and Skills Development Canada (HRSDC). Although the goals of this strategy were developed prior to the creation of SDC, the Minister committed to tabling a new departmental strategy by 2006 that would contribute to sustainable development goals, objectives and targets that coincide with the mandate of the department.

During the reporting period, SDC worked to complete sustainable development commitments within the context of the department's mandate. SDC administers shared corporate services for both SDC and HRSDC.

Key Goals and Objectives

There are four goals in the current sustainable development strategy and objectives have been identified for each goal:

- Goal #1: Strengthen HRDC's capacity to move forward on a path to sustainable development**
- ❖ **Objective 1.1:** Ensure horizontal commitment to sustainable development
- Goal #2: Sustaining our internal operations**
- ❖ **Objective 2.1:** Promote environmentally responsible transportation principles within HRDC
 - ❖ **Objective 2.2:** Reduce the amount of waste sent for disposal
 - ❖ **Objective 2.3:** Increase Aboriginal procurement by HRDC in support of sustainable communities
 - ❖ **Objective 2.4:** Reduce the environmental impact of our procurement
- Goal #3: Develop the social and labour market dimensions of sustainable development in HRDC**
- ❖ **Objective 3.1:** Support a sustainable society by increasing awareness of the importance of ensuring effective supports and services for children and families
 - ❖ **Objective 3.6:** Continue building a better understanding of the implications of sustainable development for HRDC's social policies and programs
- Goal #4: Build sustainable development into HRDC's corporate culture**
- ❖ **Objective 4.1:** Increase awareness of sustainable development
 - ❖ **Objective 4.2:** Improve the transmission of program services to clients

Although the goals of this strategy were developed prior to the creation of SDC, they remain relevant to SDC because they support the integration of sustainable development into departmental operations. In turn, these goals underlie the department's mandate and the achievement of its strategic outcomes.

Table 15: Sustainable Development Strategy

(Cont.)

Targets and Progress for the Reporting Period

The following table presents the sustainable development targets scheduled for completion during the reporting period, along with a description of the progress to date in addressing the commitments. The targets in progress were delayed as a result of ongoing departmental transformation during the past year.

Targets for this reporting period	Progress to date
<p>Target 1.1.1 Develop a vision for Sustainable Development that clearly defines HRDC's role and provides a long-term framework and direction for HRDC's objectives by March 31, 2005</p>	<p>Target 1.1.1 Target in progress A draft vision paper has been completed that places sustainable development within the new mandate. This target is being completed in conjunction with work on a departmental social policy framework.</p>
<p>Target 2.1.1 Establish a baseline figure for ethanol use in departmental fleet vehicles, by March 31, 2005</p>	<p>Target 2.1.1 Target completed The baseline figure is based on fuel usage in 2004-2005: ethanol usage is 1% (5,162 litres) of total fuel purchases. This is limited to Western Canada and National Headquarters.</p>
<p>Target 2.1.2 Increase ethanol use in departmental fleet vehicles beyond the 2005 baseline figure, by 10% by March 31, 2006</p> <p>Note: Target values will be determined after the baseline figure has been established.</p>	<p>Target 2.1.2 Target in progress Increased usage is based on improvement in reporting accuracy by fuel suppliers as well as increased awareness of the locations that supply ethanol blended fuels. There will be a 10% increase in ethanol use to the 2005 baseline by March 31, 2006 and 20% by March 31, 2007</p>
<p>Target 2.1.3 Develop a commuter options strategy (with assistance from Transport Canada) for HRDC, by December 31, 2004</p>	<p>Target 2.1.3 Target in progress A draft strategy was completed by the target date. This strategy is being reviewed and aligned with the Government strategy being developed by Transport Canada.</p>
<p>Target 2.1.4 Promote commuter options by developing and launching the necessary guidance materials, tools, Web site, etc. by December 31, 2005</p>	<p>Target 2.1.4 Target in progress A communications strategy, Web site and other products are currently being developed. The Transit Pass Program has been launched and a payroll deduction system was put in place.</p>
<p>Target 2.2.1 Conduct a pilot study to assess the feasibility of recycling toner and printer cartridges across the department, by March 31, 2005</p>	<p>Target 2.2.1. Target in progress A pilot project was implemented and results indicate that recycling toner and printer cartridges is feasible. Departmental recycling procedures have been developed.</p>

Table 15: Sustainable Development Strategy**(Cont.)****Target 2.2.2**

Conduct a pilot study to assess the feasibility of recycling batteries across the department by March 31, 2005

Target 2.2.2. Target in progress

A pilot study was implemented and results indicate that battery recycling is feasible within the National Capital Region. The pilot study will be used to determine the feasibility of battery recycling in the regions.

Target 2.3.1

Develop a strategy specific to HRDC that would support the Procurement Strategy for Aboriginal Business (PSAB), by December 31, 2004

Target 2.3.1. Target in progress

The strategy has been drafted.

Target 2.3.2

Provide PSAB information sessions to 50% of National Headquarters' Materiel Management personnel by March 31, 2005

Target 2.3.2. Target is complete**Target 2.3.3**

Provide PSAB information sessions to HRDC regional personnel involved in materiel management activities. 50% of regional Materiel Management personnel by March 31, 2005

Target 2.3.3. Target is complete**Target 2.4.1**

Develop a strategy specific to HRDC that would support a green procurement initiative by December 31, 2004

Target 2.4.1. Target in progress

The strategy has been drafted and reviewed by management.

Target 2.4.2

Provide green procurement information sessions to HRDC National Headquarters (NHQ) personnel involved in materiel management activities. 50% of NHQ Materiel Management personnel, by March 31, 2005

Target 2.4.2. Target is complete**Target 2.4.3**

Provide green procurement information sessions to 50% of HRDC regional personnel involved in materiel management activities by March 31, 2005

Target 2.4.3. Target is complete**Target 3.6.1**

In preparation for strategic environmental assessments (SEAs), review potential policy, plan or program proposals in order to select candidates for an SEA by March 31, 2005

Target 3.6.1 Target in progress

The review has been completed. None of the policy, plan or program proposals were identified as having environmental impacts.

Table 15: Sustainable Development Strategy**(Cont.)****Target 3.6.2**

Go beyond the requirements of the 1999 Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals and conduct at least two SEA preliminary scans (and subsequent assessments where appropriate) that is relevant to sustainable development at HRDC by March 31, 2005

Target 3.6.2 Target in progress

A formal process has been put in place to ensure strategic environmental scans are conducted across the department to determine relevance to sustainable development.

Target 4.1.1

Ensure that appropriate reference is made to sustainable development in the HRDC orientation and leadership development materials developed by the Human Resources Branch by March 31, 2005

Target 4.1.1 Target in progress

Reference to sustainable development has been incorporated in the orientation material. Revision to the leadership development material has been undertaken.

Target 4.1.2

Post sustainable development material to the on-line employee orientation package by March 31, 2005

Target 4.1.2 Target in progress

Reference to Sustainable Development has been incorporated in employee orientation material. Revision to the leadership development material has been undertaken.

Target 4.1.3

Develop and deliver a lunch and learn session within NHQ on sustainable development. Program to be developed by December 31, 2004

Target 4.1.3 Target in progress

The program for the lunch and learn session has been developed.

Target 4.1.4

Prepare a green representative package to help regions promote awareness by November 1, 2004

Target 4.1.4. Target in progress

The awareness guide has been drafted.

Table 16: Procurement and Contracting

Department/Agency:

Points to address:

1. Role played by procurement and contracting in delivering programs

Organization’s input:

The Parliamentary Secretary on Procurement Reform and the Expenditure Review Committee have both identified procurement as being critical to an organization’s overall performance and recognize it as a key enabler in the effective and efficient delivery of its departmental programs.

In the Human Resources and Financial Administrative Services Branch, the contracting and procurement functional authorities work collaboratively with clients to help them meet their program requirements. This is done through the provision of advice, guidance, coaching, training and procurement and contracting services that will enable them to achieve their business goals, while abiding by the legal framework of the Government of Canada.

This also involves the provision of advice, guidance and training to SDC Materiel Management personnel, including Regional staff, who require expert advice on the procurement process and the application of related policies and procedures to effectively serve their clients. Continuous learning, courses and presentations, are also offered to managers with contracting delegation and their administrative staff.

2. Overview of how the department manages its contracting function.

SDC Materiel Management is a corporate services group servicing both SDC and HRSDC clients. Both of these client groups are provided with assets and procurement and contracting services through two organizations:

- 1) Corporate Materiel Management; and
- 2) Business Services

The **Corporate Materiel Management** organization provides functional leadership to all clients of both departments through the provision of:

- 1) Materiel Management Direction;
- 2) Policies, Guidelines and Monitoring, and Reporting;
- 3) Material Management Human Resources Professional Development; and
- 4) Materiel Management Advice

The **Business Services** Materiel Management portion of the organization provides transactional type services to both departments in the form of:

- 1) Procurement and Contracting Services; and
- 2) Assets Management Services.

Table 16: Procurement and Contracting**(Cont.)**

3. Progress and new initiatives enabling effective and efficient procurement practices.	<p>The Materiel Management Renewal Initiative within SDC is a deliberate change management effort to transform the way we do business, in order to become a client-focused and results-oriented organization. This renewal initiative is comprised of a materiel management framework that includes a compilation of policies, procedures, guidelines, best practices and initiatives. In addition, Financial and Administrative Services Branch ensures alignment to the broader government agenda for materiel management and participates in various inter-departmental committees and initiatives—Treasury Board Advisory Committee on Contracting, Parliamentary Secretary on Procurement Reform, Government of Canada Marketplace, Green Procurement Policy Renewal, and Procurement Strategy for Aboriginal Business, etc.</p> <p>Materiel Management renewal includes the following initiatives as some of its accomplishments to date:</p> <ul style="list-style-type: none">❖ The 5th lead department on the Government of Canada Marketplace development;❖ Repatriation of materiel management activities to corporate functional authority;❖ Development of an independent review process to support fair and transparent procurement;❖ Implementation of departmental procurement planning and review to support the department in strengthening its modern management practices and effective financial resource planning;❖ Implementation of subject matter expert oversight committees (Procurement Review Committee);❖ Exceeding departmental targets for Aboriginal procurements on a consistent basis;❖ Strengthening partnerships with Public Works and Government Services Canada (PWGSC) to develop a government-wide In-Service Support Supply Arrangement and other procurement vehicles; and❖ Working with Treasury Board Secretariat on the Professional Development certification project.
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Table 17: Service Improvement Initiative

Between 2001 and 2003, the former Human Resources Development Canada (HRDC) conducted client satisfaction surveys using the five drivers of satisfaction as described in Treasury Board Secretariat's Common Measurement Tool (e.g., timeliness, courtesy, fairness, competence, and outcome). OAS and CPP clients, who were surveyed in the summer of 2001, revealed positive satisfaction ratings and the information gathered through the survey was used to establish service improvement plans and initiatives. In 2004-2005, service improvement continues to be a fundamental driver for SDC. Efforts under the Modernizing Service for Canadians initiative and beyond have reflected the department's "citizen-centred" philosophy and have provided a solid foundation to the Service Canada initiative announced in the 2005 Budget.

Results Achieved for SDC

1.1 Baseline client satisfaction levels and progress towards achieving satisfaction targets

- ❖ 2001 Client Satisfaction Survey:
 - ❖ Ninety-three percent expressed satisfaction with the quality of service they received at an HRDC office, with 70% being very satisfied.
 - ❖ Eighty percent expressed satisfaction with the quality of service received when calling HRDC, with over half being very satisfied.

1.2 Service standards for all key public services: setting the performance standards

- ❖ In 2004-2005, SDC continued the process of developing performance indicators that will serve as benchmarks to establishing internal and external expectations, improving performance for Canadians, and measuring the longer-term benefit to Canadians that stem from the department's programs and services.

1.3 Main achievements in improving service from a citizen-centred perspective

- ❖ **Online Services:** SDC has made a commitment to providing Canadians with quick and efficient service, through a variety of ways, examples include:
 - ❖ The View and Update Personal Information (VUPI) enables individuals receiving CPP or OAS pensions or benefits to view their monthly benefit and update their address, telephone number, and their cheque or direct deposit payment destination; and
 - ❖ The Statement of Contributions Online (SOC Online) provides CPP contributors with a quick, easy and secure way to view and print an up-to-date version of their CPP Statement of Contributions.
- ❖ **Guaranteed Income Supplement (GIS) Accessibility:** SDC has made a commitment to increase awareness of the GIS and to simplify the application and renewal processes. In that vein, SDC has undertaken various efforts to contact seniors who may be eligible, but have not yet applied for the GIS. Examples include:
 - ❖ Mail-outs of 4.5 million information inserts are provided annually with OAS T4 statements. The inserts provide important information about the Old Age Security and Canada Pension Plan benefits including information about the GIS and how to apply for it.
 - ❖ The Simplification and Automation of Processes: Annual data exchanges with the Canada Revenue Agency (CRA) enabled the department to automatically renew 1.3 million of the 1.5 million GIS recipients without requiring a new application and to send pre-filled GIS applications to OAS pensioners whose tax return indicates income eligibility for GIS. The remaining 200,000 GIS recipients, most of whom do not file tax returns, receive a renewal application by mail.
 - ❖ The CRA also assists with the Community Volunteer Income Tax Program (CVITP). Last year over 16,100 tax volunteers assisted half a million Canadians in preparing their tax returns during filing season. The volunteers received training to recognize situations where a client would benefit from SDC services and programs, in particular, the Old Age Security pension and the GIS.

Table 17: Service Improvement Initiative

(Cont.)

SDC is proud of the many service improvements that have been implemented over the past five years and is confident of the progress that is planned for the future. In addition to the efforts that have been dedicated to improving the delivery of income security programs, the department has actively managed the on-line Canadians Gateway of the Canada Site, successfully harmonized the call centres, consolidated the 170 Web sites of SDC and HRSDC, and strongly supported Canada's position as a leader in the delivery of electronic and on-line services to citizens. As a major partner in the Service Canada initiative, SDC will continue to pursue opportunities for greater service delivery transformations in collaboration with partner organizations.

Table 18: Travel Policies

Social Development Canada follows and uses Treasury Board of Canada Secretariat Travel policies parameters.

SECTION III – Supplementary Information

Table 19: Horizontal Initiatives

National Child Benefit
Federal-Provincial-Territorial Early Childhood Development Agreement
Federal-Provincial-Territorial Multilateral Framework on Early Learning and Child Care
Voluntary Sector Initiative

Information on Social Development Canada's Horizontal Initiatives will be used to populate the Horizontal Results Database located at http://www.tbs-sct.gc.ca/rma/eppi-ibdrp/hrdb-rhbd/profil_e.asp.

Other Items of Interest

Policy 2004-2005

The Management Accountability Framework

- ❖ The Management Accountability Framework (MAF) is a comprehensive management framework developed by Treasury Board Secretariat (TBS) to align management expectations to results for Canadians. It provides public service managers, especially deputy heads, with a comprehensive and integrated model for management and for management improvement.
- ❖ In 2004-2005, Social Development Canada worked collaboratively with TBS to fulfill its current-year obligations with respect to the MAF, including the preparation of a mandate statement and the identification of priorities and strategic outcomes for the new department; the development of the department's first Program Activity Architecture and its application to both the Departmental Performance Report (DPR) and the Report on Plans and Priorities (RPP); and the launch of the Social Policy Framework in response to the recognized need for a broad, integrative policy framework for the department. SDC received recognition from TBS for its ongoing efforts to integrate the PS Code of Values and Ethics into departmental activities.

Risk Management at SDC

In recent years, federal expectations of good governance have emphasized the necessity of taking corporate risk management into account in all planning and delivery activities at the strategic and operational levels. In April 2001, the Treasury Board Secretariat (TBS) provided the Integrated Risk Management (IRM) Framework to assist federal departments with incorporating IRM into management practices organization-wide or on an enterprise-wide basis. IRM provides a department-wide perspective that is an explicit and systematic approach to managing strategic, operational and project risks relative to organizational objectives. It allows an organization to capitalize on new opportunities and to enhance performance and predictability in achieving results.

Incorporating integrated risk management in all aspects of corporate decision-making and planning is a process that evolves to maturity. A mature IRM environment requires cultural change, consistent application, sound communications, engagement strategies and, most importantly, senior management support.

Social Development Canada has applied our Management Accountability Framework and conducted a corporate risk assessment process to identify our department's top key risks and to set the stage for corporate mitigation strategies. Corporate-level risks lie in the following four priority areas:

PRIORITY ONE: SDC's ability to provide policy and program leadership in support of Government of Canada commitments in order to improve the income security and well-being of Canadians such as Early Learning and Child Care initiative, Guaranteed Income Supplement benefits and retroactivity issues affecting low-income seniors.

SECTION IV – Other Items of Interest

PRIORITY TWO: SDC's policy, program and service continuum. New governance and accountability structures are needed to ensure functional direction to delivery operations and regular two-way flow of information and knowledge between SDC and the Service Canada initiative.

PRIORITY THREE: SDC's ability to demonstrate improved accountability for results, sound financial management and to align governance structures, resources and people to respond to our changing mandate, new comptrollership, legislative, human resource modernization, reporting and IT requirements.

PRIORITY FOUR: SDC's ability to establish a social policy leadership role federally, and our capacity to exercise a broader sphere of influence through strategic partnerships, to bring greater coherence to a transformative policy agenda—with core, partnership and enabler roles. This includes our capacity to develop evidence-based policy, through the application of a social policy framework, social indicators framework, a knowledge plan, and, other policy instruments.

Our Corporate Risk Profile contains details on these risks and the mitigation strategies.

Risk assessments and mitigation strategies were also developed to address a significant set of new policy and program priorities, including:

- ❖ An Early Learning and Child Care (ELCC) initiative involving a \$5 billion investment over five years; includes initiatives for First Nations children on reserve, with attendant expectations regarding Federal-Provincial/Territorial (FPT) management, accountability and reporting frameworks;
- ❖ A \$68 million expansion of Understanding the Early Years (UEY) initiative;
- ❖ A commitment to fostering the social economy;
- ❖ An increase in the Guaranteed Income Supplement (GIS) benefits for low-income seniors (a corresponding investment of \$2.7 billion over five years, with a total of 1.6 million GIS recipients);
- ❖ An increase in funding for the New Horizons for Seniors program (from \$10 million to \$25 million per year) to promote voluntary sector activities by and in support of seniors;
- ❖ The creation of a National Seniors' Secretariat within SDC to serve as a focal point to address the new challenges facing seniors (an investment of \$13 million over five years), and, the development of a National Action Plan for Seniors;
- ❖ The development of a 10-year-action plan for disability in conjunction with stakeholders and communities;
- ❖ New tax measures for persons with disabilities and for caregivers and the development of related policies; and
- ❖ A \$6 million grant to the Canadian National Institute for the Blind (CNIB) to improve accessibility of information and written culture for Canadians with print disabilities (this involves the digitization of key collections).

The additional budget announcement of the Service Canada initiative in the 2005 budget represents a major innovation that will be managed based on the analysis of risks involved.

International Relations

Horizontal Initiatives and International Relations Division has played a central role in Social Development Canada's international engagement during the reporting period. It has provided strategic advice on international relations, managed the SDC's bilateral relations, participated in international organizations and events, and provided policy and operational support to Ministers and senior management related to international activities. This included, for example:

- ❖ Hosting foreign delegations from Russia, Australia, Turkey, Korea, Estonia, New Zealand and Kazakhstan;
- ❖ Participating at the Ad-Hoc Committee Meeting for the development of a United Nations Convention for persons with disabilities;
- ❖ Coordinating Ministerial and/or senior management participation at the United Nations Commission for Social Development, the Organization of Economic Cooperation and Development, and the United Nations Commission on the Status of Women;
- ❖ Ministerial trip to Israel and the Palestinian Territories; and
- ❖ Development of an International Policy Framework.

Gender Analysis

Social Development Canada is committed to integrating gender-based analysis throughout its policy and program activities so that the potential differential impacts of policies and programs on women and men are identified. In April 2004, a specialized unit for gender analysis was created with the mandate to support the integration of gender considerations into the work of the department. In this reporting period, SDC, for example, has participated in the Canadian delegation to the United Nations Commission on the Status of Women and has organized a seminar on child care and gender equality.

Official Language Minority Communities

Social Development Canada is committed to enhancing the vitality of official language minority communities by taking their needs into consideration when developing policies, programs and initiatives. This department is also dedicated to fostering the full recognition and use of both English and French in Canadian society.

In April 2004, a unit was created within the department to build close ties with the communities and foster an open dialogue. As part of the Government Action Plan on Official Languages, SDC implemented two initiatives to support official languages minority communities: a research project to gain a better understanding of how child care services in French influence the cultural and linguistic development of young children; and an initiative to help national organizations increase their ability to share their knowledge on early childhood development and to promote the interest of the minority language communities.