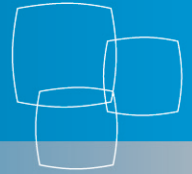




Industry  
Canada

Industrie  
Canada

2009-2010



# Industry Canada Business Plan



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**Contact:**

Multimedia Services Section  
Communications and Marketing Branch  
Industry Canada  
Room 264D, West Tower  
235 Queen Street  
Ottawa ON K1A 0H5  
Tel.: 613-948-1554  
Fax: 613-947-7155  
Email: [multimedia.production@ic.gc.ca](mailto:multimedia.production@ic.gc.ca)

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# Contents

<b>Message from the deputy ministers</b>	4
<b>Introduction</b>	6
About Industry Canada	8
<b>Operating context</b>	9
Government priorities and link to Industry	10
Canada's mandate	
Economic and labour force trends	12
<b>Key strategies</b>	19
Strategy 1: Advancing the marketplace through economic framework policies	20
Strategy 2: Fostering the knowledge-based economy through enhanced research and innovation, training and skills	25
Strategy 3: Supporting business through policies and programs that promote competitiveness and productivity	30
<b>Strategic enablers</b>	35
People management	35
Management accountability	40
Corporate functions	42
<b>Governance and decision making</b>	45
<b>Appendix A:</b>	
2009–2010 internal audit and evaluation plans	46
<b>Appendix B:</b>	
Reporting on 2008–2009 business objectives	48

# Message from the deputy ministers



The *Industry Canada Business Plan 2009–2010* communicates the Department's corporate strategy and management's expectations for the coming fiscal year. This year's plan includes comprehensive information on the human resources side of planning efforts at Industry Canada.

The business plan outlines the links between Industry Canada's key strategies and outcomes and governmental priorities. Our work affects a diverse range of sectors, including the automotive and aerospace industries, telecommunications, shipbuilding, textiles, competition policy, intellectual property, consumer affairs, and small business.

During this unprecedented economic slowdown, the government's Budget 2009 — Canada's Economic Action Plan places our Department at the heart of the government's efforts to maintain the wealth of Canadians and a Canadian advantage.

By fulfilling our mandate to help Canadians become more productive in the knowledge-based economy, we are building an entrepreneurial advantage, a knowledge advantage and a people advantage.

These advantages are reached as the Department works to deliver its three key strategies:

- advancing the marketplace
- supporting business
- fostering the knowledge-based economy

For each key strategy, the 2009–2010 business plan sets out corresponding program activities, business objectives and expected results — providing a framework to achieve the Department's goals across the corporation.

For example, to advance the marketplace, Industry Canada is responding to *Compete to Win*, a Competition Policy Review Panel report reviewing Canada's competition and foreign investment policies. By doing so, we maintain our dedication to developing and administering economic frameworks that stimulate competition and innovation.

Our priorities remain aligned with *Advantage Canada*, the Government of Canada's long-term economic plan. We are committed to legislative frameworks, policy levers and partnerships with industry, and to the administration of programs that foster innovation and ultimately make Canadian industry more productive and competitive in the global economy.

In supporting business, Industry Canada needs to bring knowledge of business to government decision making. We need to maintain a balance between the immediate needs of industry sectors and the medium- to long-term objectives and desired outcomes of the Department and the government when making investment decisions.

We are working with Canadian companies in a variety of strategic ways: we are expanding support for manufacturing industries, providing further assistance for infrastructure, and working closely with small and medium-sized enterprises — all key drivers of economic growth.

In our efforts to foster the knowledge-based economy, Industry Canada has achieved tremendous success through the government's Science and Technology (S&T) Strategy — *Mobilizing Science and Technology to Canada's Advantage*. In the year to come, it will be important to reflect on measures of success for our S&T agenda and focus on results that are achievable with the resources available — transforming research and development into viable commercial products.

Industry Canada has developed a proactive and iterative approach to improve specific areas in management, ensuring that sound practices are established throughout the Department. Treasury Board Secretariat has recognized the Department for its strong management frameworks for information technology, financial control, security and business continuity. Over the last year, efforts have been focused on strengthening frameworks for performance measurement and reporting, risk management, information management, asset management, and project management.

At a time of intense international competition for knowledge workers, government support is helping attract the world's best and brightest to Canadian institutions. We need to recruit and retain the best possible talent; provide them with the required tools to do their work; and assign clear, appropriate accountabilities for the results set out in this report. Industry Canada's People Management Strategy for Renewal and Results, tailored to the Department's business needs, addresses the priorities of public service renewal.

Canadians are looking to their government to help them meet the challenges ahead. The Department relies on the people who work at Industry Canada to meet these challenges — and we are confident that, through their professionalism, dedication and hard work, we are equal to the task ahead.



A handwritten signature in black ink that reads "Richard Dicerni".

Richard Dicerni  
Deputy Minister



A handwritten signature in black ink that reads "Paul Boothe".

Paul Boothe  
Senior Associate  
Deputy Minister

# Introduction



This business plan outlines Industry Canada’s key strategies and business objectives for 2009–2010 and how the Department intends to achieve them. This plan also describes the strategic enablers — critical functions such as human and financial resources management, information technology and information management, communications and marketing, and audit and evaluation — that will provide the foundation for success. Business plans for each of the sectors and branches complement this high-level corporate document, to give a complete picture of the work and priorities in support of Industry Canada’s mandate to develop and administer marketplace framework policies, protect consumers, and help Canadian industry become more innovative, productive and competitive in the global economy, thus improving the economic and social well-being of Canadians.

This business plan communicates to employees senior management’s expectations for the results of the Department’s activities in the year ahead. It also shows how the various facets of Industry Canada’s work come together to fulfill the Department’s mandate and, in turn, help the Government of Canada meet its goals. (This is in contrast to the *Report on Plans and Priorities*,

which focuses on demonstrating results for Canadians and value for money, primarily for parliamentarians and Canadians.)

At the heart of the business plan are the three key strategies that comprise how Industry Canada delivers its mandate, achieves its strategic outcomes and supports the Government of Canada’s outcomes:

## Industry Canada’s key strategies (How the Department delivers its mandate)

Advancing the marketplace through economic framework policies

Fostering the knowledge-based economy through enhanced research and innovation, training and skills

Supporting business through policies and programs that promote competitiveness and productivity

## Industry Canada’s strategic outcomes (What the Department intends to achieve)

The Canadian marketplace is efficient and competitive

Science and technology, knowledge, and innovation are effective drivers of a strong Canadian economy

Competitive businesses are drivers of sustainable wealth creation

For each key strategy, the business plan sets out corresponding program activities, business objectives and expected results.

The key strategies are complemented by information about the Department's strategic enablers — the internal services and functions that support effective and efficient delivery of programs and services — including people management, employment equity and various corporate functions. The addition of this content to the business plan marks a step along the road to full integration of business planning at Industry Canada.

A business plan would be incomplete without setting the context for the work to be done. The section “Operating context” reviews Industry Canada's mandate and how current Government of Canada priorities shape the Department's work. It also looks at the state of the economy and how Industry Canada must position itself to respond, sets out some important challenges and opportunities, and provides an overview of some human resources and financial issues that affect the Department's workforce and how the Department is managed.



## About Industry Canada

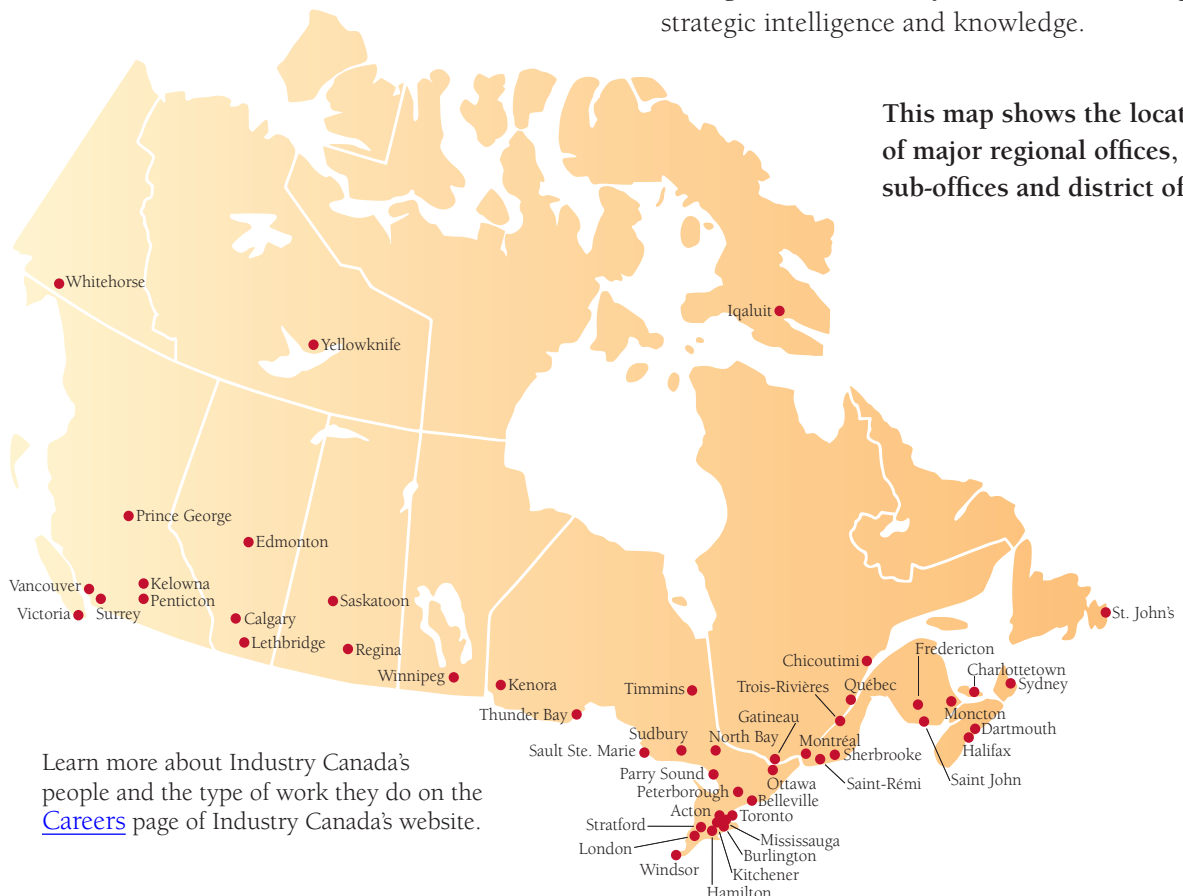
Industry Canada works on a broad range of matters related to industry and technology, trade and commerce, science, consumer affairs, corporations and corporate securities, competition and restraint of trade, weights and measures, bankruptcy and insolvency, patents and copyright, investment, small business, and tourism.

The Department employs 5800 professionals across the country, including economists, engineers, scientists, commerce officers, inspectors, metrologists, statisticians, accountants and lawyers, supported by others carrying out corporate functions such as human resources and financial management, communications, and information management/information technology support.

Industry Canada strives to be a workplace for talented people guided by the [values and ethics of the public service](#). The Department's culture supports employees' professional development and outstanding performance.

In addition to its headquarters and other offices in Ottawa, the Department has five [regional offices](#) (Pacific, Prairie and Northern, Ontario, Quebec, and Atlantic), located in Vancouver, Edmonton, Toronto, Montréal and St. John's, respectively. The Department's regional presence also encompasses Federal Economic Development Initiative of Northern Ontario, 10 sub-offices and numerous district offices. Regional networks of staff (e.g., the Competition Bureau, Measurement Canada, the Office of the Superintendent of Bankruptcy Canada, and Spectrum Management and Telecommunications) enable the Department to deliver distinct services to clients across Canada. Regional offices serve as both the focal point for the Department across large geographical areas and as the point of integration for diverse aspects of Industry Canada's business. The Department benefits from the contacts and networks established through its regional offices, which also, by virtue of their locations and through their systematic approach to collecting and analyzing information, provide senior management with timely and forward-looking strategic intelligence and knowledge.

**This map shows the locations of major regional offices, sub-offices and district offices.**



Learn more about Industry Canada's people and the type of work they do on the [Careers](#) page of Industry Canada's website.





# Operating context

Industry Canada's planning process and the resulting business plan must reflect the context provided by the priorities of the government of the day, as well as economic and social trends that affect its mandate, and other factors that influence its work. This section outlines the Department's understanding of this context.

## Key factors that impact Industry Canada

### Internal factors

- People management: recruitment, retention, development and infrastructure
- Operating budget: decreasing in coming years
- Information management
- Information technology management
- Performance management: collection, measurement and monitoring of performance information
- Asset management: effective investment planning

### External factors

- Government of Canada policies and priorities
- Political environment
- Domestic and global economic environment
- Demographic and labour force trends
- Scientific and technological advancements
- Consumer interests
- International competitiveness
- Partner and stakeholder relationships

## Government priorities and link to Industry Canada's mandate

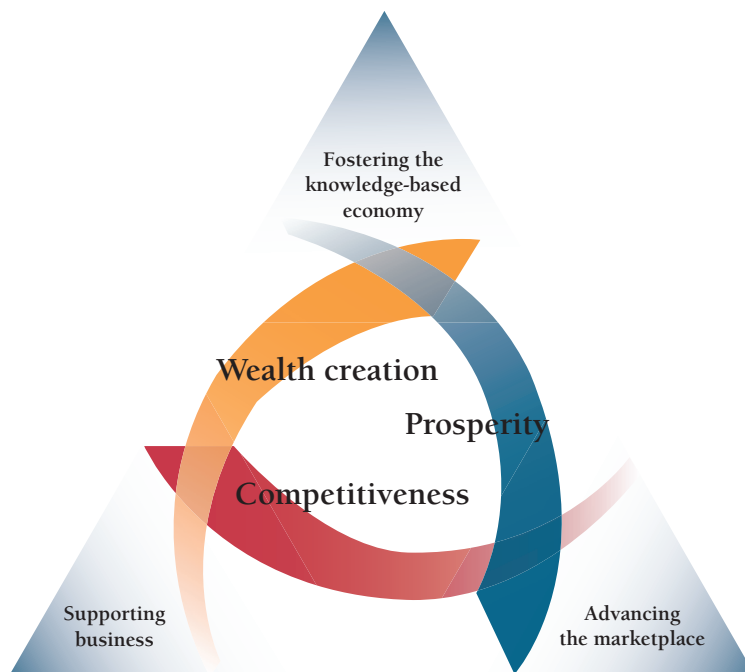
By virtue of its mandate — to develop and administer marketplace framework policies, protect consumers, and help Canadian industry become more innovative, productive and competitive in the global economy, thus improving the economic and social well-being of Canadians — Industry Canada will play an important role in implementing and advising on the Government of Canada's economic policy agenda in the coming year, particularly in light of the ongoing economic slowdown in Canada and around the world.

In addition, the clear direction provided for Industry Canada in 2006 in [Advantage Canada](#) remains valid. *Advantage Canada* is the Government of Canada's long-term plan to build a stronger Canadian economy and improve Canadians' quality of life through five advantages: tax reduction, debt reduction, entrepreneurship, knowledge in the workforce and infrastructure.

The many and varied activities that Industry Canada carries out to deliver on its mandate are organized around three interdependent and mutually reinforcing key strategies, as shown in the figure below.

### Fostering the knowledge-based economy:

Industry Canada invests in science and technology to generate knowledge and equip Canadians with the skills and training they need to compete in the global, knowledge-based economy. These investments help ensure that discoveries and breakthroughs happen here in Canada, and that Canadians can realize the social and economic benefits.



### Supporting business:

Industry Canada encourages business innovation and productivity because businesses are the organizations that generate jobs and wealth. Promoting economic development in communities encourages the development of skills, knowledge and opportunities across the country.

### Advancing the marketplace:

Industry Canada fosters competitiveness by developing and administering economic framework policies that promote competition and innovation, support investment and entrepreneurial activity, and instill consumer, investor and business confidence.

Under each of these strategies, as the chart below shows, are four program activities that comprise the numerous business objectives that Industry Canada will deliver in 2009–2010. By carrying out these activities, Industry Canada works to meet its own strategic outcomes and support the Government of Canada's desired outcomes. The latter are organized under four spending areas: economic affairs, social affairs, international affairs and government affairs. Industry Canada's key strategies and strategic outcomes fall under the spending areas of economic affairs and international affairs.

Within the former, Industry Canada contributes to three Government of Canada outcomes: a fair and secure marketplace, an innovative and knowledge-based economy, and strong economic growth. Within international affairs, Industry Canada contributes to the outcome of a strong and mutually beneficial North American partnership. The Department's strategic enablers — corporate functions such as human resources management and communications — fall under the spending area of government affairs.



## Economic and labour force trends

Industry Canada, its partners and the businesses, investors and consumers it serves, operates within complex and interconnected global, national and regional economic systems, which provide both opportunities and challenges.

### The economy

In fall 2008, the Conference Board of Canada gave Canada's overall economy a grade of B, stating that the country's long-term position will depend on how well it can boost productivity and compete on the increasingly global playing field (The Conference Board of Canada, How Canada Performs: A Report Card on Canada; [sso.conferenceboard.ca/HCP/Details/Economy.aspx](http://sso.conferenceboard.ca/HCP/Details/Economy.aspx)).

This is particularly crucial in the current economic environment. After years of steady growth, change came rapidly in the third and fourth quarters of 2008, with intense global economic uncertainty and volatility. As the Government of Canada stated in its November 2008 Economic and Fiscal Statement and re-affirmed in Budget 2009 — Canada's Economic Action Plan,

The Canadian economy currently faces three major challenges, all of which stem from the external environment. First, ongoing global financial market dislocations have resulted in a significant loss of wealth and much tighter credit conditions. Second, the economic slowdown in the U.S. and other key economies is dampening demand for Canadian exports. And third, prices for many commodities have dropped sharply, which will detract from Canadian profit and income growth ([www.fin.gc.ca/ec2008/Ec/ecc1-eng.html](http://www.fin.gc.ca/ec2008/Ec/ecc1-eng.html)).

The Organisation for Economic Co-operation and Development (OECD) predicted in November 2008 that Canada's economy will expand by only 0.5 percent in 2008 (the second-lowest growth rate among G7 economies if the prediction holds) and that the economy will contract by 0.5 percent in 2009 before expanding by 2.1 percent in 2010 (highest growth rate among G7 economies if the prediction holds) (*Economic Outlook No. 84*, [www.oecd.org/dataoecd/7/2/20209192.pdf](http://www.oecd.org/dataoecd/7/2/20209192.pdf)). In January 2009, private sector forecasters predicted that real GDP growth will be 0.7 percent in 2008, -0.8 in 2009 and 2.4 percent in 2010.

Consumer confidence has similarly been shaken, with consumer spending forecasted to advance only 3.4 percent in 2008 and decline 0.6 percent in 2009 before advancing 1.8 percent in 2010, compared with an average of 4.5 percent in 2007. Consumer bankruptcies increased 13.5 percent from December 31, 2007 to December 31, 2008, and consumer proposals were up 17.4 percent in the same period (*Insolvency Statistics in Canada — December 2008*, Office of the Superintendent of Bankruptcy Canada, [www.ic.gc.ca/eic/site/bsf-osb.nsf/eng/br02112.html](http://www.ic.gc.ca/eic/site/bsf-osb.nsf/eng/br02112.html)).

Nonetheless, Canada has many core economic strengths that will help it meet the challenges of the current global economic slowdown:

- Despite deterioration in 2008–2009, the financial position of households and businesses is predicted to remain high, both historically and relative to the United States (Bank of Canada: *Financial System Review*, December 2008, [www.bankofcanada.ca/en/fsr/2008/fsr\\_1208.pdf](http://www.bankofcanada.ca/en/fsr/2008/fsr_1208.pdf)).
- The Canadian housing sector is relatively sound compared with that of the United States.
- Canada's banks and other financial institutions are sound and well capitalized, and have lower leverage ratios than their international peers.
- Reduction in the goods and services tax rate and the past appreciation of the Canadian dollar (which lowered prices for imported goods) have offset to a large extent the impact of higher energy and food prices. Going forward, the sharp drop in energy prices since the summer of 2008 will provide further relief to Canadian consumers.
- Canada has maintained the best fiscal position of all G7 countries (*Economic and Fiscal Statement 2008*, [www.fin.gc.ca/ec2008/Ec/ecc1-eng.html](http://www.fin.gc.ca/ec2008/Ec/ecc1-eng.html)).

- However, while Canada has made gains in competitiveness in recent years, it still lags behind many OECD countries in terms of its ability to attract new business and investment. The World Economic Forum recently ranked Canada 10th, behind the U.S., Switzerland, Denmark, Sweden, Singapore, Finland, Germany, the Netherlands and Japan (*Global Competitiveness Report 2008–2009*, [www.weforum.org/documents/gcr0809/index.html](http://www.weforum.org/documents/gcr0809/index.html)).

The World Economic Forum also measured several factors relevant to the openness and competitiveness of Canada's marketplace. Of interest to Industry Canada are Canada's rankings (out of 118) for market access (3rd) and for the business environment (16th overall, 23rd based on regulatory environment, 89th based on ease of hiring foreign labour, 26th based on prevalence of foreign ownership, and 45th based on business impact of rules on foreign direct investment). (*Global Enabling Trade Report 2008*, [www.weforum.org/documents/getr08\\_browser/index.html](http://www.weforum.org/documents/getr08_browser/index.html)).

The Canadian economy continues to evolve and is undergoing significant structural changes as industry sectors respond to new competition, demand for new goods and services, and changing global markets. The service sector continues to grow in importance compared with manufacturing and resource-intensive industries. In addition, the economy is making the transition towards more innovative and knowledge-intensive industries such as the life sciences, information and communications technologies, and aerospace and defence. Canadian businesses increasingly have to adapt to global business and economic environments, the internationalization of supply chains, and rapid developments in information and communications technologies.

Science and technology-focused organizations in Canada are contributing to this transition, building on Canadian strengths, including internationally recognized universities and strong federal support for domestic research and

## World Economic Forum profile for Canada

Canada benefits from top-notch infrastructure and high-quality primary and higher-education systems, which has prepared the country's workforce to adopt the latest technologies for productivity enhancements (ranked 9th for technological readiness), although firm-level absorption of technology is considered to be at a disadvantage. The overall efficiency of Canada's labour and financial markets is relatively good, but the country is considered to be at a disadvantage in most areas of goods market efficiency. Despite having top-notch ranks for the number of procedures required to start a business and the time required to start a business (ranked 1st and 2nd, respectively), Canada ranks poorly on other indicators, notably the extent and effect of taxation, total tax rate, prevalence of trade barriers, prevalence of foreign ownership, and imports. In terms of innovation, Canada has high-quality scientific research institutions and high availability of scientists and engineers, but the country's overall capacity for innovation is relatively poor. Canada's main weakness remains its macroeconomic stability, mainly linked to the significant government debt (all levels of government) of nearly 70 percent of GDP, which places the country 107th out of 134 countries on this indicator.

development. However, Canadian businesses perform poorly in terms of research expenditures as a share of gross domestic product, ranking the second-lowest among G7 countries in 2005 (“Competition Policy Review Panel Research Paper Summary,” Centre for the Study of Living Standards, [www.ic.gc.ca/epic/site/cprp-gepmc.nsf/vwapj/Sharpe.pdf/\\$FILE/Sharpe.pdf](http://www.ic.gc.ca/epic/site/cprp-gepmc.nsf/vwapj/Sharpe.pdf/$FILE/Sharpe.pdf)).

The commercialization of new technologies is also seen as a Canadian weakness, hindering growth in knowledge-intensive industries. Furthermore, The Conference Board of Canada gave Canada a grade of D for its innovation performance for the past

three decades and noted that Canada is not taking steps to ensure that science can be successfully commercialized and used as a source of economic advantage (How Canada Performs: A Report Card on Canada; [sso.conferenceboard.ca/HCP/Details/Innovation.aspx](http://sso.conferenceboard.ca/HCP/Details/Innovation.aspx)).

Industry Canada is well positioned to continue to help businesses meet ongoing and new challenges through well-managed programs under its three key strategies, particularly since enhancing innovation, competitiveness and productivity — key factors in any recovery — is the overarching theme of those strategies.

## ■ The labour force

Canada’s population and workforce are aging as Canadians live longer and Canadian birth rates drop. According to Statistics Canada, Canadian life expectancy at birth is at an all-time high of 80.4 years (in 2005), while the Canadian fertility rate, estimated at 1.6 percent, is well below the 2.1 percent required to replace natural declines in the population (Statistics Canada, *Canada at a Glance 2008*; [www45.statcan.gc.ca/2008/cgco\\_2008\\_002-eng.htm#t09](http://www45.statcan.gc.ca/2008/cgco_2008_002-eng.htm#t09)).

This demographic shift presents unique challenges to Canada’s long-term domestic economic stability. An aging population will affect the domestic economy through decreases in available labour and skills, and will strain social services and the health care system (Human Resources and Skills Development Canada, Industry Canada, and Social Sciences and Humanities Research Council, *The Labour Market and Skills Implications of Population Aging in Canada: A Synthesis of Key Findings and Policy Implications*; [www.ic.gc.ca/epic/site/eas-aes.nsf/vwapj/SRIr02.pdf/\\$FILE/SRIr02.pdf](http://www.ic.gc.ca/epic/site/eas-aes.nsf/vwapj/SRIr02.pdf/$FILE/SRIr02.pdf)).

Many analysts believe that Canada’s future economic sustainability and growth may depend even more than it already does on higher productivity to offset these predicted labour force changes. In its *Economic Survey of Canada 2006*, the OECD notes that “improving productivity

performance will be crucial to achieving durable prosperity gains, given the nation’s already high employment rates” ([http://www.oecd.org/document/16/0,3343,en\\_2649\\_33733\\_36951632\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/16/0,3343,en_2649_33733_36951632_1_1_1_1,00.html)). Furthermore, in its *Economic Survey of Canada 2008*, the OECD notes that “the onus will increasingly be on higher productivity growth to maintain rising living standards and sustainable public finances” ([www.oecd.org/document/10/0,3343,en\\_2649\\_34573\\_40736458\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/10/0,3343,en_2649_34573_40736458_1_1_1_1,00.html)).

### Canadian demographic profile

Population: 33 441 300 (October 2008)

Labour force: 18 319 900 (December 2008)

Participation rate (labour force as a percentage of working age population): 67.6 percent (December 2008)

Population growth rate 5.4 percent (for 2001–2006)

Life expectancy at birth: 80.4 years (2005)

Fertility rate: 1.6 percent

Median age (years): 39.5 in 2006 (27.2 in 1956)

Share of elderly (population aged 65+): 13.7 percent (2006)

Canada must increase its productivity growth in the context of these demographic challenges in order to maintain, let alone improve, Canadian living standards.

Along with higher productivity, immigration is, and will continue to be, an important factor contributing to Canada's economic sustainability and growth. In large part, Canada depends on immigration for its population growth. From July 2005 to June 2006, two thirds of the country's population increase was

due to immigration. (Statistics Canada, Population and demography overview, [www41.statcan.gc.ca/2007/3867/ceb3867\\_000\\_e.htm](http://www41.statcan.gc.ca/2007/3867/ceb3867_000_e.htm)).

Industry Canada plays key roles in supporting skill development, post-secondary education and sector-specific knowledge growth. These policy areas will become increasingly important as Canadian industries adapt to new skill shortages and the changing labour force and population.

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## ■ Program-related challenges and opportunities

The constantly changing and fast-paced global marketplace, and the uncertainty of the current economic climate, present challenges and opportunities for the programs and services that Industry Canada offers in support of Canadian consumers, investors and businesses. Described below are the key challenges and opportunities identified through SWOT (strengths, weaknesses, opportunities and threats) and risk analyses carried out by Industry Canada sectors as part of the 2009–2010 planning process.

### Science and technology

Science and technology is a global activity, with many countries emphasizing it as a key economic driver. The strength of Canada's economy depends on the ability to leverage existing scientific and technological advancements and generate new ones. While the Government of Canada has substantially increased its investment in science and technology in recent years, business expenditures in research and development — considered to be an indicator of innovation capacity — continue to be low in Canada compared with other developed countries.

Industry Canada works to bridge this innovation gap by enabling collaboration among research institutions and sector firms at the pre-competitive stage of product development with a view to better aligning demand and supply of innovation.

Effective commercialization efforts can be undermined by the misalignment of knowledge being generated with the innovative demands of the economy or by sudden technological change. To address these challenges, Industry Canada leverages opportunities to build strategic partnerships with a wide variety of public and private organizations to ensure that industries' interests are represented in government policy and regulatory program decisions relating to innovation, and to enable Industry Canada to efficiently convey federal policy perspectives back to industry.

The Government of Canada is committed to strengthening the effectiveness of its science and technology investments, and Industry Canada will continue to play a key role in advancing the science and technology agenda by supporting government investments in research and development, leveraging the opportunity to stimulate corresponding private sector investments.

### Information and communications technology

The information and communications technology (ICT) sector is dynamic, fuelled by consumers' embrace of the Internet and voice, video and data services over a multitude of platforms and devices. Delivery of feature-rich services is putting unprecedented demands on the bandwidth of core and access networks. Other connectivity challenges include the security of ICT networks and the development of next-generation applications and technologies.

Industry Canada is well positioned to address these challenges, with the appropriate expertise and test-bed facilities to study solutions and applications. However, it faces many challenges of its own in this area, including succession planning and attracting employees that have specialized skill sets, ensuring that scientific equipment is up-to-date and can support leading-edge research, and finding itself with insufficient funds to address all its priority ICT research areas.



### Consumer interests

Canadian consumers regularly change where they shop, what they buy and how they pay for it, as they respond to globalizing supply chains and the emergence of new technologies, new products and new marketing techniques. Understanding how these shifts affect consumers is a major challenge for Industry Canada and other policy-makers, as they seek to protect consumers and meet their information needs. To meet the challenge, Industry Canada, through the Office of Consumer Affairs, capitalizes on its wide reach and influence within domestic and international communities that specialize in consumer policy development and research, consumer-related standards development, and consumer advocacy. To build on this success, Industry Canada must embark on a multi-faceted agenda:

- continuing to address major consumer issues in a timely and effective manner
- enhancing existing collaborative arrangements with other governments, academics and consumer advocacy groups, and pursuing new ones
- keeping pace with the evolving and increasingly complex operating environment
- ensuring resources are aligned to expected results and to minimizing risks

The Competition Bureau, an independent agency of Industry Canada, contributes to the prosperity of Canadians by protecting and promoting competitive markets and enabling informed consumer choice. Competition is not only good for businesses but also for consumers. A competitive marketplace provides consumers with competitive prices, product choice and the information they need to make informed purchasing decisions.



### International competitiveness.

To compete in a world economy dependent on global value chains, Canadian firms must develop global reach and agility, particularly to keep pace with emerging economic powerhouses such as Brazil, India and China. Within this competitive environment, regional economic integration takes on a new significance. Consequently, Canadian industry must seek out its comparative advantages in industries once considered to be the mainstay of Canada's prosperity, such as natural resources and manufacturing. Several factors could affect the performance of Canadian industries in globalized markets, including the value of the Canadian dollar, the state of the U.S. economy, access barriers in important international markets, interest rates, key input costs (such as oil prices), and the global financial and credit crisis.

To address challenges affecting Canadian industries' performance in global value chains, Industry Canada must continue to analyze the specific issues that industries face and use its knowledge to contribute to the development of strategies, policies and programs for various industry sectors. To mitigate the risks of delivering results in isolation, Industry Canada must enhance the strategic partnerships within its extensive network of industry and government representatives.

### Resource and other corporate challenges and opportunities

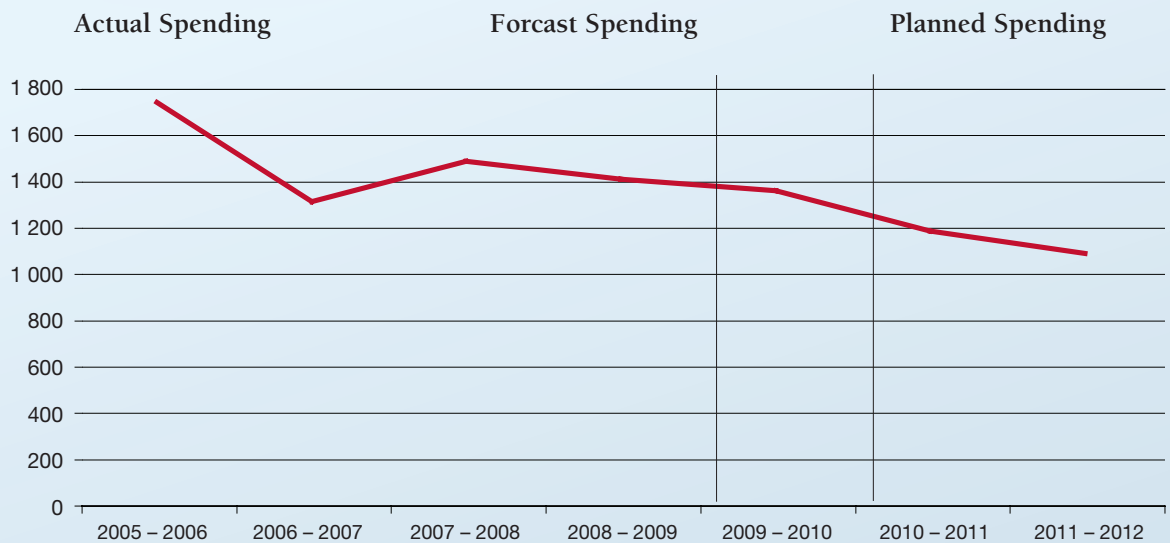
The expertise and knowledge that Industry Canada's employees bring to the Department are irreplaceable. Consequently, people management at Industry Canada is not, and cannot be, a simple matter of recruiting people to work in the Department's many offices across the country.

The Canadian workforce is aging and population growth is slowing, and these trends will affect Industry Canada as much as the larger Canadian economy. The Department anticipates a significant turnover due to retirements in coming years. New staff must be brought on board and trained to assume their responsibilities. A significant aspect of this preparation will be the successful transfer of "corporate memory" and expertise. However, intense competition for talented knowledge workers and the reduced labour pool may impede Industry Canada's ability to recruit, develop and retain talent and corporate knowledge to deliver on the mandate and achieve strategic outcomes.

These challenges present an opportunity for a cultural shift in people management. This business plan includes the Department's [People Management Strategy for Renewal and Results](#), which is tailored to the Department's business needs and addresses the priorities of public service renewal. Implementation of this strategy began in 2008–2009 and will continue over the next two years.

At the same time, Industry Canada must implement strategies to ensure efficient use of its operating budget. A focus on efficient, high-performing programs will allow Industry Canada to continue to effectively deliver its mandate with a reduced operating budget in coming years (largely due to projected decreases in re-spendable revenue) and evolving Government of Canada priorities. More than ever, the results of audits, evaluations and strategic reviews that Industry Canada carries out will be critical to prudent planning, priority setting and resource allocation.

## Spending Trend (\$ millions)



The following are other significant corporate challenges for Industry Canada in 2009–2010:

- Industry Canada must take a consistent, risk-based approach to monitoring and reporting performance information for the Department's grants and contributions programs to demonstrate sound stewardship and value for money.
- Industry Canada must strengthen its Performance Measurement Framework to ensure that it covers all of the Department's programs and enables data collection for performance measurement, monitoring and reporting in support of departmental and parliamentary decision making.
- Industry Canada must ensure effective and efficient management of information, resulting in informed decision making, productivity improvements, retention of corporate knowledge, and ongoing access to information and records.
- Industry Canada must implement the Real Property Management Framework it developed in 2008–2009 to support timely and informed real property management decisions.
- Industry Canada must ensure high availability of its information technology systems so that the Department can continue to deliver quality e-services to Canadians and Canadian businesses.

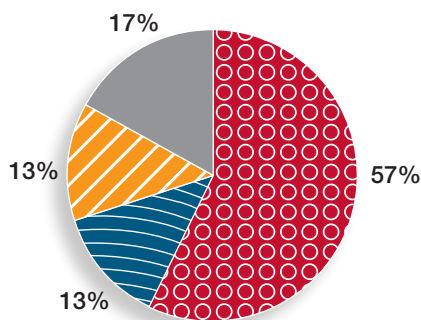
# Key strategies





This section sets out Industry Canada’s program activities, business objectives and expected results for 2009–2010 under each of the three key strategies that comprise how the Department delivers on its mandate: advancing the marketplace, fostering the knowledge-based economy and supporting business.

The Department will monitor the business objectives and report on them through the performance measurement and reporting process. Performance indicators and targets for these expected results are communicated in Industry Canada’s annual *Report on Plans and Priorities*, and performance is reported in the annual *Departmental Performance Report*. See Appendix B for progress reports (as of December 2008) on the commitments set out in Industry Canada’s 2008–2009 business plan.

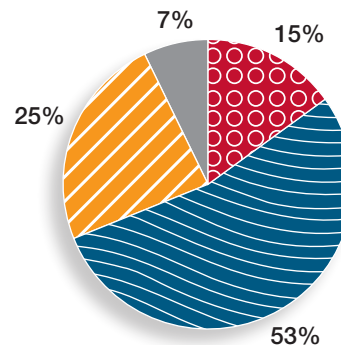
The text for each strategy also connects Industry Canada’s objectives and activities to current Government of Canada priorities, sets out how Industry Canada’s work contributes to economic prosperity, and provides some detail on the financial and human resources associated with the work. The figure below shows the overall spending picture (“full-time equivalents” is abbreviated as “FTEs”).





**Total departmental human resources (full-time equivalents) by key strategy**



-  Advancing the marketplace (3017 FTEs)
-  Fostering the knowledge-based economy (683 FTEs)
-  Supporting business (679 FTEs)
-  Strategic enablers (895 FTEs)

**Total planned departmental spending by key strategy**



-  Advancing the marketplace (\$181.2 million)
-  Fostering the knowledge-based economy (\$652.1 million)
-  Supporting business (\$297.8 million)
-  Strategic enablers (\$82.9 million)

In addition to the amounts that Industry Canada receives each year through appropriated budgets approved by Parliament, the Department typically generates approximately \$700 million in revenue. Industry Canada program spending accounts for 25 percent of that revenue; the remaining 75 percent is deposited into the Consolidated Revenue Fund.

With reduced operating budgets in coming years, paired with the current government-wide strategic review of all programs and services, and the current global and domestic economic context, aligning resources to results and making smart investment decisions will be ever more important for Industry Canada.

# Strategy 1

## Advancing the marketplace through economic framework policies

**Strategy** > Industry Canada develops and administers economic framework policies that promote competition and innovation, and instill consumer, investor and business confidence.

**Industry Canada strategic outcome** > The Canadian marketplace is efficient and competitive

**Government of Canada outcome** > A fair and secure marketplace

Industry Canada develops and administers laws, regulations, standards and policies — collectively known as economic framework policies — governing fundamental aspects of the Canadian economy. The Department is responsible for ensuring that these economic framework policies promote innovation, competition and productivity, and instill consumer, investor and business confidence.

Industry Canada's work to carry out this strategy falls under four program activities, as set out below.

### 1 Marketplace frameworks and regulations:

Industry Canada develops and administers economic framework policies for patents and copyright, bankruptcy and insolvency, corporations and corporate securities, foreign direct investment, internal trade, and weights and measures, all of which are foundational elements of a market economy, since they guide important aspects of business operations and consumer decisions and confidence, protect intellectual property, and build favourable conditions for investment and innovation, among other things. Some key players working to meet this objective area are the Strategic Policy Sector, Small Business and Marketplace Services Sector (including [Measurement Canada](#), [Office of the Superintendent of Bankruptcy Canada](#) and [Corporations Canada](#)) and the Canadian Intellectual Property Office. Additional work is being led by the Strategic Policy Sector to modernize Canada's competition and investment laws, and respond to the recommendations of the Competition Policy Review Panel.

### Key players

- > [Small Business and Marketplace Services Sector](#)
- > [Canadian Intellectual Property Office](#)
- > [Spectrum, Information Technologies and Telecommunications Sector](#)
- > [Regional Operations Sector](#)
- > [Competition Bureau Canada](#)
- > [Office of Consumer Affairs](#)
- > [Strategic Policy Sector](#)

### 2 Marketplace frameworks and regulations for spectrum, telecommunications and the online economy:

Industry Canada develops and administers the regulations, policies, procedures and standards governing spectrum, telecommunications and the online economy to encourage business innovation, competition and growth by ensuring that Canada develops, uses and benefits domestically and internationally from the work of these industries. A special project of particular importance is preparing for the spectrum needs of the Vancouver 2010 Olympic and Paralympic Winter Games. The key players working to meet this objective are Spectrum, Information Technologies and Telecommunications Sector, and Regional Operations Sector.

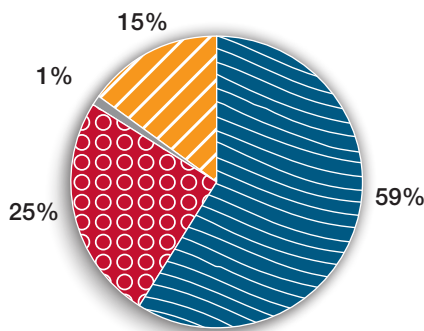
**3 Consumer affairs program:** Efforts to develop economic framework policies benefit from the input of consumers. Industry Canada, through the Office of Consumer Affairs, ensures that consumers have a voice in policy development by identifying consumer priorities and carrying out research and analysis accordingly. In addition, Industry Canada provides information and tools to help consumers be effective marketplace participants.





**4 Competition law enforcement and advocacy:** The Competition Bureau is an independent agency that contributes to the prosperity of Canadians by protecting and promoting competitive markets and

enabling informed consumer choice. Headed by the Commissioner of Competition, the Bureau is responsible for the administration and enforcement of the *Competition Act*, the *Consumer Packaging and Labelling Act*, the *Textile Labelling Act*, and the *Precious Metals Marking Act*. In addition, the Bureau has the legislated mandate to advocate in favour of market forces before government legislators and decision-makers. Through this work, the Bureau encourages government decision-makers to rely, wherever possible, on market forces and regulate only where necessary and to the minimum extent possible.

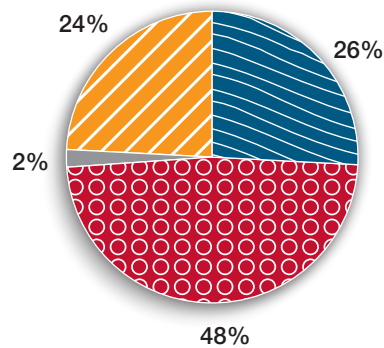
The figure below provides a breakdown of planned spending under the “Advancing the marketplace” strategy by program activity.





**Departmental human resources (full-time equivalents) by program activity**



-  Marketplace frameworks and regulations (1791 FTEs)
-  Marketplace frameworks and regulations for spectrum, telecommunications and the online economy (751 FTEs)
-  Consumer affairs (23 FTEs)
-  Competition law enforcement and advocacy (452 FTEs)

**Total planned departmental spending by program activity**



-  Marketplace frameworks and regulations (\$46.9 million)
-  Marketplace frameworks and regulations for spectrum, telecommunications and the online economy (\$87.2 million)
-  Consumer affairs (\$4.5 million)
-  Competition law enforcement and advocacy (\$42.6 million)

## 2009–2010 program activities and business objectives

This section sets out Industry Canada's specific business objectives under each program activity for 2009–2010.

**1.1. Marketplace frameworks and regulations** — Deliver and administer legislative regulatory regimes through legislation, regulations, policies, procedures and standards for bankruptcy and insolvency, foreign direct investment, federal incorporation, intellectual property, and weights and measures

- Measurement Canada is working to modernize the *Weights and Measures Act* and the *Electricity and Gas Inspection Act* to improve measurement accuracy in the marketplace and reduce consumer and business risk of financial loss due to inaccurate measurement.
- If chapters 36 and 37 of the Statutes of Canada come into force in 2009, in addition to implementing amendments to the *Bankruptcy and Insolvency Act*, the Office of the Superintendent of Bankruptcy Canada (OSB) will, for the first time, supervise trustees who act as monitors under the *Companies' Creditors Arrangement Act*, enabling the OSB to ensure integrity and accountability in all aspects of insolvency in Canada and to further enhance the status of Canada's insolvency system, domestically and internationally.
- As part of its efforts to ensure an efficient and effective marketplace, Corporations Canada will continue to improve its information technology system and internal processes to address evolving business and client needs and to provide efficient ways to better serve Canadian businesses.
- In partnership with the Canadian Intellectual Property Office, Strategic Policy Sector will work to modernize and strengthen Canada's intellectual property regime, particularly the *Copyright Act*, to effectively respond to the evolving marketplace and provide Canadians with innovative competitive intellectual property products and services, while ensuring access to these new products in a manner that fosters follow-on innovation.
- In light of the recommendations made by the Competition Policy Review Panel, the Strategic Policy Sector will work to modernize Canada's foreign investment regime to further attract foreign investment in Canada.
- The Strategic Policy Sector will propose amendments to federal legislation, the *Agreement on Internal Trade Implementation Act* and the *Crown Liability and Proceedings Act*, with a view to strengthening the Agreement on Internal Trade dispute resolution mechanism.

**Expected result** — Marketplace, integrity, efficiency and competitiveness are protected in the areas of insolvency, foreign investment, weights and measures, federal incorporation, and intellectual property

## 1.2. Marketplace frameworks for spectrum, telecommunications and the online economy —

Develop domestic regulations, policies, procedures and standards that govern Canada's spectrum and telecommunications industries and the online economy

- Regional Operations Sector, with support from Spectrum, Information Technologies and Telecommunications Sector, will take measures to ensure that the highest quality of spectrum management is in place to meet the needs of the Vancouver 2010 Olympic and Paralympic Winter Games and to support safety and security at Olympic events in Vancouver and Whistler.
- Communications Research Centre Canada (CRC) will provide equipment to the Pacific Region in support of infrastructure requirements for the 2010 Winter Games.

Spectrum, Information Technologies and Telecommunications Sector, with support from Strategic Policy Sector, will carry out a number of activities.

- It will hold two spectrum auctions. The first will be for a national licence in each of the 849–851 megahertz and 894–896 megahertz bands to enable enhanced air–ground services such as Internet access and email on board Canadian aircraft. The second will be a streamlined auction for 10 licences in the 2.3 and 3.5 gigahertz bands for fixed services such as Internet.
- It will prepare for the August 31, 2011, shutdown of analogue over-the-air television by, among other things, finalizing new broadcast procedures and rules for digital television.
- It will hold consultations on various spectrum policy and licensing initiatives, including on the renewal of personal communications services and cellular licences, and on changes to technical regulations to enable various mobile services and broadband data services. In addition, the Sector will initiate consultations on the policy and licensing provisions to take advantage of the “digital dividend” when Canada makes the transition from analogue to digital television.
- It will implement the government's response to Parliament's review of the *Personal Information Protection and Electronic Documents Act*, including proposals for data breach reporting and notification.
- It will work with the Organisation for Economic Co-operation and Development and Canadian stakeholders to implement the [Seoul Declaration for the Future of the Internet Economy](#).

### Did you know?

Industry Canada will play a critical role in ensuring the availability and integrity of radio-communications services during the Vancouver 2010 Olympic and Paralympic Winter Games. This major international event will enable Canada to showcase its world-leading telecommunications capabilities, and it will provide staff who will be supporting this work with an opportunity to share their skills and expertise.

**Expected result** — Canada's radio communications and telecommunications infrastructure and the online economy are governed by a modern, efficient and effective policy and regulatory framework

### 1.3. Consumer affairs — Ensure consumers have a voice in the development of government policies and are effective marketplace participants

- The Office of Consumer Affairs (OCA) will upgrade its online information and advice for consumers, including the [transition to digital television broadcasting](#). OCA will also distribute information on this issue through local newspapers across the country.
- OCA will continue to work with provincial and territorial counterparts to protect consumers in the payday lending market, and to consider options to improve compliance with federal and provincial consumer protection laws, and to harmonize consumer credit reporting laws.
- OCA will assist with the work of the Standards Council of Canada and the Canadian Standards

Association to develop an international standard to improve consumer satisfaction in business-to-consumer electronic commerce transactions.

- OCA will support external policy research in the consumer interest through a contributions program for not-for-profit consumer organizations. It will complement this with its own policy research on key consumer issues, such as consumer vulnerabilities arising from income, literacy and location, consumer behaviour, and new technologies and consumers.

**Expected result** — Consumer interests are represented in the marketplace and in the development of government policies

### 1.4. Competition law enforcement and advocacy — Administer and enforce the *Competition Act*, the *Consumer Packaging and Labelling Act*, the *Textile Labelling Act* and the *Precious Metals Marking Act*

- The Competition Bureau will support the modernization of Canada's competition laws for the benefit of consumers and businesses, implementing many of the recommendations of the Competition Policy Review Panel.
- The Bureau will continue to work with anti-trust agencies around the world to combat international cartels. The Bureau will also focus on detecting and deterring agreements to rig bids, particularly in the Canadian public sector.
- The Bureau will work to increase its understanding of Canadian and global markets as it reviews mergers and acquisitions, and will challenge those few that would substantially lessen or prevent competition and clear rapidly those that would result in positive economic outcomes.
- As part of [Canada's Proposed Food and Consumer Safety Action Plan](#) announced in spring 2008, the Bureau will engage in consultations to ensure the clarity of the terms "Product of Canada" and "Made in Canada" on consumer products.

- The Bureau will target the increasing number of misleading and fraudulent performance claims affecting Canadians in the areas of health and the environment.
- Working with its partners, the Bureau will disrupt enablers of mass marketing fraud. These range from banks and telephone companies, to mail depots, mailing list providers, and sales verification firms. The Bureau will also target mass marketing fraud schemes aimed at consumers and small businesses.
- The Bureau will continue to make advocacy in the health care sector a priority, and will also focus on self-regulated professions and the Internet.
- The Bureau will continue to encourage government decision makers to rely, wherever possible, on market forces and to regulate only when necessary and to the minimum extent possible.

**Expected result** — Competitive markets and informed consumer choice



## Strategy 2

### Fostering the knowledge-based economy through enhanced research and innovation, training and skills

**Strategy** > Industry Canada invests in science and technology to create new knowledge and equip Canadians with the skills and training they need to compete in the global knowledge-based economy.

**Industry Canada strategic outcome** > Science and technology, knowledge and innovation are effective drivers of a strong Canadian economy

**Government of Canada outcome** > An innovative and knowledge-based economy

Industry Canada supports investments in science and technology to create new knowledge and equip Canadians with the skills and training they need to compete in the global knowledge-based economy.

Innovation is a key driving force in creating wealth, economic growth and social development for Canadians in the knowledge-based economy. Science, technology and innovation policies and programs improve Canada's research and development capacity through support for research, the application of research and research infrastructure, and the attraction, development and retention of highly qualified people.

Canada is a leader in terms of research and development undertaken by the higher-education sector, but Canada's capacity to innovate is currently hampered by several factors. These include low investments in research and development, difficulty commercializing basic research, and the ongoing need to ensure access to capital and highly qualified people. To address challenges in the area of science and technology, the Government of Canada has reiterated the importance of the major investments it made in science in the three most recent budgets (\$2.4 billion in 2006, 2007 and 2008) and has committed to making additional investments in internationally recognized science and technology projects in Canada.

The federal Science and Technology Strategy, [Mobilizing Science and Technology to Canada's Advantage](#), provides an overarching framework to guide significant federal investments in basic

#### Key players

- > [Science and Innovation Sector](#) and [Industrial Technologies Office](#)
- > [Industry Sector](#)
- > [Spectrum, Information Technologies and Telecommunications Sector](#) and [Communications Research Centre Canada](#)
- > [Strategic Policy Sector](#)
- > [National Research Council Canada](#)
- > [Natural Sciences and Engineering Research Council of Canada](#)
- > [Social Sciences and Humanities Research Council of Canada](#)
- > [Canadian Space Agency](#)

and applied research (\$9.7 billion per year). In addition, Canada's new [Science, Technology and Innovation Council](#) (STIC) — an advisory body that provides the government with external policy advice on science and technology issues and is producing regular national reports that measure Canada's science and technology performance against international standards of excellence — identified in September 2008 key science and technology sub-priorities in areas of strategic importance to Canada ([www.ic.gc.ca/eic/site/ic1.nsf/eng/04160.html](http://www.ic.gc.ca/eic/site/ic1.nsf/eng/04160.html)). The sub-priorities recommended by STIC will assist research agencies in the design and implementation of research support programs and provide strategic direction and guidance for Industry Canada in its efforts to cultivate an innovative, knowledge-based Canadian economy.

Industry Canada's work to carry out this strategy falls under four program activities and business objectives, as set out below.

**1 Canada's research and innovation capacity:** Industry Canada sets the strategic direction for policies and programs in support of science, technology and innovation in Canada, to ensure that government investments are effective and to encourage private sector contributions. It works with other government departments and private and public stakeholders to foster an environment that is conducive to innovation and to promote scientific excellence and industrial competitiveness. The key player working to meet this objective is the Science and Innovation Sector.

**2 Communications Research Centre Canada:** Communications Research Centre Canada, within Industry Canada's Spectrum, Information Technologies and Telecommunications Sector (SITT), conducts research that provides insight into future advanced telecommunications and information and communications technologies to help Industry Canada develop telecommunications policies and regulations, improve decision making related to information and communications technologies by other government departments, and close the innovation gap by transferring new technologies to Canadian small and medium-sized enterprises.

**3 Knowledge advantage in targeted Canadian industries:** Industry Canada provides value-added knowledge and expertise on Canadian industries, groups, individuals, and society as a whole to

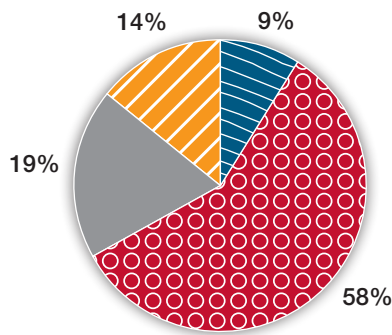
create conditions for research and development and commercialization, support innovation, encourage and promote technologies, and strengthen synergies between industry and government. Industry Sector and SITT play a key role working together with industry, while the Science and Innovation Sector works with Industry Canada's [Portfolio agencies](#) (the Natural Sciences and Engineering Research Council, the Social Sciences and Humanities Research Council and National Research Council Canada) and with external partners (the Canada Foundation for Innovation, Genome Canada, the Pierre Elliott Trudeau Foundation, the Council of Canadian Academies and others).




**4 Industrial Technologies Office:** The Industrial Technologies Office of the Science and Innovation Sector helps to accelerate innovation by Canadian industries through investments in research and development. The agency currently administers the [Strategic Aerospace and Defence Initiative \(SADI\)](#), which supports private sector industrial research and pre-competitive development in Canada's aerospace, defence, security and space industries through repayable project contributions, and manages projects contracted through the legacy Technology Partnerships Canada program and the Program for Strategic Industrial Projects.



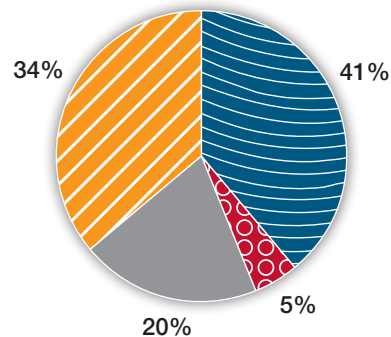
The figure below provides a breakdown of planned spending under “Fostering the knowledge-based economy” strategy by program activity.

**Departmental human resources (full-time equivalents) by program activity**



-  Canada's research and innovation capacity (59 FTEs)
-  Communications Research Centre Canada (398 FTEs)
-  Knowledge advantage in targeted Canadian industries (127 FTEs)
-  Industrial Technologies Office (99 FTEs)

**Total planned departmental spending by program activity**



-  Canada's research and innovation capacity (\$264.3 million)
-  Communications Research Centre Canada (\$35.4 million)
-  Knowledge advantage in targeted Canadian industries (\$131.0 million)
-  Industrial Technologies Office (\$221.4 million)

## 2009–2010 program activities and business objectives

This section sets out Industry Canada's specific business objectives under each program activity for 2009–2010.

### 2.1. Canada's research and innovation capacity — Set the strategic direction for policies and programs in support of science, technology and innovation in Canada

- The Science and Innovation Sector will continue to provide science policy advice and policy frameworks, including working with counterparts in other science-based departments and agencies, provinces and territories and the [regional development agencies](#) to fulfill commitments made in the Science and Technology Strategy.
- The Sector will support external science policy advice, including supporting the newly created Science, Technology and Innovation Council in support of the Council's mandate to provide the Government of Canada with evidence-based science and technology advice on issues critical to Canada's economic development and Canadians' social well-being, and managing federal interaction with the Council of Canadian Academies.
- The Sector will lead the management of Canada's science, technology and innovation policy responsibilities and obligations in multilateral bodies, notably the Carnegie Group, the Organisation for Economic Co-operation and Development's Committee for Scientific and Technological Policy, and the G8.

- With partners, such as the federal granting councils (the Natural Sciences and Engineering Research Council and Social Sciences and Humanities Research Council), the Canada Foundation for Innovation and Genome Canada, the Sector will work to improve the effectiveness of funding for higher-education research and to measure and maximize the impact of these investments.
- The Sector will work with National Research Council Canada (NRC) to maximize the effectiveness of NRC's contribution to basic research undertaken for regulatory purposes, such as metrology and building codes, and NRC's research and technical support to improve the competitiveness of Canadian industry.
- The Sector will continue to work with the three granting councils to implement the [Vanier Canada Graduate Scholarships](#), the [Canada Excellence Research Chairs](#) and foreign study stipend supplements, which were announced in Budget 2008.

**Expected result** — Science, technology and innovation policy frameworks to enhance Canada's research and innovation capacity

## 2.2. Communications Research Centre Canada — Conduct research on advanced telecommunications and information technologies to ensure an independent source of advice for public policy and to support the development of new products and services for the information and communications technology (ICT) sector

- Communications Research Centre Canada (CRC) will continue to be part of a consortium creating a sustainable platform for the development of shared, ICT-based health services to support patient treatment planning and to help teams and individuals prepare for their work in operating rooms, emergency rooms and clinics, and at patients' bedsides.
- CRC will provide forward-looking technical assessments to Industry Canada and to the Canadian Radio-television and Telecommunications Commission, Natural Sciences and Engineering Research Council Canada and Heritage Canada to support the development of policies and regulations for new communications services.
- In partnership with the Canadian Navy and allied partners, CRC will demonstrate in spring 2009 new network management concepts it developed as part of its focus on improving military communications capabilities in challenging environments.

### Did you know?

Communications Research Centre Canada (CRC) of Industry Canada is the federal government's centre of excellence for communications research and development, ensuring an independent source of advice for public policy purposes.

CRC has received several awards honouring its technology transfer and commercialization track record, including recognition of the developers of Search and Rescue Satellite-Aided Tracking; receipt of an innovation award as a partner in the Agile All-Photonic Networks Research Network; and the highlight, CRC's induction into Canada's Telecommunications Hall of Fame.

**Expected results** — Industry Canada and other government organizations receive high-quality research-based technical inputs to develop telecommunications policies, regulations and standards and support government operations

Canadian companies use CRC-developed technologies to enhance their product lines

**2.3. Knowledge advantage in targeted Canadian industries** — Provide value-added knowledge and expertise about Canadian industries to create conditions for research and development and commercialization, support innovation, encourage and promote technologies, and to strengthen synergies between industry and government

- Industry Sector will work with renewable and alternative energy stakeholders to examine advances in Canadian technology capabilities, identify commercialization and industrial development opportunities, and explore domestic and international partnerships for business development.
- Industry Sector will work with partners to enhance the commercialization of biotechnology by encouraging the global competitiveness of Canada's health industries, which are world leaders in the practical application of biotechnology.
- Science and Innovation Sector, Industry Sector and the Portfolio agencies will work together to ensure that the \$145-million Automotive R&D Partnership Initiative is responsive to the research priorities and innovation needs of Canada's automotive sector.
- Industry Sector will work with the Canadian aerospace industry to ensure the advancement of priority technologies that will enable Canadian firms to work on upcoming major aircraft platforms.
- Industry Sector will encourage and promote the adoption and adaptation of new technologies and skills to business processes by working with the private sector to guide the development of several [Technology Roadmaps](#).
- Industry Sector will conduct innovative research on service and manufacturing industries and core business functions; develop key performance indicators, benchmarks and best-in-class analysis; and leverage research results to inform government policy directions.
- Industry Sector will conduct research and consultations into business opportunities and challenges related to nanotechnology research and development and commercialization, to support policy development.

**Expected result** — Strong engagement, knowledge sharing and program delivery to enhance capacity for research and development, technology adaptation, commercialization and innovation in targeted industries

**2.4. Industrial Technologies Office** — Accelerate innovation by Canadian industries through research and development investments that produce social and economic benefits for all Canadians

- The Industrial Technologies Office, part of Science and Innovation Sector, will continue to manage the Strategic Aerospace and Defence Initiative (SADI), the legacy Technology Partnerships Canada program, and the Program for Strategic Industrial Projects.

**Expected result** — The Industrial Technologies Office will leverage leading-edge research and development in targeted Canadian industries.

## Strategy 3

### Supporting business through policies and programs that promote competitiveness and productivity

**Strategy** > Industry Canada encourages business innovation and productivity in order to create wealth and generate jobs.

**Industry Canada strategic outcome** > Competitive businesses are drivers of sustainable wealth creation.

**Government of Canada outcome** > Strong economic growth and a strong and mutually beneficial North America

Industry Canada encourages business innovation and productivity, because businesses create wealth and generate jobs. To contribute to business competitiveness and productivity, and to drive economic growth, Industry Canada offers a range of business services and collaborates with business and business associations to ensure that industry views are taken into account in the development of trade, economic, environmental and social policies that may affect the business climate.

In a strong economy, businesses generate economic wealth by investing in labour and capital to produce new and innovative goods and services. Through its legislative frameworks, policy levers, partnerships with industry and various programs, Industry Canada acts as a catalyst for the private sector in driving the economy's growth.

Industry's Canada's work to carry out this strategy falls under four program activities, as set out below.

**1 Entrepreneurial economy:** Industry Canada, through [Small Business and Marketplace Services Sector](#), raises awareness across government of the challenges small businesses face, and recommends policy options and delivers programs to enhance small business growth and competitiveness, and to encourage and support entrepreneurship.

**2 Global reach and agility in targeted Canadian industries:** [Industry Sector](#) provides value-added knowledge and expertise about Canadian industries to ensure a strong link in global value chains, assist firms to strengthen global

#### Key players

- > [Small Business and Marketplace Services Sector](#)
- > [Regional Operations](#)
- > [Industry Sector](#)
- > [Spectrum, Information Technologies and Telecommunications Sector](#)
- > [Strategic Policy Sector](#)

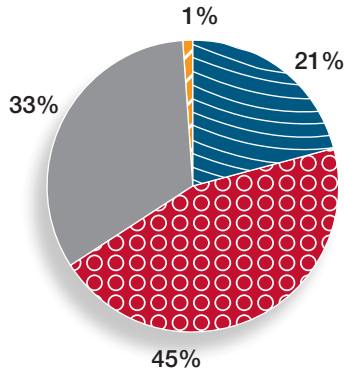
partnerships and business capacity to respond to risks and opportunities, and to position Canada as an ideal environment for foreign direct investment.

**3 Community, economic and regional development:** Industry Canada advances the economic development of Ontario communities in the same manner that the federal economic development agencies support development in other regions of Canada by building capacity, such as infrastructure, in non-metropolitan communities. The key player working to meet this objective is [Regional Operations Sector](#), including [FedNor](#).

**4 Security and Prosperity Partnership of North America:** The Canadian Secretariat for the [Security and Prosperity Partnership of North America](#) resides at Industry Canada. The Secretariat supports the Minister of Industry in leading Canada's engagement with the United States and Mexico on issues that affect prosperity and security within North America.

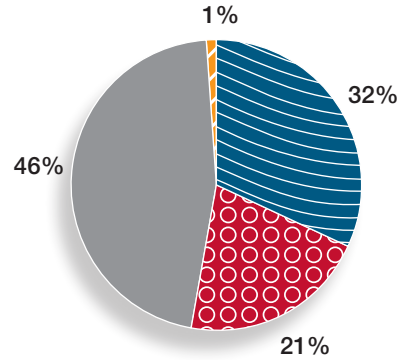
The figure below provides a breakdown of planned spending under the “Supporting business” strategy by program activity.

**Departmental human resources (full-time equivalents) by program activity**



-  Entrepreneurial economy (142 FTEs)
-  Global reach and agility in targeted Canadian industries (307 FTEs)
-  Community, economic and regional development (221 FTEs)
-  Security and Prosperity Partnership of North America — Canadian Secretariat (9 FTEs)

**Total planned departmental spending by program activity**



-  Entrepreneurial economy (\$95.7 million)
-  Global reach and agility in targeted Canadian industries (\$61.4 million)
-  Community, economic and regional development (\$138.5 million)
-  Security and Prosperity Partnership of North America — Canadian Secretariat (\$2.2 million)

## 2009–2010 program activities and business objectives

This section sets out Industry Canada’s specific business objectives under each program activity for 2009–2010.

**3.1. Entrepreneurial economy** — Raise awareness across government of the challenges small businesses face and recommend policy options and deliver programs to enhance small business growth and competitiveness and to encourage and support entrepreneurship and business start up and growth

- Small Business and Marketplace Services Sector will continue to collaborate with provincial, territorial and local governments to accelerate expansion of BizPaL. New business sectors and content beyond permits and licences will be introduced to increase the value of BizPaL to Canadians.
- Small Business and Marketplace Services Sector, specifically the Small Business and Tourism Branch, will implement new arrangements for the Canada Business program, consistent with decisions taken by the Government of Canada. The Branch will also implement improvements announced in Budget 2009 to the Canada Small Business Financing Program, to enhance access to credit for viable small businesses throughout Canada.

**Expected results** — Use by small and medium-sized enterprises of government business-related information, programs and services, and facilitated compliance for business (with federal and provincial regulations)

Integrated business permits and licences information from all levels of government provide value to clients across Canada

Departmental and government clients and external stakeholders are aware of small business perspectives and advice

Facilitated access to debt financing by small and medium-sized businesses, and improved awareness of the program among lenders, small and medium enterprises and intermediaries

### 3.2. Global reach and agility in targeted Canadian industries — Provide value-added knowledge and expertise about Canadian industries to ensure a strong link in global value chains, assist firms to strengthen global partnerships and business capacity to respond to risks and opportunities, and to position Canada as an ideal environment for foreign direct investment

- Industry Sector will deliver programs and services to support Canadian industries' efforts to become more internationally competitive and sustainable. Specifically, it will do the following:
  - work with National Defence and Public Works and Government Services Canada to develop defence procurement strategies under the Industrial and Regional Benefits Policy framework, which is expected to help generate \$500 million in business activity in 2009–2010
  - through the [Structured Financing Facility](#), help develop the necessary critical infrastructure to position the shipbuilding industry for future procurement efforts
  - through the [Canadian Apparel and Textiles Industries Program](#) (CATIP), continue to support the apparel and textile industries' efforts to become more competitive by working in partnership with industry organizations and providing support for projects related to best practices, marketing and innovation
  - through the Textiles Production Efficiency Component of CATIP, continue to contribute to textile company projects aimed at reorienting production towards higher-value-added products and improving productivity
- carry out research, analysis and policy development, and work with other involved federal departments and agencies concerning issues that affect the growth and competitiveness of Canada's tourism industry.
- Industry Sector will continue to be a major partner in the Government of Canada's efforts to stimulate trade and investment flows, improve market access and streamline regulation. Specifically, it will do the following:
  - provide expert sector knowledge through trade policy initiatives, such as trade negotiations and other bilateral and multilateral processes that Canada initiates with other countries, and address market access issues in export markets
  - conduct research and consultations in support of federal policy development, on the implications of globalization on research, innovation, and commercialization of nanotechnologies and related products, as well as health and industrial applications of biotechnology
  - analyze key regulatory differences between Canada and the U.S., such as differences in fuel consumption and vehicle safety regulations, that have an impact on trade and investment on specific sectors



- analyze efficiency and effectiveness of regulations for health industries to enhance the ability of firms to commercialize innovative products without undue delays or costs
- work with Treasury Board Secretariat to help regulatory departments implement the new Market Assessment Tool
- contribute sector knowledge and reasoned policy advocacy efforts to ensure that domestic conditions remain competitive, and support federal programs to ensure that Canadian businesses benefit by engaging in global value chains
- interact with associations, governments and leading firms to reinforce Canadian expertise at global events such as BIO 2009, the International Paris Air Show 2009, Tokyo Motor Show 2009 and Globe 2010

**Expected result** — Strong engagement, knowledge sharing and program delivery to enhance the capacity of targeted Canadian industries to prepare for and respond to risks and opportunities in globalized markets

### 3.3. Community, economic and regional development — Advance the economic development of Ontario communities, and support and enhance the role and contribution of small and medium-sized businesses to Canada’s economic well-being by building capacity such as infrastructure in non-metropolitan communities

- Regional Operations Sector will work with Infrastructure Canada to deliver a suite of infrastructure programs in the province of Ontario, including the [Canada-Ontario Infrastructure Program](#), the [Canada-Ontario Municipal Rural Infrastructure Fund](#), the [Canada Strategic Infrastructure Fund](#), the [Municipal Rural Infrastructure Fund](#) top-up and the [Building Canada](#) Fund. These programs represent hundreds of millions of dollars in investment in key infrastructure projects across the country.
- Regional Operations Sector will administer infrastructure funding and economic development investments in community projects to enhance growth, sustainability and competitiveness throughout Ontario by establishing reliable water, transportation and waste management infrastructure, and by building community capacity in sport, tourism, housing and other sectors.
- Regional Operations Sector will administer economic development programs such as the [Ontario Potable Water Program](#), which makes funding assistance available to Ontario municipalities in support of potable water projects and changes to drinking water systems standards initiated through Ontario government acts and regulations to ensure drinking water safety.
- Regional Operations Sector will support economic development in small and rural communities through FedNor programs to ensure that communities and their businesses are competitive in the Canadian and global marketplace. Specifically, through FedNor, Regional Operations Sector will deliver:

- the [Northern Ontario Development Program](#) by providing repayable and non-repayable contributions to not-for-profits and small and medium-sized enterprises to maximize the sustainable potential of Northern Ontario to succeed in the knowledge-based economy
- the [Community Futures Program](#) by providing repayable financing for local small businesses, as well as business information and advisory services and support for the development and implementation of strategic community plans that support self-reliance and the capacity of communities to realize their full, sustainable socio-economic potential
- the [Eastern Ontario Development Program](#), by making investments in community development initiatives — including business development, skills development, access to capital, retention and attraction of youth, and technological enhancements — that will create, build and develop the necessary conditions for increased business and employment opportunities in the area

**Expected result** — A business environment that supports entrepreneurship, sustainable communities, growth and competitiveness across Canada, and that recognizes regional perspectives

### 3.4. Security and Prosperity Partnership of North America (SPP) — Lead Canada's engagement in the SPP

- The Canadian Secretariat for the SPP will continue to support the Minister of Industry as lead minister for Canada and as Canadian lead on the Prosperity Agenda, which is focused on promoting growth, competitiveness and quality of life in North America. The Secretariat will provide advice and contribute to preparations for the 2009 North American Leaders' Summit in Mexico.
- The Secretariat will work closely with other government departments and officials from the U.S. and Mexico to ensure that the leaders' priorities are implemented.
- Industry Canada will continue its leadership role in managing the Research Fund on North American Borders, Security and Prosperity, which is working to improve the current understanding of the impact of border measures on Canadian competitiveness.
- Spectrum, Information Technologies and Telecommunications Sector will continue to work with the U.S. and Mexico, in the context of the SPP, on the implementation of the [Statement on the Free Flow of Information and Trade in North America](#).

**Expected result** — Canada is successful in advancing its strategic interests and priorities within the North American context





# Strategic enablers

Strategic enablers provide the foundational support required for Industry Canada to deliver its key strategies and achieve its strategic outcomes. This section sets out the Department's objectives for the following strategic enablers:

- people management
- management accountability
- corporate functions

## People management

Effective human resources planning requires an in-depth understanding of the Department's current human resources situation and the state of its people management, paired with an understanding of the human resources capacity and capabilities required to deliver the mandate and achieve business strategies and objectives.

Industry Canada faces significant demographic and competitive challenges that are affecting the Department's efforts to enhance the long-term viability of its workforce:

- demographic realities of the Department's workforce, such as anticipated retirements, a competitive labour market requiring advanced skills, necessary increases in bilingual capacity, and related recruitment, retention and development challenges
- the need to align business and human resources planning processes with the resource allocation process
- increasing demands for strategic analysis and corporate knowledge sharing

The employee population at Industry Canada is changing, with rising average ages and looming retirements. In 2007–2008, the average employee age was 44 years, with 34 percent of the workforce being older than 50. Close to one third of employees will be eligible to retire in the next five years, and the Department's rate of departure has exceeded the recruitment rate for the last four years. With current recruitment and departure patterns, Industry Canada's workforce will decrease by 6.5 percent by 2013.<sup>1</sup>

Industry Canada's workforce comprises many occupational groups. The Department is the leading employer of Commerce Officers (CO) and Patent Examination Officers (SG-PAT) in the federal government, and both of these groups have challenges due to the low rate of internal promotions and recruitment shortfalls, respectively. Based on demographic information, the groups below are considered to require specific attention and strategies to maintain and attract talent.<sup>2</sup>

<sup>1</sup> This year the Executive Group in particular is facing the impacts of demographic shifts. As of March 31, 2008, 49.7 percent of employees in the Executive Group are 50 years of age or older, and 46.1 percent could opt for retirement by 2009–2010.

<sup>2</sup> "Strategic Outlook: Recruitment and Departures." Presentation to Management Committee, April 24, 2008.

Indicators	Occupational groups at risk	Industry Canada sectors affected
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Aging workforce	Executive Services (EX) Technical Services (TI)	<ul style="list-style-type: none"> <li>○ All sectors</li> <li>○ Measurement Canada</li> </ul>
High departure rate	Personnel Services (PE) Financial Management (FI) Economics and Social Science Services (EC)	<ul style="list-style-type: none"> <li>○ Human Resources Branch</li> <li>○ Comptrollership and Administration Sector</li> <li>○ Small Business and Marketplace Services Sector</li> <li>○ Industry Sector</li> <li>○ Strategic Policy Sector</li> <li>○ Science and Innovation Sector</li> </ul>
Recruitment shortfalls	Patent Examination Officers (SG-PAT)	<ul style="list-style-type: none"> <li>○ Canadian Intellectual Property Office</li> </ul>
Low rate of internal promotions	Commerce Services (CO)	<ul style="list-style-type: none"> <li>○ Industry Sector</li> <li>○ Office of the Superintendent of Bankruptcy Canada</li> <li>○ Spectrum, Information Technologies and Telecommunications Sector</li> </ul>
Labour market pressure	Patent Examination Officers (SG-PAT) Engineering (EN) Computer System Service (CS)	<ul style="list-style-type: none"> <li>○ Spectrum, Information Technologies Telecommunications Sector</li> <li>○ Communications Research Centre Canada</li> <li>○ Chief Informatics Office</li> <li>○ Canadian Intellectual Property Office</li> </ul>

Renewal strategies and succession planning on a sectoral (and skill group) basis will be important in addressing anticipated retirements and assuring that a sufficient complement of skills and workers

will be able to carry on departmental business. The Department's human resource planning process aims to see that strategies, plans and progress are made in addressing these risk factors.

## ■ People management strategy for renewal and results

The challenges presented by an aging workforce and an increasing number of retirements at Industry Canada provide an opportunity for a cultural shift in people management. In the context of public service renewal, Industry Canada has assessed the current workforce composition and state of people management within the Department, identified gaps, and established a clear and compelling future state for people management in order to mobilize, align and drive efforts to make this vision a reality.

### People Management Pillars

Industry Canada's people management strategy is aligned to four pillars: leadership development, employee engagement and renewal, human resources service excellence and performance improvement, and integrity and accountability.

Industry Canada's desired future state for each of these people management pillars is set out below. The Department has committed to realizing the goals under each pillar by 2011 and has established key measures against which progress will be reported.

### Leadership development

- Executive talent is actively managed, ensuring development and retention.
- The development of the next generation of executives is nurtured within the organization.
- High-performing mid-career executives are attracted to Industry Canada by opportunities to be challenged, develop and grow in their careers.
- Managers at all levels receive leadership development opportunities and are well equipped to lead and engage their employees.

### Employee engagement and renewal

- A workforce that reflects Canada's diversity is recruited into multiple developmental career streams to meet the challenge of the increasing number of retirements and to simplify internal promotion processes.

- Employees progress through career development programs that support competency development and provide systematic and rigorous performance feedback and integrated learning opportunities.
- Employees develop a growing sense of affiliation with the Department through opportunities to explore varied work assignments, within a culture that supports strong relationships among peer groups and regular mentoring, knowledge transfer and feedback from senior leaders.
- As ambassadors of Industry Canada, employees understand its key strategic objectives. Employees also understand where they fit and how they might seek work opportunities to further their development within the organization.
- Management and human resources professionals work jointly on value-added people management outcomes, improving the workplace, reducing time to hire, supporting employee development and effectively managing performance.

### Human resources service excellence and performance improvement

- Speed of service and client satisfaction are seen as key enablers of Industry Canada's Human Resources Branch's success in delivering business value.
- The Branch is recognized for its client-centred approach and performance-based culture.
- The Branch's knowledge of clients' business needs ensures value in recruitment and organizational design; compliance and other risk management advisory services are seamlessly offered.
- Productivity is improved through the use of automated workflow technology and increased self-service for managers and employees.
- A single authoritative system of records holds information on all of the Department's people, increasing efficiency and multi-functionality.

### Integrity and accountability

- Employees and human resources oversight bodies have confidence in Industry Canada's people management practices.
- The Department is recognized for its innovative people management approaches.
- Department achieves the highest possible Management Accountability Framework rating for people management excellence.

## ■ Employment Equity Action Plan

Industry Canada strives to position itself as a workplace of choice by fostering a work environment that supports open communication, respect, and equal access to employment and promotional opportunities for everyone.

The Department recognizes that having a diverse workforce and providing a work environment in which all employees can realize their full potential not only makes the organization more attractive and stimulating, but also positions Industry Canada to develop its business in the diverse markets and communities it serves. Diversity is key to creativity, innovation and achieving excellence. If diversity is to succeed, it requires commitment from all employees.

Accordingly, the Department has made a commitment to create a productive, welcoming and supportive work environment that allows each employee to contribute according to his or her potential.

To realize the Department's people management goals, Industry Canada's 2007–2010 Employment Equity Action Plan focuses on four high-priority objectives:

- Be accountable through leadership and commitment.
- Improve the representation of designated groups where under-representation exists, across the Department and within sectors, branches and regions.

- Foster an inclusive culture that supports the successful integration and retention of designated group employees.
- Sustain an organizational culture that embraces diversity.

The plan includes strategies and concrete actions, at both corporate and sectoral levels, to ensure that these objectives are met.

In addition, members of the departmental Employment Equity and Diversity Advisory Committee, which comprises representatives of the four employment equity designated groups, managers, and interested people from both headquarters and the regions, work collaboratively to create an inclusive work environment and provide views, advice and recommendations to senior management on issues that affect recruitment, retention, career progression, accommodation and accessibility for designated groups.

- At the end of the 2007–2008 fiscal year, Industry Canada's employee population reflected the workforce availability of all employee equity groups. As part of the Department's 2007–2008 public service renewal exercise, 33 new recruits (27.5 percent) self-identified as being a member of visible minorities, and it is expected that external recruitment efforts in 2008–2009 will continue to increase departmental visible minority representation.

## Industry Canada: Work that matters

Every day, thousands of talented people come to work at Industry Canada. They come for the challenge and because they know that they are making a real difference to the lives of Canadians.

We're proud of our work. It's about advancing Canada's marketplace, supporting business and fostering our knowledge-based economy.

Industry Canada's new professionals and experienced experts continuously offer innovative ideas and solutions. They bring the amazing mix of unique talents and valuable experience necessary to address many of Canada's technical, economic and industrial public policy issues. It's true that the nature of our work and our high-calibre colleagues make working at Industry Canada a fascinating and rewarding experience.

### Respect

We value diversity among our employees and the range of perspectives they bring to the work we do. That's why we strive to ensure that our workplaces are equitable, supportive and respectful, and that our workforce is representative of Canada's social and ethnic diversity. In this same way, we are creating an environment that is conducive to using either official language. We are also working to ensure that Industry Canada's services are offered equally in both official languages. And we are encouraging and supporting employees to increase their capacity to work in their second official language.

### Growth

Continuous learning is an important part of our work. Industry Canada supports the professional and personal growth of its employees. Each employee has the right to develop a tailored personal learning plan with his or her manager that may include opportunities for career development, progression, mentoring and training. In addition, networking events and community building exercises are just some of the ways that Industry Canada's Young Professionals Networks (YPNs) are helping to shape our workplace. Industry Sector, Spectrum, Information Technologies and Telecommunications Sector, Strategic Policy Sector, and the Competition Bureau have established YPNs with open membership.

### Renewal

Making this department a great place to work is not just a management exercise. It depends on the engagement and commitment of each individual, employees and managers at all levels across the organization. It's about building on the ideas of individuals and providing excellent advice and service as a result. It's about finding and developing great employees who want to make a real difference in their jobs. Industry Canada is working to foster a workplace and culture that supports today's knowledge workers and is sufficiently flexible to ensure we can meet the challenges ahead with confidence.



Our work  
really matters.

## Management accountability

Industry Canada comprises many entities, each with a distinct mandate. Program activities are diverse and highly dependent on partnerships, and affect a wide variety of stakeholders.

Departmental integration is achieved through Industry Canada's [Management, Resources and Results Structure](#), which sets out common strategic outcomes and a governance structure that brings together senior executives from across the organization through committees for policy and management engagement and decision making. These committees provide advice to the Executive Committee, which supports the Deputy Minister and the Senior Associate Deputy Minister in fulfilling their management responsibilities for the Department.

To enhance management oversight, Industry Canada established an external member departmental audit committee in October 2007. The committee provides objective advice and guidance about departmental risk management, internal controls and governance processes.

Further, through the implementation of the Treasury Board Policy on Internal Audit and new Evaluation Policy, the Audit and Evaluation Branch will strengthen management oversight by responding to departmental priorities, helping departmental management enhance the efficiency, effectiveness and economy of operations, and supporting informed decision making and enhanced performance and accountability across the Department.

Industry Canada uses the annual [Management Accountability Framework](#) assessment to identify management strengths and opportunities for improvement. Treasury Board Secretariat has recognized the Department for its strong management frameworks for information technology, financial control, and security and business continuity. Over the last year, efforts have been focused on strengthening frameworks for performance measurement and reporting, risk management, information management, asset management and project management.





## ■ 2009–2010 management objectives

### Corporate performance framework

Industry Canada will implement the renewed Performance Measurement Framework, which sets out expected program results, performance indicators and targets, and a data collection, monitoring and reporting strategy. Implementation of the Framework will strengthen management decision making related to program planning, priority setting and resource allocation. Furthermore, there will be improved performance information to support program evaluations and audits.

### Effective risk management

Industry Canada will build on the progress it made in 2008–2009 in setting the foundation for a departmental approach to risk management. Building on the work completed to renew Industry Canada's Corporate Risk Profile, the Department's Integrated Risk Management Framework will be implemented at the operational level. This will ensure that there will be risk profiles for each of Industry Canada's programs, as per the Program Activity Architecture, a document approved by Treasury Board Secretariat that sets out how the Department allocates and manages the resources under its control to achieve intended results.

### Effective information management

Industry Canada has developed a multi-year Information Management (IM) Agenda to ensure that departmental information is managed efficiently and effectively to support program and service delivery; foster informed decision making; facilitate accountability, transparency and collaboration; and preserve access to information and records for the benefit of present and future generations.

In 2009–2010 the Department will focus on building the foundation elements of the IM Agenda: establishing the IM governance structures, policies and guidelines to support the management of information; developing a strategy to build IM specialist capacity; and developing an Enterprise Business-based Classification Structure (BCS), which will enable Industry Canada to organize its information resources based on the Department's Program Activity Architecture (PAA).

### Strategic management of information technology

A five-year IT strategy will be in place for 2009–2010. The strategy will support continued evolution of IT systems and processes, enhancing Industry Canada's ability to deliver IT-enabled services to Canadians. Key themes in the strategy are promoting alignment of IT investments with the Department's business goals, and encouraging greater horizontal collaboration in systems development within Industry Canada and across government.

### Effective asset management

Industry Canada will implement the Real Property Management Framework and associated policy and performance measures that were developed in 2008–2009. These tools will strengthen investment decision making, which is reflected in the annual update of the Department's Investment Plan.

## Corporate functions

The following corporate functions and services enable the effective and efficient delivery of Industry Canada's programs and services. Integration of these enabling functions into the business planning process is a key factor of success.

Organization	Functions and services
<a href="#">Communications and Marketing Branch</a>	<p>Provides advice, issues management and support for the communications activities of the Minister, the Department, agencies and Portfolio partners</p> <p>Develops communications plans for memoranda to Cabinet, Treasury Board Secretariat submissions, and all departmental communications strategies and plans</p> <p>Provides media relations support and services to the Office of the Minister, the ministers of state and the Department, including monitoring media, responding to media calls and preparing media summaries and analyses</p> <p>Manages the departmental Public Opinion Research Program and Advertising Program</p> <p>Prepares communications products, such as speeches, news releases and media lines, and provides editing and translation services</p> <p>Manages the Department's website, internal communications, marketing services, publishing and production</p>
<a href="#">Human Resources Branch</a>	<p>Offers client-focused advice on human resources management best practices to help sustain a productive and healthy workforce</p> <p>Provides a range of services for managers and employees, including staffing, classification, pay and benefits, labour-management relations, performance management and workforce planning, and provides analysis and information</p>
Comptrollership and Administration Sector	<p>Provides information on financial and materiel management policies, systems, processes and standards that are consistent with modern comptrollership</p> <p>Supports the Chief Financial Officer and the Department by providing strategic advice and expertise on modern planning and performance measurement practices, facilitating the implementation of the Management Accountability Framework, and leading departmental risk management, planning and reporting processes</p> <p>Stimulates private sector investment in the Canadian economy through cost-effective financial assistance programs, in partnership with other sectors within the Department and external agents</p> <p>Manages real property administration, including space acquisition and disposal, accommodations management, parking, connectivity, furniture and furnishing acquisitions and control, moves and relocations, and leads a proactive workplace safety program</p> <p>Provides a wide-range of security services that strive to ensure the safety and security of all Industry Canada employees and assets, as well as ensuring the continuous delivery of critical functions and services</p>

## Organization

## Functions and services

Information  
Management Branch

Provides corporate leadership and develops policies, guidelines, standards and procedures for the management of departmental information, regardless of media, to support program and service delivery, and to ensure that Industry Canada meets its legal, business and accountability requirements

Manages the Department's legal obligations and compliance with the *Access to Information Act* and *Privacy Act*, processes access requests and promotes awareness of the laws to ensure departmental responsiveness

Connects Industry Canada employees to critical information and expertise essential to the Department's capacity for policy development, decision making and communications with the Canadian public

Leads the development and deployment of web content management systems and related information management standards, develops and oversees departmental online service policies and procedures, provides departmental web metrics and quality assurance functions, provides centralized web publishing, and operates the Web Contact Centre

Chief Informatics Office

Provides Industry Canada employees with IT services and support, including data centre, network and internet services; server and storage management; and desktop management

Oversees information technology (IT) planning and governance, project management, enterprise architecture and IT client–relationship management for the Department

Provides the Department with IT application development services, including planning, design, enhancement, operations and maintenance

[Audit and  
Evaluation Branch](#)

Ensures appropriate internal audit coverage, as per the Department's approved risk-based internal audit plan

Develops evaluation frameworks for new programs, services and major initiatives

Conducts evaluation studies for programs, services and initiatives, as per the Department's five-year evaluation plan.

Provides secretariat services for the Departmental Audit Committee and the Departmental Evaluation Committee

Provides subject matter expertise in accounting, audit and special examination projects within the Department

## Organization

## Functions and services

Regional  
Operations Sector

Under the functional direction of Communications and Marketing Branch, Human Resources Branch and Comptrollership and Administration Sector, Regional Operations Sector provides the following support to all sectors located in the regions:

communications services

human resources management services

financial management and administrative services

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Strategic Policy Sector

Manages the Department's process for policy priority planning, including Speech from the Throne and federal budget analysis, and maintains effective communication with central agencies

Supports policy research and discussion and coordinates Cabinet briefings

Develops and plans the ministerial policy agenda and supports its implementation



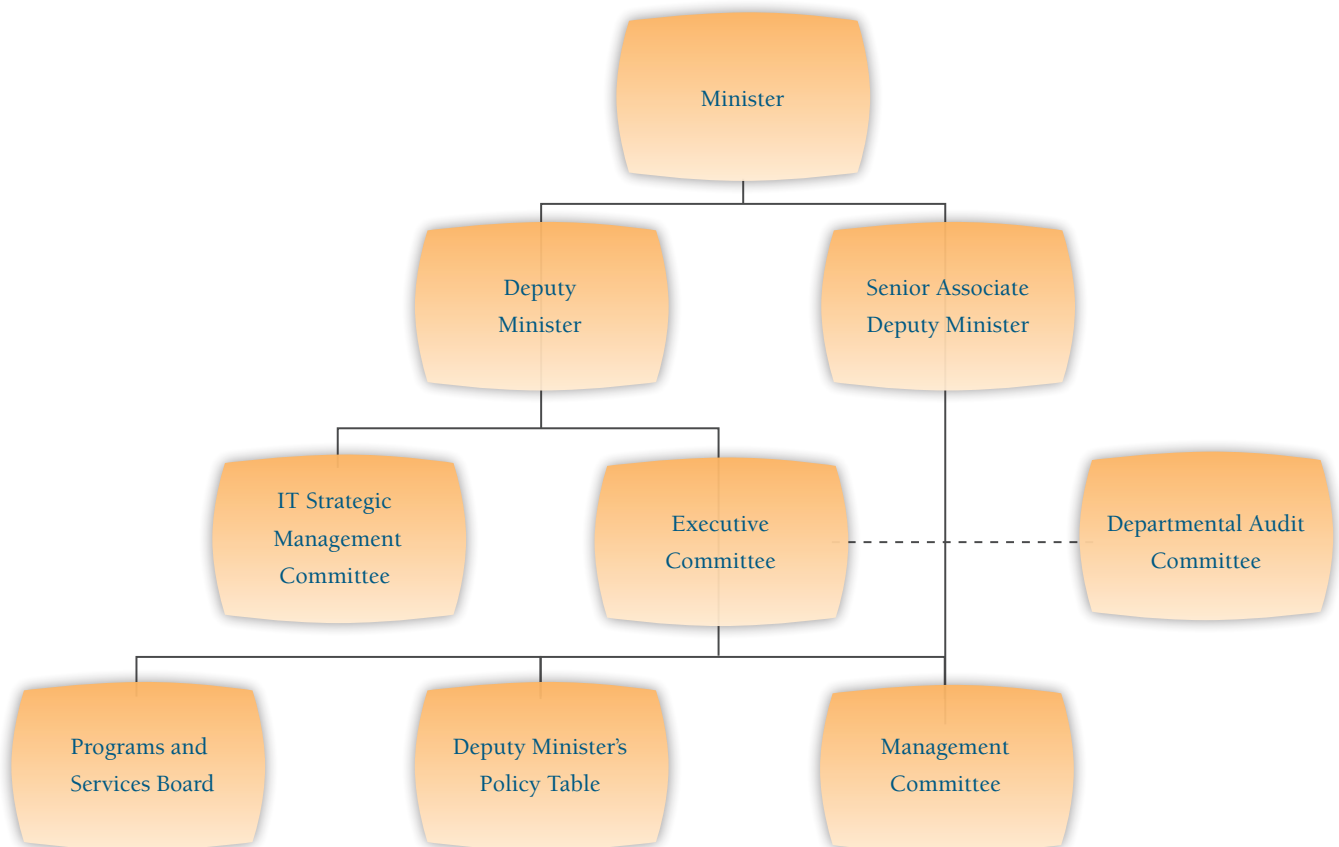
# Governance and decision making

The Minister of Industry, under the authority of the *Department of Industry Act*, is responsible for the full range of policy formulation and program development. The Minister has jurisdiction over policy issues relating to industry; trade and commerce; science; consumer affairs; corporations and corporate securities; competition and restraint of trade, including mergers and monopolies; bankruptcy and insolvency; intellectual property; telecommunications; investment; small businesses; and regional economic development for Ontario.

The Deputy Minister and Senior Associate Deputy Minister support the Minister in fulfilling his responsibilities and respecting his accountability to Parliament.

Industry Canada has a number of senior management committees that work to support senior executives and, ultimately, the Minister. These committees enable the development and delivery of policies and programs, and oversee the management of the departmental machinery. The committee structure is divided among operations (Management Committee, IT Strategic Management Committee and the Programs and Services Board), policy (Deputy Minister's Policy Table) and independent oversight (Departmental Audit Committee). These committees in turn provide advice to the Executive Committee, which supports the Deputy Minister and the Senior Associate Deputy Minister in fulfilling their management responsibilities for the Department.

Industry Canada Senior Executive Committee Structure



# Appendix A:



## 2009–2010 internal audit and evaluation plans

The table below represents the audit projects approved in May 2008, as part of the multi-year, risk-based internal audit plan (2008–2009 to 2010–2011). The audit plan for 2009–2010 will be revisited and considered for approval early in 2009.

Name of internal audit	Audit type	Expected completion date (2009–2010)
Spectrum Informatics Review and Redesign	System under development audit	June 2009
Canadian Intellectual Property Office	Planned audit	June 2009
Office of the Superintendent of Bankruptcy Canada	Planned audit	September 2009
Information Technology Project Management	Planned audit	September 2009
Strategic Aerospace and Defence Initiative Implementation	Planned audit	December 2009
Matériel Management	Planned audit	September 2009
Canada Small Business Financing Program	Planned audit	June 2009
Management of Revenues	Planned audit	September 2009
Spectrum, Information Technologies and Telecommunications delivery	Planned audit	December 2009
Regions	Planned audit	December 2009
Oxford Consulting Group Directed (TBD)	Planned audit	March 2010
Integrated Financial and Matériel System	Planned follow-up	June 2009
Early Warning System for Contract Proposals	Planned follow-up	June 2009
Information Technology Governance	Planned follow-up	September 2009
Human Resources	Planned follow-up	September 2009
Security	Planned follow-up	September 2009
Competition Bureau Canada	Planned follow-up	December 2009
Resource Management	Planned follow-up	December 2009
Community Futures Program	Planned follow-up	March 2010
Information Management	Planned follow-up	March 2010
Oxford Consulting Group Directed	Planned follow-up	March 2010

Industry Canada's Program Evaluation Directorate also completes a number of activities such as Results-Based Management and Accountability Framework (RMAF) implementation reviews, Treasury Board submissions and funding agreements, and RMAF and performance measurement plan development, as well as other oversight activities, including follow-up reviews.

The table below represents the evaluation projects approved as part of the approved Evaluation Plan (2008–2009 to 2012–2013). The Evaluation Plan for 2009–2010 will be revisited and considered for approval early in 2009.

Name of evaluation	Evaluation type	Expected completion date (2009–2010)
Canada Small Business Financing Program	Final evaluation	Q1
Contribution Program for Non-Profit Consumer and Voluntary Organizations	Final evaluation	Q3
Strategic Aerospace and Defence Initiative	Mid-term evaluation	Q4
Canadian Apparel and Textiles Industries Program	Final evaluation	Q4
Internal Trade Secretariat	Final evaluation	TBD

# Appendix B:



## Reporting on 2008–2009 business objectives

This section provides a summary of progress made against Industry Canada's 2008–2009 business objectives, as set out in the *Industry Canada Business Plan 2008–2009*.

### ■ Strategy 1: Advancing the marketplace through economic framework policies

#### 2008–2009 business objectives

#### Status

Responding to the Competition Policy Review Panel

Since the Competition Policy Review Panel delivered its report, *Compete to Win*, in June 2008, Industry Canada has created a dedicated response team and launched an interdepartmental policy development process. In the November 2008 Speech from the Throne, the Government of Canada committed to proceed with legislation to modernize Canada's competition and investment laws, and to implement many of the panel's recommendations. Industry Canada will lead the work to fulfill this commitment. The outcome of this initiative will be to expand opportunities for Canadian firms, safeguard national security, protect consumers and enhance Canada's competitive environment.

Managing telecommunications for the 21st century

In July 2006, Industry Canada made 29 satellite licences available to Canadian satellite operators. In June 2008, the conditions of licence were finalized, and approvals were issued for 11 licences. With the conclusion of the selection process, Ciel Satellite Group and Telesat Canada, the two Canadian operators, can now grow their businesses substantially in the Canadian and North American markets. In permitting the development of new Canadian satellites, Industry Canada helped foster a competitive environment that will increase and improve broadcasting and telecommunications services to Canadian entrepreneurs and consumers.

Industry Canada worked closely with public safety organizations to establish new technical requirements to ensure that police, fire and ambulance communications systems can talk to each other on new, dedicated frequencies.

Modernizing Canada's intellectual property regime

The Patent Prosecution Highway Pilot Program of the Canadian Intellectual Property Office and the United States Patent and Trademark Office was launched on January 28, 2008. Under the program, patent applicants may, when the intellectual property office in one country accepts their claims, request an accelerated examination in the other. The objective of the pilot program is to gauge the interest of applicants and to assess the anticipated benefits to each office, with the goal of significantly accelerating examination of patent applications and improving patent quality.



2008–2009  
business objectives

Status

Enhancing and promoting consumer interest	The Office of Consumer Affairs is actively engaged in several projects to support the harmonization of federal, provincial and territorial consumer policies, and is collaborating with international partners such as the Organisation for Economic Co-operation and Development and the International Organization for Standardization to advance the development of international consumer policy and consumer protection models. It is also producing strategic consumer research and information products designed to meet consumer needs in the modern marketplace.
Improving the insolvency system	The official and final versions of amended regulations outlining the administrative details of the <i>Wage Earner Protection Program Act</i> as well as the Bankruptcy and Insolvency General Rules were published in the July 23, 2008, edition of the <i>Canada Gazette</i> , Part II. The amendments are intended to encourage the restructuring of viable businesses, improve protection for workers in bankruptcy, make the insolvency system fairer and reduce the potential for abuse.
Enhancing Canadian measurement standards	Measurement Canada consulted with more than 1200 stakeholders by email and contacted 50 companies and associations directly as part of the legislative review of the <i>Weights and Measures Act</i> and <i>Electricity and Gas Inspection Act</i> . The review identified several areas to be addressed as part of the modernization of the status to improve measurement accuracy in the marketplace and reduce consumer and business risk of financial loss due to inaccurate measurement.
Preparing for the Vancouver 2010 Olympic and Paralympic Winter Games	Industry Canada made recommendations resulting in Bill C-47, the <i>Olympic and Paralympic Marks Act</i> , which provides special, limited-time intellectual property protection for Olympic and Paralympic words and symbols and prohibits “ambush marketing” that seeks to capitalize on the goodwill of the Olympic movement by creating a false, unauthorized association with the Games without making the financial investment required to secure official sponsorship rights. The Act received royal assent on June 22, 2007.
Supporting privacy and the online economy	<p>Consultations were held on the implementation of the Government Response to the Parliamentary Report on the review of the <i>Personal Information Protection and Electronic Documents Act</i> (PIPEDA). Views and advice provided by stakeholders informed the development of legislative options for strengthening PIPEDA and improving its effectiveness.</p> <p>The Deputy Minister headed the Canadian delegation attending the Organisation for Economic Co-operation and Development (OECD) Ministerial Conference, at which the 30 OECD member countries and 9 non-OECD countries adopted the Seoul Declaration for the Future of the Internet Economy, which outlines principles to guide future development of the Internet.</p>

2008–2009  
business objectives

Status

Protecting and promoting competitive markets

Through the efforts of the Competition Bureau, Industry Canada increased compliance with the various laws it administers through enforcement and advocacy, and fraud prevention and awareness. Enforcement capacity was strengthened in regional offices by giving them responsibility for responding to local cartels, with a strong emphasis on bid-rigging.

The Community of Federal Regulators recognized the Competition Bureau for its innovative work on [Project False Hope — Combatting Cancer Fraud](#), which is a dedicated Internet surveillance and enforcement program aimed at combating misleading and deceptive advertising found on the Internet.

Holding the Advanced Wireless Services Spectrum Auction

The Auction for Spectrum Licences for Advanced Wireless Services and Other Spectrum in the 2 GHz Range took eight weeks and comprised 331 rounds of bidding, coming to a successful end on July 21, 2008. Of the 292 licences available, 282 were conditionally assigned to 15 companies. The auction generated almost \$4.3 billion in revenues for the Government of Canada and far exceeded all expectations.

Of the 105 MHz of spectrum made available in this auction, 40 MHz was set aside exclusively for new entrants, to foster more competition in the wireless market.

Industry Canada also successfully negotiated three new frequency-sharing agreements with the United States that will enable the reliable operation of advanced wireless services along the Canada–U.S. border.

## Strategy 2: Fostering the knowledge-based economy through enhanced research and innovation, training and skills

2008–2009  
business objectives

Status

Implementing the Science and Technology Strategy

The business-led Networks of Centres of Excellence program was launched to fund large-scale collaborative networks that increase private sector investments in research in Canada, support the training of skilled researchers, and optimize the timeline between research and commercialization. Ten applicants were invited to submit full proposals; the winners are expected to be announced in early 2009.

Eleven new Centres of Excellence for Commercialization and Research were selected. These will be world-class centres to advance research and facilitate commercialization of technologies, products and services.

ACCELERATE Canada, a not-for-profit consortium, was chosen to run the Industrial R&D Internship program to place 1200 graduate students and post-doctoral graduates with businesses across Canada over the next two years.

The new Science, Technology and Innovation Council provided policy advice to the Government of Canada on measures to improve business research and development, refining the four research and development priorities in the Science and Technology Strategy, improving the benefit to Canada from international science and technology collaborations, and advice on the design of the Canada Excellence Research Chairs program and the Vanier Canada Graduate Scholarships program. The Council also laid the groundwork for its first report, which will be released publicly in 2009 and will measure Canada's science and technology performance against international standards of excellence.

Overall, important progress has been made in implementing all 36 commitments in the Science and Technology Strategy. The inter-departmental Assistant Deputy Ministers' Committee on Science and Technology is coordinating the implementation, which involves 22 departments and agencies in collaboration with partners and stakeholders. Significant progress has been made to create value for Canadians and lay the foundation for benefits from science and technology in the future.

Expanding the Canada Graduate Scholarships program

The Minister announced the implementation of the Vanier Canada Graduate Scholarships program on September 2, 2008. These scholarships were designed to attract world-class doctoral students to Canada and retain Canadian students who might otherwise study elsewhere. The program will support up to 500 doctoral students annually and provide tax-free funding of \$50 000 per year for three years. Funding for the program will total \$25 million per year in 2011–2012 and thereafter.

The Minister also announced the implementation of the Canada Excellence Research Chairs program on September 2, 2008. The program provides \$1.4 million per year for up to seven years to 20 research chairs in the Science and Technology Strategy's priority areas (environment, natural resources and energy, health and related life sciences, and information and communications technology) to support breakthrough research by global leaders and build critical mass in these areas. The program aims to attract the world's best researchers to Canada's universities. Chairs are competitively awarded to institutions, with no pre-determined allocation, except for the priority areas, with a minimum of three to be awarded in each area.

## 2008–2009 business objectives

## Status

Enhancing  
global academic  
research networks

Industry Canada continued to support the objectives of CANARIE Inc. to expand and upgrade the advanced research network and to develop, demonstrate and implement next-generation technologies. This support helped pave the way for the launch of CANARIE's Infrastructure Extensions Program and Network-Enabled Platforms Program.

Pursuing communications  
research initiatives

In partnership with DSO National Laboratories of Singapore, Communications Research Centre Canada (CRC) demonstrated the world's smallest software-defined radio that is compliant with the Software Communications Architecture specification. The small size makes it possible to incorporate such technology into many more consumer products, vehicle components and robotics applications than previously.

CRC signed a service contract with the North American Broadcasters Association to evaluate possible interference with digital television reception of transmissions of broadband over power lines.

CRC made several technology-based presentations to federal organizations, including to the Standing Committee on Canadian Heritage on the impact of technologies and the role of public broadcasters in the 21st century, and to the Canadian Radio-television and Telecommunications Commission on new media.

CRC launched a free online service to calculate radio frequency coverage so that users are better equipped to optimize coverage and reduce implementation costs as they plan and design broadcast systems.

CRC received several awards honouring its technology transfer and commercialization track record: recognition as the developer of Search and Rescue Satellite-Aided Tracking, receipt of an innovation award as a partner in the Agile All-Photonic Networks Research Network, and induction into Canada's Telecommunications Hall of Fame.

Supplementing access  
to information and  
communications  
technology

Industry Canada's regional offices supported the Information Highway Applications Branch in the collection of data and the monitoring of Community Access Program sites. They foster the networking between information and communications technology associations, enterprises, and research and development organizations, and raise the awareness of Industry Canada's priorities. The regional offices work with the Department's partners in the regions to establish a common view of the challenges that face the information and communications technology sector.

2008–2009  
business objectives

Status

Supporting innovation in aerospace and defence

The following are highlights of Strategic Aerospace and Defence Initiative investments in 2008–2009.

Héroux-Devtek Inc. of Longueuil received a \$27-million investment in a \$77 million project to develop and integrate new technologies into landing-gear systems and their design and manufacture. The project will also develop landing-gear components, such as in-flight monitoring and electronic systems, for next-generation aircraft. These technologies will make landing gear more secure and reliable and help detect problems before they occur.

Integran Technologies Inc. of Toronto received a \$4.6-million investment in an \$11.5-million project that will contribute to the research and development for next-generation nanotechnology-based coatings for the multinational Joint Strike Fighter program. This project is to develop a hard metal coating to extend the life of tools that form and shape airplane parts. Integran will collaborate with University of Toronto graduate students on this project, supporting knowledge and technology transfer from academia into a commercial setting.

Bristol Aerospace Limited, a division of Magellan Aerospace Corporation of Mississauga, received a \$43.4-million investment in a \$120-million project for the research and development of new processes supporting next-generation composite manufacturing and complex assemblies for the Joint Strike Fighter program. This work will involve extensive collaboration with industry and research institutions. Benefits include creating and maintaining highly skilled jobs in Canada, while contributing to an aerospace composite centre of excellence in Winnipeg.

Norsat International Inc. of Richmond, British Columbia, received a repayable contribution of \$5.97 million towards a \$17-million research and development project related to next-generation portable ground satellite telecommunications technologies. This project will expand the company's technical capabilities in several ways, improving the effectiveness of satellite communications used in the field. Norsat will collaborate with Simon Fraser University graduate students on this project, once again promoting knowledge and technology transfer.

Developing  
Technology Roadmaps

The Industry Sector completed three Technology Roadmaps (with four ongoing), bringing together representatives from industry, its supply chain, academia, research groups and government to identify and prioritize the technologies needed to create new products to meet future market demand. It is a collaborative method to guide strategic research and development decisions that support innovation.

### Strategy 3: Supporting business through policies and programs that promote competitiveness and productivity

2008–2009 business objectives	Status
Strengthening tourism through policy integration and advocacy	<p>Industry Canada's Tourism Directorate supported the Secretary of State (Small Business and Tourism) in engaging with tourism stakeholders to identify opportunities and challenges facing the industry, with particular emphasis on northern tourism.</p> <p>The Directorate increased its outreach to federal stakeholders to collaborate on how to enhance Canada's competitiveness in light of developments such as the Western Hemisphere Travel Initiative, which brings in new rules for travelling and bringing goods into the United States, and the Foreign Convention and Tour Incentive Program, which offers incentives for organizations holding conventions or bringing groups to Canada. In addition, the Directorate has been working closely with other government departments to document federal expenditures in support of the tourism sector, and has strengthened relationships with the Canadian Tourism Commission to ensure alignment of its marketing and research initiatives with federal policies.</p>
Supporting Canadian industries	<p>Industry Canada is providing up to \$80 million through a repayable contribution from the Automotive Innovation Fund for Ford Motor Company of Canada's Renaissance Project, which is expected to create or sustain up to 757 Canadian jobs and make Canada a leader in green, fuel-efficient auto technologies.</p>
Supporting small and medium-sized businesses	<p>Spectrum, Information Technologies and Telecommunications Sector consulted with key information and communications technology industry players in Vancouver, Winnipeg, Toronto, Montréal and Halifax to develop a research agenda that will benefit the sector and to identify impediments to sector growth. Intelligence gained will be used to enhance policy options to develop targeted business development services and to influence federal partners to provide more relevant service to industry.</p> <p>Industry Canada is helping small and medium-sized enterprises and entrepreneurs grow and prosper. The Canada Small Business Financing Program, in partnership with financial institutions, facilitated access by small and medium-sized enterprises to approximately \$1 billion of financing in 2008–2009 so they could buy and improve business assets. As well, Industry Canada continued to collaborate with the Business Development Bank of Canada to support Canadian businesses.</p> <p>In collaboration with regional development agencies, the Department completed consultations and research to develop a new vision and service strategy for the Canada Business Network, an information service to support business start-up and growth for small business and entrepreneurs. The Regional Operations Sector provided operational leadership for Canada Business centres in Ontario, Nunavut, the Northwest Territories and Yukon, including pilot projects in Ontario to provide Spanish-language telephone service and initiate a Service Canada/ServiceOntario referral partnership. Also, BizPaL, an online tool providing permit and licence information from all levels of government, expanded to include Newfoundland and Labrador, the Northwest Territories, and New Brunswick.</p> <p>Industry Canada continued to coordinate federal efforts to reduce the paperwork burden for businesses by 20 percent. Participating departments and agencies, including Industry Canada, implemented measures to achieve their reduction targets and undertook complementary measures to ease small business' overall compliance burden. The latter include measures to simplify existing administrative processes, create single-window access to multiple government services (similar to BizPaL), harmonize definitions and requirements across departments and levels of government, and create tools to provide relevant and timely information to entrepreneurs.</p>

2008–2009  
business objectives

Status

Implementing  
the *Sustainable  
Development Strategy*

Industry Canada continued to implement the 26 action items in the Department's *Sustainable Development Strategy 2006–2009*. Implementation of the action items is undertaken by 11 branches in five sectors of the Department. The action items aim to achieve the following vision: In support of a competitive economy, Industry Canada is positioned as a leader in supporting sustainable development technologies and practices for business and consumers. The action items fall under one of the following three strategic outcomes: sustainability-driven technologies and commercialization; sustainability tools, practices, research and awareness; and sustainability practices and operations within Industry Canada.

According to the results of the fourth reporting period (April 1, 2008, to September 30, 2008), progress on the implementation of the action items is proceeding well towards full implementation by December 2009. For highlights of progress of action items over this reporting period, please view the performance reports at our website at [www.ic.gc.ca/epic/site/sd-dd.nsf/en/h\\_sd00521e.html](http://www.ic.gc.ca/epic/site/sd-dd.nsf/en/h_sd00521e.html).

Given the passage into law of the *Federal Sustainable Development Act* in June 2008, Industry Canada will be required to support, according to its mandate, the federal goals in a new federal sustainable development strategy to be tabled in Parliament in June 2010. As well, the Department will be required to table its new *Sustainable Development Strategy* in June 2011.

Delivering  
infrastructure programs

Industry Canada administers infrastructure programs on behalf of Infrastructure Canada. These include the Canada-Ontario Municipal Rural Infrastructure Fund (in collaboration with the Government of Ontario), the Municipal Rural Infrastructure Fund top-up, the Canada Strategic Infrastructure Fund and the Building Canada Fund. The most recent program, the Communities Component of the Building Canada Fund, which was launched in Ontario on August 26, 2008, assists smaller communities undertake capital projects that will enhance the well-being of residents in their communities. These infrastructure programs foster economic growth, support a cleaner environment, and promote stronger, safer communities in Ontario.

Administering the Ontario  
Potable Water Program

Industry Canada began to administer the Ontario Potable Water Program, which was announced in February 2008. The program provides funds to cover municipalities' increased costs for water projects under the Canada-Ontario Infrastructure Program to comply with changes to Ontario drinking water regulations.

2008–2009  
business objectives

Status

Supporting development  
in Ontario

Regional Operations Sector worked to raise awareness across the Department of the regional context through intelligence reports, provincial economic overviews, industry profiles, etc. Challenges faced by small businesses in the regions and the strategies, action plans and initiatives of partners in the regions were communicated so that departmental decision making on policies, programs and services is regionally attentive and nationally encompassing.

FedNor continued to provide support for regional development in Ontario through its three programs — the Northern Ontario Development Program, the Eastern Ontario Development Program and the Community Futures Program — to promote the sustainable development of communities, encourage innovation and strengthen the competitiveness of small and medium-sized enterprises. For example, FedNor continued to deliver its \$14.7 million commitment to help establish the Molecular Medicine Research Centre in Thunder Bay. The new centre will support leading-edge research that has commercial potential and will foster strategic alliances among research and post-secondary educational institutions, the private sector, communities and government.

Supporting the Security  
and Prosperity Partnership  
of North America

The Security and Prosperity Partnership (SPP) of North America — Canadian Secretariat supported the Minister of Industry in leading Canada's engagement in the SPP and in advancing strategic Canadian interests with respect to security and prosperity within North America.

The Secretariat provided advice and contributed to preparations for the SPP ministerial meeting in February 2008 in Los Cabos, Mexico, and for the North American Leaders' Summit held in New Orleans in April 2008. The Secretariat worked closely with federal departments and agencies, and with officials from the U.S. and Mexico, to implement initiatives announced by leaders at the summit to advance their five priorities (enhancing the global competitiveness of North America, safe food and products, sustainable energy and the environment, smart and secure borders, and emergency management and preparedness).



## Corporate priorities

### Strengthening management practices

In 2008, Treasury Board Secretariat and Canada Public Service Agency recognized Industry Canada for improved management in a number of areas.

**Effectiveness of financial management and control** (performance improved from “acceptable” to “strong”): In particular, the agencies complemented the Department on the accuracy, scope and frequency of internal reporting to senior management.

**Effective project management** (improved from “opportunity for improvement” to “acceptable”): The agencies recognized that the Department has the essentials of effective project management in place, including organization-wide project governance, rigorous resource management and results-focused oversight. These in turn ensure to a reasonable level that project risks will be mitigated and results achieved.

**Integration, use and reporting of performance information** (improved from “opportunity for improvement” to “acceptable”): Industry Canada was encouraged to improve its use of financial and non-financial performance information as a basis for analyzing program spending.

Over the course of 2008–2009, Industry Canada continued to make improvements in a number of areas.

**Utility of the corporate performance framework:** Industry Canada worked diligently to develop the 2009–2010 Program Activity Architecture (PAA), which is an inventory of all the programs and activities undertaken by the Department and provides a framework for planning, performance measurement and reporting. Treasury Board approved it in May 2008. The Department also strengthened the Performance Measurement Framework for the renewed PAA so that credible, reliable performance information is available to support decision making and demonstrate value for money.

**Quality reporting to Parliament:** Industry Canada participated in a pilot project with Treasury Board Secretariat to improve the 2007–2008 Departmental Performance Report (DPR) and held a workshop on quality reporting to Parliament in June 2008, which highlighted concise and balanced reporting. Industry Canada improved the 2007–2008 DPR by including externally verified sources of information, evidence-based information and lessons learned. In the 2009–2010 Report on Plans and Priorities, the Department improved performance measurement information by including targets for all performance indicators.

**Effectiveness of corporate risk management:** Industry Canada has made a significant effort to improve the Department’s risk management practices. In September 2008, the Department finalized the Integrated Risk Management Framework and communicated it to employees, followed by the Corporate Risk Profile. Action plans were created for key strategic risks, and these risks are being monitored and progress reported on to senior management. In addition, risk was integrated into the departmental planning process to ensure that the Department’s risk context is taken into account.

**Effectiveness of asset management:** Industry Canada developed a real property management framework, a real property policy and performance measures. These will be implemented within the Department to support investment decisions in Industry Canada’s Investment Plan.