
HUMAN RESOURCES AND SKILLS DEVELOPMENT CANADA

2005–2006
Estimates

A Report on Plans and Priorities

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MINISTERS' MESSAGES



I am pleased to present the *2005–2006 Report on Plans and Priorities* and our upcoming agenda.

The Government of Canada is working to achieve its goals of strengthening Canada's social foundations, building a 21st-century economy, and ensuring Canada's role in the world. Human Resources and Skills Development Canada (HRSDC) plays a key role in meeting these commitments.

The upcoming year will be an exciting one for HRSDC, and plans include creating opportunities for skills development, learning and employment, supporting the economic advancement of families and communities, and improving the overall quality of life of Canadians. This department is committed to continue its work to improve and modernize the way we deliver our programs and services, resulting in an improved capacity to reach, engage and serve citizens. In order to ensure our programs run as effectively and efficiently as possible, HRSDC will continue to strengthen its management and financial stewardship.

HRSDC strives to help Canada have the best trained and most highly-skilled workforce in the world. Together, we are committed to helping all Canadians achieve the skills they need to obtain meaningful work. To do so, we are building a culture of lifelong learning, ensuring affordable access to learning opportunities, and promoting a learning system that is responsive to both the needs of Canadians and that of the economy. We will continue to work with the provinces and territories to update our labour market programming to better reflect the realities of work in the 21st century.

Partnerships remain key to the success of the department's programs and initiatives. HRSDC will continue working with all its partners, including official language minority communities, to address employment and skills-related issues. HRSDC will also implement the renewed Aboriginal Human Resources Development Strategy, working with Aboriginal partners to ensure its success.

Canada is stronger when its citizens fully contribute their skills and talents to the labour market and our society. We are determined to create a prosperous country with an efficient and well-functioning labour market.

The Honourable Lucienne Robillard, P.C., M.P.
Minister of Human Resources and Skills Development



I am pleased to present our ambitious agenda for the coming year, particularly with my new responsibilities which now include Labour and the Canada Mortgage and Housing Corporation together with the National Homelessness Initiative.

The Government of Canada recognizes homelessness as a priority and encourages practical, local solutions — offering a strong validation of the community-driven approach of the National Homelessness Initiative. Partnerships enhance the capacity of Canadian communities to address homelessness in a sustainable way. Together all orders of government, the private sector, unions and non-governmental organizations are working at the local level to provide an array of services to meet the needs of homeless individuals and families and those at risk of becoming homeless. To help break the cycle of homelessness, we look forward to continuing to strengthen the integration between homelessness and housing initiatives. In January, the first of a series of consultations with homelessness and housing stakeholders took place across the country. These consultations will lead to the development of a Canadian Housing Framework that will build on existing programs and introduce new initiatives to create a more comprehensive range of housing programs.

The Labour Program promotes a safe, fair, healthy, stable and cooperative workplace both in Canada and abroad. We will continue to modernize our labour legislation and explore new ways of improving the administration of our labour law to support fair, safe, healthy, flexible and productive workplaces. Through the work of our conciliators and mediators, we will continue to support the industrial relations system by assisting employers and unions in the collective bargaining process. We will also continue to demonstrate federal leadership through research on workplace practices and labour-related issues. The Labour Program will promote work-life balance through its research and information-sharing activities in order to reduce work-life conflict and contribute to improved productivity.

The Government of Canada is also committed to seeing the benefits of global interdependence spread more fairly throughout the world. This calls for multilateral institutions that work, and for greater collaboration among nations to ensure that economic policies go hand-in-hand with stronger social programs to alleviate hunger, poverty and disease, and to help raise the standard of living in developing countries.

Our agenda for 2005–2006 is challenging. We are committed to improving the lives of Canadians by building on our efforts to date.

*The Honourable Joe Fontana, P.C., M.P.
Minister of Labour and Housing*

BUDGET 2005 ANNOUNCEMENTS

The Government of Canada tabled the 2005 Budget on February 23, 2005, outlining its priorities for Canadians for the upcoming years. The following Budget announcements affect Human Resources and Skills Development Canada (HRSDC) and support the human capital and service to Canadians priorities outlined in this report.

A productive, growing and sustainable economy — investing in people

Workplace Skills Strategy: The Government committed \$125 million over the next three years to work with stakeholders on a Workplace Skills Strategy. HRSDC will work with its partners — provinces and territories, their colleges and training institutions, business and labour, and individuals — to ensure that workers acquire the skills they need to succeed. This will include strengthening apprenticeship systems in Canada, including participation of Aboriginal Canadians; fostering ongoing dialogue with workplace partners; and leveraging support from workplace partners for pilot projects targeted to the currently employed.

Employment Insurance: Furthering its commitments to refine Employment Insurance (EI), the Government of Canada proposes to introduce a new permanent rate-setting mechanism for 2006 which takes a new approach on governance. These actions will enhance transparency, accountability and take into consideration the views of stakeholders and the Parliamentary Standing Committees. Under this new mechanism, the Canada Employment Insurance Commission would have the legislative authority to set the premium rate.

Additional measures announced by the Minister of HRSDC demonstrate the Government's commitment to help alleviate the challenges faced by Canadian workers who lose their job and turn to Employment Insurance for assistance. Three pilot projects in regions of high unemployment will test the labour market impact of changes to eligibility, benefits and working-while-on-claim; and are part of the Government commitment to reviewing the Employment Insurance program to ensure it responds to the evolving challenges and circumstances facing unemployed workers.

In addition, the pilot project introduced last year providing workers with five additional weeks of EI regular benefits in regions of high unemployment will be continued for a second year. The pilot project is designed to help address the annual income gap faced by workers with limited work alternatives.

The EI “transitional boundaries” provisions in the EI economic regions of Madawaska-Charlotte, New Brunswick, and Lower St. Lawrence/North Shore, Quebec will be extended an additional year to October 2006.

Finally, the Budget also signals the Government's intention to conclude an agreement with Quebec on the establishment of Quebec's own parental benefits program in accordance with the *Employment Insurance Act*. Under such an agreement, the Government of Canada would adjust federal EI premium rates in Quebec to provide Quebec premium space to put its own program in place. While negotiations are still under way, the federal government will provide transitional assistance to Quebec to support the launch of the provincial program if a final agreement is reached before March 31, 2005.

Literacy and Essential Skills: Thirty million dollars will be invested over three years to enhance the National Literacy Secretariat's capacity to further develop partnerships with provinces, territories, business and labour to foster awareness of and involvement in literacy issues and to promote learning in the workplace. HRSDC will work with provinces, territories and stakeholders on the development of a comprehensive strategy in support of literacy and essential skills development.

Post-Secondary Education: Following up on the learning initiatives from Budget 2004, with this Budget, the Government is taking further action to improve the Canada Student Loans Program by proposing two changes to the system of student financial assistance — extending the eligibility for loan forgiveness and amending the eligibility criteria for Canada Millennium Scholarships.

Other announcements: Support for Official Language Minority Communities was also extended in the Budget, as well as the transfer of the Youth Internship Program from Public Service Human Resources Management Agency of Canada, to HRSDC.

The Government also announced its intention to renew and extend housing initiatives.

A commitment to deliver services better and more efficiently

Service Canada: The new Service Canada initiative will provide a single Government of Canada service delivery network which will enhance the delivery of programs and services to Canadians. It will offer easy, one-stop access to Government of Canada programs and services — online, on the phone, by mail, and at 320 Service Canada offices in communities across the country. The new Service Canada initiative is expected to be completed over a three-year period.

Expenditure review for sound financial management

Through the Service Canada Initiative, the Budget has identified future savings of just over 3 billion dollars, over the next five fiscal years, on a government-wide basis. The exact amounts for HRSDC savings related to the Service Canada Initiative have yet to be confirmed.

The contributions under the HSRDC portfolio to the government-wide expenditure review process were announced in the Budget. Savings have been identified from increased debt collections services related to HRSDC programs, including Canada Student Loans Programs, and through administrative and program efficiencies from the Canada Mortgage and Housing Corporation.

***Note:** These recent announcements are not in the narrative of the Report on Plans and Priorities, however, the department is committed to moving forward on these priorities and will report on them in its 2005–2006 Departmental Performance Report. The Budget announcements are included in the planned spending figures for the department, with the exception of savings attributed to the Service Canada Initiative, which will result in future adjustments to planned spending for HRSDC.*



HUMAN RESOURCES AND SKILLS DEVELOPMENT OVERVIEW

MANDATE

HRSDC's vision is a country where individuals have the opportunity to learn and to contribute to Canada's success by participating fully in a well-functioning and efficient labour market. HRSDC's mission is to improve the standard of living and quality of life of all Canadians by promoting a highly skilled and mobile labour force and an efficient and inclusive labour market. As shown in Diagram 1, the department has a central role in helping build a 21st century economy for Canada and in strengthening Canada's social foundations.

The department contributes to meeting its vision and mission by providing Employment Insurance benefits to support Canadians during times of transition, such as job loss, sickness and birth or adoption of a child, providing employment programs for the unemployed, enhancing access to post-secondary education, encouraging workplace skills development, and encouraging lifelong learning for Canadians. It also promotes a safe, healthy, fair, stable, cooperative and productive work environment and works toward enhancing Canadian communities' capacity to address issues of homelessness.

The Minister of Labour and Housing also has the responsibility for the Canada Mortgage and Housing Corporation.

HRSDC is a major provider of direct services to Canadians, with over 80 percent of its staff in the regions, and represents the face of the Government of Canada for many Canadians across the country. The department is taking steps to modernize the way benefits and services are delivered, to improve its capacity to reach, engage and serve Canadians.

Relations with the provinces and territories are an integral component of HRSDC's mandate. The department works closely with provinces and territories on learning, homelessness, labour market and workplace issues.

Strategic outcomes

HRSDC has developed strategic outcomes that reflect the results the department is expected to achieve through its broad array of programs and services. The strategic outcomes are:

- efficient and inclusive labour market transitions through temporary income support and active employment measures
- enhanced productivity and competitiveness of Canadian workplaces by supporting investment in and recognition and utilization of skills
- through access to learning, Canadians can participate fully in a knowledge-based economy and society
- safe, healthy, fair, stable, cooperative and productive workplaces
- enhanced community capacity to contribute to the reduction of homelessness
- seamless, integrated and multi-channel service delivery that ensures client satisfaction.

The strategic outcomes provide the structure against which results will be reported¹ and the framework for the development of departmental performance measurement.

OUR BUSINESS

HRSDC is a large government department. The department has nearly 14,000 employees and is responsible for about \$20 billion in planned spending to benefit Canadians in 2005–2006.

TABLE 1: HRSDC FINANCIAL AND HUMAN RESOURCES

	Planned Spending		
	2005-2006	2006-2007	2007-2008
Financial Resources (in millions of dollars)			
Operating Expenditures (gross)	1,935.4	1,922.1	1,931.1
Non-Statutory Grants and Contributions ^a	804.5	678.6	670.6
Statutory Grants and Contributions	1,004.4	1,041.8	1,079.2
Total Gross Expenditures	3,744.3	3,642.5	3,680.9
Loans disbursed under the <i>Canada Student Financial Assistance Act</i>	1,118.8	967.8	882.1
EI Part I - Income Benefits	13,595.4	14,133.4	n/a ^c
EI Part II - Employment Benefits and Support Measures	2,145.6	2,145.6	n/a ^c
Government Annuities and Civil Service Insurance Payments	52.1	49.1	46.1
Total	20,656.2	20,938.4	4,609.1^c
Other Departmental Costs			
EI Doubtful Accounts	61.0	63.0	n/a ^c
EI Administration Costs - Other Government Departments	118.5	112.2	n/a ^c
Workers Compensation Recoveries	(75.3)	(77.4)	(80.4)
Consolidated Total^b	20,760.4	21,036.2	4,528.7^c
Human Resources			
Full Time Equivalents	13,647	12,927	12,892

a. A portion of the \$100 million over five years for Enhanced Service to Prospective Immigrants announced in Budget 2005, will be allocated to HRSDC. This will result in a subsequent adjustment to planned spending.

b. EXPENDITURE REVIEW SAVINGS:

- HRSDC will increase collections of debt due to improvements in collection services related to HRSDC programs including Canada Student Loans Program. This accounts for \$6 million in 2005–2006, rising to \$10 million per year thereafter.
- Canada Mortgage and Housing Corporation (CMHC) will achieve savings of \$6 million in 2005–2006 and \$10 million per year thereafter through administration and program efficiencies. This item is reported in CMHC's Report on Plans and Priorities.
- Savings attributed to the Service Canada Initiative will result in subsequent adjustments to planned spending for HRSDC.

c. Forecasted expenditures for EI Benefits (Parts I and II) are only presented for the planning years 2005–2006 and 2006–2007.

¹ HRSDC continues to refine its strategic outcome and program activity descriptions. As a result, some minor wording differences exist between the RPP and Part II of the 2005–2006 Main Estimates.

Nearly three million Employment Insurance claims alone were processed by the department in 2003–2004

The average Canadian is more likely to be in contact with HRSDC than most other federal government departments. HRSDC delivers Employment Insurance benefits, assists unemployed Canadians to develop skills and find jobs, and provides financial assistance to support post-secondary education. The department also provides mediation and conciliation services related to labour disputes, and supports communities in dealing with housing and homelessness issues.

Shared service delivery model ensures that Canadians receive seamless, single-window service

HRSDC's responsibility for direct service delivery to Canadians is anchored in a network of 320 Human Resource Centres of Canada, as well as regional offices in each of the provinces. In addition to delivering services on behalf of HRSDC, the regional network is also responsible for delivering in-person services for Social Development Canada.²

HRSDC is also responsible for the Government of Canada's network of Service Canada access centres. The Service Canada network includes 76 access centres across Canada, 73 of which are directly managed by HRSDC, and three are operated by the Department of Canadian Heritage.

² Social Development Canada's network of call centres and on-line services support the delivery of HRSDC programs, including Employment Insurance and the Canada Student Loans Program, as well as its own programs.

DIAGRAM 1: HRSDC MANDATE



Vision

A country where everyone has the opportunity to learn, and to contribute to Canada's success by participating fully in a well-functioning and efficient labour market

Mission

To improve the standard of living and quality of life of all Canadians by promoting a highly skilled and mobile labour force and an efficient and inclusive labour market.

Strategic Outcomes

efficient and inclusive labour market transitions through temporary income support and active employment measures	enhanced productivity and competitiveness of Canadian workplaces by supporting investment in and recognition and utilization of skills	through access to learning, Canadians can participate fully in a knowledge-based economy and society	safe, healthy, fair, stable, cooperative and productive workplaces	enhanced community capacity to contribute to the reduction of homelessness	seamless, integrated and multi-channel service delivery that ensures client satisfaction
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Program Activities

Employment Insurance	Employment Programs	Workplace Skills	Learning	Labour	Homelessness	Policy, Program and Service Delivery Support
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Program Sub-Activities

Benefits Claims Processing Employment Insurance Premium Collection Appeals Investigation and Control Program Management and Service Improvement	Employment Benefits and Support Measures Labour Market Development Agreements Transfers Aboriginal Human Resources Development Strategy Aboriginal Skills and Employment Partnerships Youth Employment Strategy Labour Market Adjustments and Official Language Minority Communities	Human Resources Partnerships Foreign Worker Program Labour Exchange Labour Market Information	Student Financial Assistance Canada Education Savings Program National Literacy Secretariat Learning Initiatives Program International Academic Mobility Office of Learning Technologies	Federal Mediation and Conciliation Service National Labour Operations Intergovernmental Affairs International Labour Affairs Workplace Policy and Information Aboriginal Labour Affairs	Supporting Communities Partnership Initiative Urban Aboriginal Homelessness National Research Program Regional Homelessness Fund Homeless Individuals and Families Information System Surplus Federal Real Property for Homelessness Initiative	Regional and Local Program and Service Delivery Strategic Policy and Planning Communications
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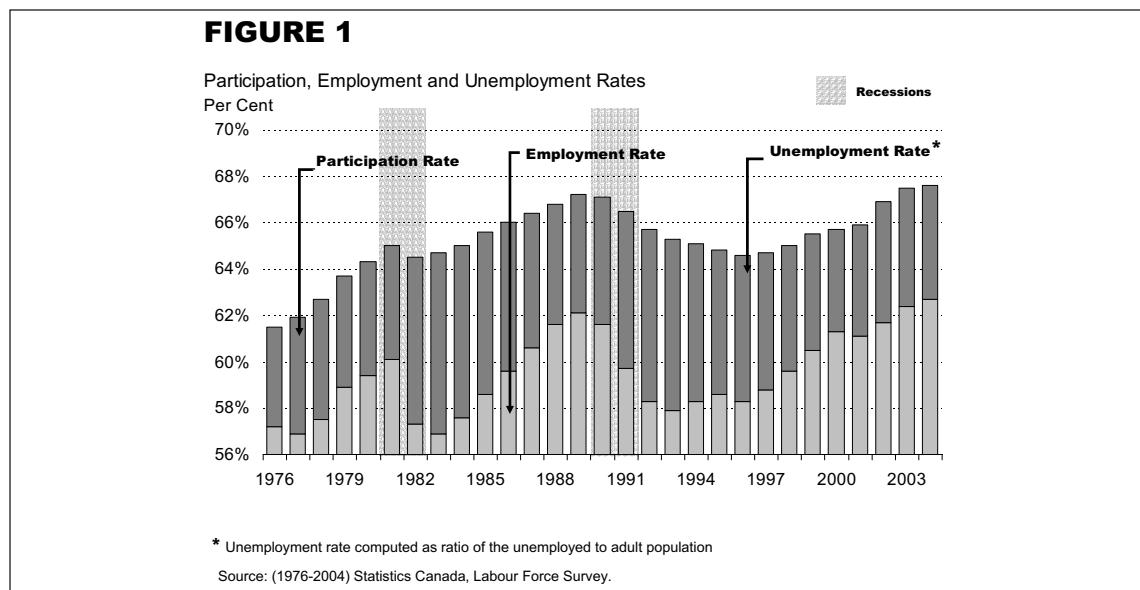
PLANNING OVERVIEW

The Demographic and Economic Environment

The following section provides an overview of the economic and socio-demographic trends that influence the department's policies, programs and services.

Continued healthy growth and job creation

Since the mid-1990s, Canada has experienced vigorous economic growth and the gains Canadians have made in their standard of living have come in no small part from an increased employment rate. More recently, Canada's Gross Domestic Product has continued to increase over the first three quarters of 2004, by nearly three percent on an annualized basis, and is expected to continue growing over the coming year.



According to the Department of Finance, private sector economists “expect growth of 3 percent in 2004 [...]. For next year, 2005, they are forecasting that growth will reach 3.2 percent [...]”³

Throughout 2004, employment grew by nearly 288,000, slower than the gain of 356,000 recorded in 2003, but sufficient enough to maintain the employment rate (the share of the population 15 years of age or over who is working) at 62.7 percent, as shown in Figure 1, the highest level on record. Since 2000, employment growth in Canada has outpaced that of its G-7 partners by a large margin.⁴ The unemployment rate for 2004 was 7.2 percent, a level lower than what has been Canada's average unemployment rate over the last quarter century.⁵

³ *Finance Canada, November 2004; The Economic and Fiscal Update, page 9; available at <http://www.fin.gc.ca/ec2004/speeche.pdf>.*

⁴ *Organisation for Economic Co-operation and Development, Quarterly Labour Force Statistics, Volume 2004/4.*

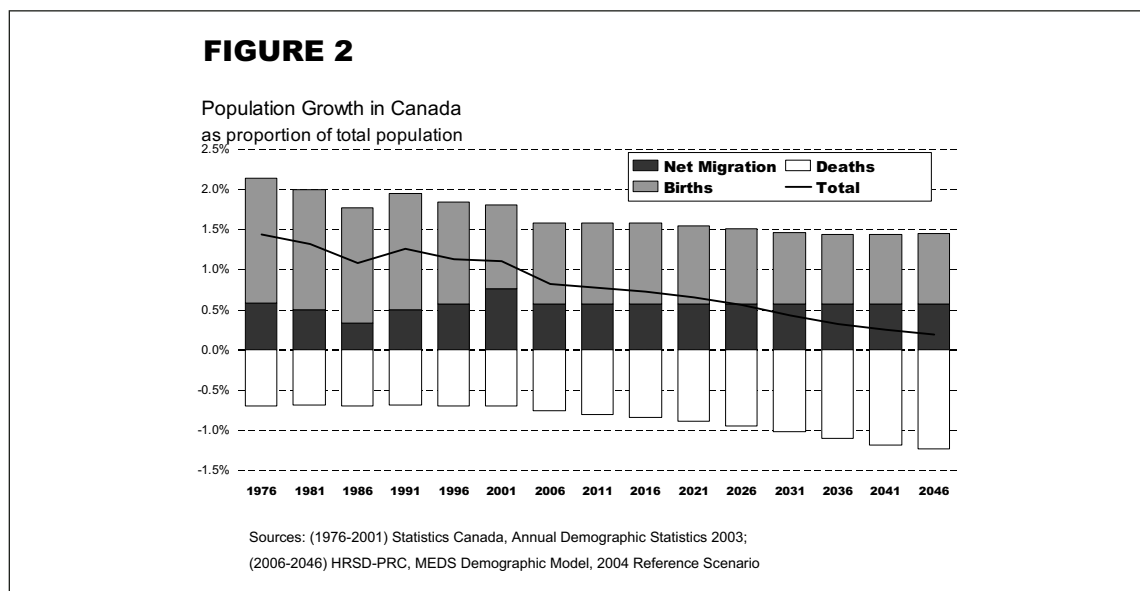
⁵ *Source: Labour Force Survey, Statistics Canada, based on annual averages.*

Canada's strong economic and labour market performance has sustained itself despite some serious recent shocks to the economy. Expectations are that Canada's labour market will continue to do well, and that future labour market developments are likely to lead to further reductions in the unemployment rate.

Impending demographic shifts

Major demographic and economic shifts are looming as the baby-boom generation starts leaving the labour force. These changes will be more evident by the next decade. That is why the demographic and economic outlook for the decades ahead plays such a large part in defining the current activities and perspective of HRSDC.

As Figure 2 shows, population growth in Canada has been decreasing in recent years and is expected to continue doing so for the foreseeable future. Natural population increase (births less deaths) continues to slow and immigration has become and will remain the main source of population growth. Slower population growth means that the labour force will grow more slowly as well. This is compounded by the labour force participation rate of older Canadians. Canadians aged 55 to 64 had a labour force participation rate of less than 60 percent, which is markedly below that of adults aged 25 to 54, whose labour force participation rate exceeded 85 percent in 2004. Although the participation rate of older workers has increased modestly during the last few years, with the renewed vigour of the economy, it appears likely that, within 10 to 15 years, the aggregate labour force participation rate will fall noticeably below current levels.

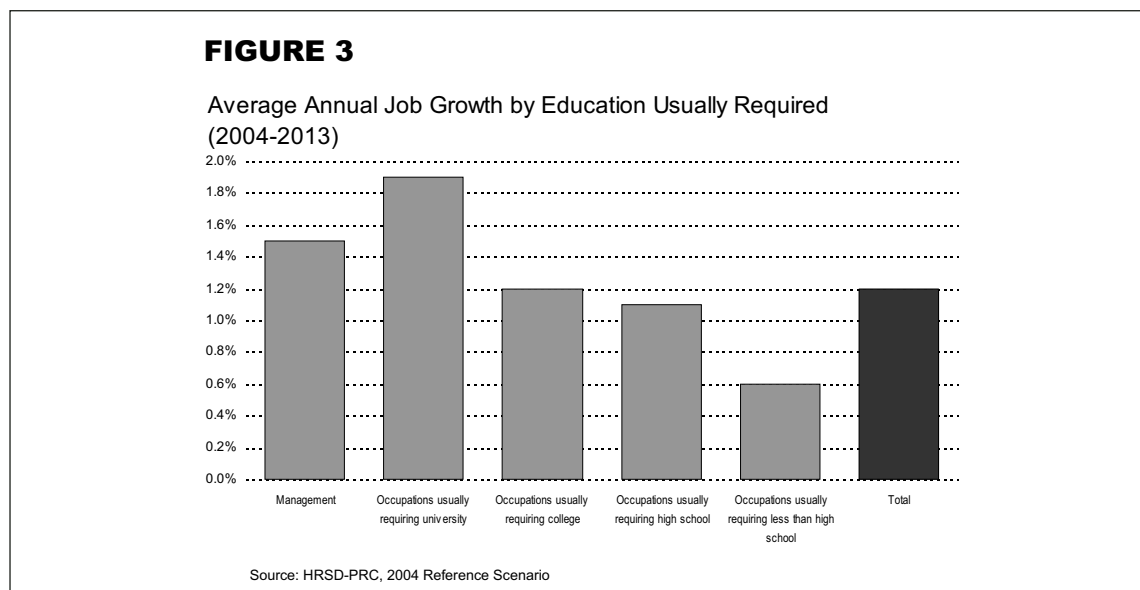


Increasing pressures from retirement of existing workers

The decline in labour force growth has implications on how job openings will occur. In the decades ahead, an ever-increasing proportion of job openings will come from the retirement of those now in employment, not from the creation of new jobs through economic expansion. Over the next 10 years, two of every three jobs that come open will be from retirement.

Ongoing increases in skills and educational requirements

The nature of jobs also continues to change, as there are continuing increases in the educational requirements of new jobs. The mix of production has shifted toward more knowledge-based industries while the mix of jobs within industries has also shifted toward more knowledge-based occupations. As a result, looking ahead, about two thirds of new jobs that will become available will require some form of post-secondary education or be in management occupations. This implies rather different growth rates across types of occupations, as Figure 3 shows. Employment levels have also become much less seasonal in nature, largely due to a shift away from the primary sector.

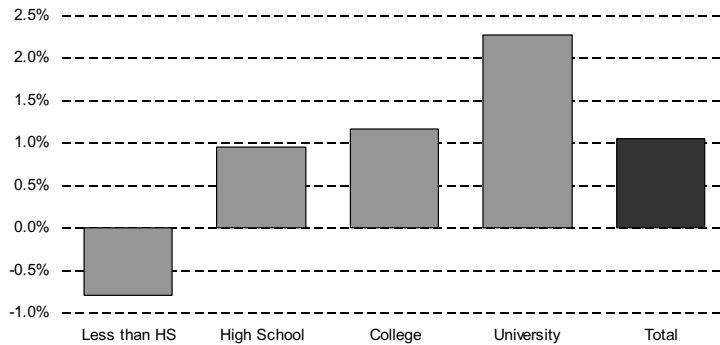


Increasingly skilled labour supply

Over the last few decades, changes in the composition of the labour force have largely met the growing requirements for skills. The average educational attainment of the labour force has increased markedly over the last few decades, as older workers with lower attainment have retired and been replaced by increasingly educated, younger cohorts. As a consequence, as Figure 4 shows, there will be a decline in the number of workers with less than high school education and an above average growth rate in the number of better educated workers.

FIGURE 4

Projected Labour Force Growth (2004-2013) by Educational Attainment (annual average growth rate)



Source: HRSD-PRC, 2004 Reference Scenario

Enrolment rates in post-secondary programs have remained high; for example in 2004 about 36 percent of Canadians aged between 20 and 24 years of age were enrolled in college or university studies.⁶ Overall, the proportion of Canadian working-age adults with post-secondary credentials is the highest in the world. Taken together, these facts indicate that the labour market seems to be in a broad balance: about two thirds of the new jobs created in Canada will be in management or will require some form of post-secondary education, from trades certificates to advanced degrees, while also about two thirds of new labour force entrants will have trade certificates, college diplomas or university degrees.

Need for better education and skills matching

Nonetheless, there are occupations where prospective demand growth could considerably outstrip prospective supply and others where the reverse could be true. In some instances, these trends will increase shortages or surpluses currently experienced; in others, these developments would bring the Canadian labour market closer to balance. The areas where demand could outstrip supply include health occupations, numerous skilled trades occupations, and a wide range of managerial and supervisory occupations. Striking a better balance between Canadians' choice of fields of study — either at the trades, college or university level — and the knowledge and skills needs of workplaces will lead to a more productive economy and a better return on the considerable investment in education made by Canada. Better and more accessible labour market information may be the key to facilitating that matching.

Improving immigrant integration

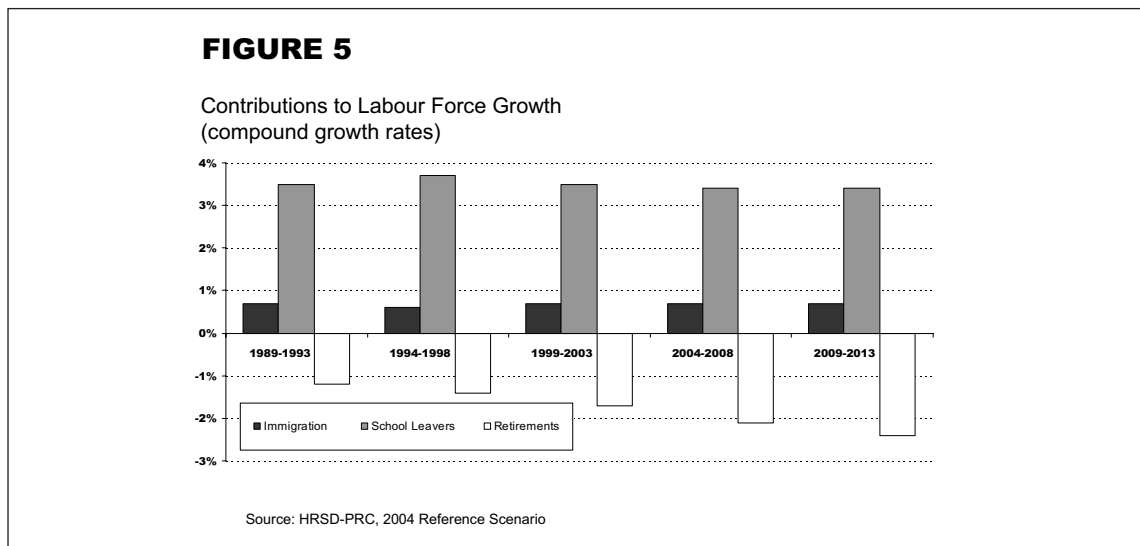
Better integration of immigrants is also essential. Canada is experiencing a continued influx of foreign-trained workers who come from a changing and expanding set of source-countries. For example, only 30 years ago the United Kingdom and the United

⁶ HRSDC calculations based on the Labour Force Survey, Statistics Canada.

States were among the top five source countries; by the late 1990s, these were replaced by Pakistan and the Philippines. The problems that many immigrants have experienced in trying to successfully integrate into the Canadian labour market reflect difficulties in getting academic credentials and foreign experience valued and recognized by Canadian employers and regulatory bodies, inadequate official language skills (and especially functional workplace language skills), and mismatches between immigrants’ skills and the needs of employers in local labour markets. Again, better information regarding the labour market prospects and workplace skills needs will help potential immigrants make an informed decision about whether to immigrate to Canada, better prepare their entry into the Canadian labour force before immigrating and ease the transition after immigrating.

Continuing importance of Canada’s post-secondary education

Canada’s education system will play the key role in increasing overall skill levels and ensuring that the skills of young Canadians respond to employers’ needs. As Figure 5 illustrates, school leavers (those who completed their schooling in Canada) will still outnumber adult immigrants joining the labour force by a five-to-one ratio over the next 10 years. While the level of post-secondary educational attainment among adult Canadians is currently the highest in the world, there are still areas of weakness and some worrying trends, including rising tuition costs and below average university participation rates of low-income Canadians, Aboriginal people, and persons with disabilities. The future labour market success of Canadian students will be aided by providing them appropriate labour market information to help guide their choice of field of study, by giving them adequate financial support while in school, and by the continuing adaptation of the education system itself to changing needs.



Canada’s learning system will have to become more responsive to the needs of those — old or young and Canadian-born or immigrants — who have to fill gaps in their education and skills, irrespective of their age and circumstances. It will also have to

offer additional opportunities to accommodate an increasing need and desire for life-long learning. Thus, more educational services will have to be oriented toward filling skills gaps, rather than offering complete degree programs.

Sustaining economic growth through better productivity growth

With the gradual slowdown in labour force growth and the accompanying ageing of the potential workforce, the central labour market challenge of the 1980s and early 1990s — creating enough jobs for Canadian workers — is being superseded by the challenge of finding enough workers for the specific jobs available and sustaining a solid rate of growth in the economy. In the past, the economy benefited greatly from an expanding labour force and continuous increases in the employment rate. In the future, Canada's growth in GDP per capita will rely more and more on productivity growth.

Need for life-long learning

Labour force quality is a key contributor to productivity. Higher levels of education and skills contribute to stronger growth both directly, in terms of worker productivity, and indirectly, by facilitating the adoption of new technologies and in helping workers adapt to changing labour market requirements.

Future gains in workforce quality will increasingly come to depend on lifelong learning and reskilling, and less on the educational attainment of labour market entrants. This is because the gap between the higher educational attainment of future labour market entrants and retiring workers is smaller than when the baby-boomers entered the labour force in the 1970s and 1980s.

It should also be kept in mind that the skills acquired are more important than simply the number of years of study completed, that skills acquisition also takes place in the workplace, and that some skills — such as time management, creativity, and team work — may actually be better developed in the workplace.

Given the importance of raising skill levels to support productivity growth, it is reassuring to see that — according to the Organization for Economic Co-operation and Development's (OECD) Programme for International Student Assessment (PISA) of 2003, in which 41 countries participated — Canadian 15-year olds were significantly outperformed in mathematics only by their peers from Finland and Hong Kong–China. Similarly, only Finland outperformed Canada in reading skills in 2003, and only four countries performed significantly better than Canada in scientific literacy and in problem solving.⁷ It is also reassuring to see that only a small proportion of Canadian youth have very limited skills in reading and mathematics — a proportion smaller than in most other countries that participated in PISA-2003 — and that the proportion of youth not obtaining their high-school diploma by age 20 came down from 18 percent in 1991 to 12 percent in 1999.⁸

⁷ Bussière, Patrick, Fernando Cartwright, and Tamara Knighton (2004) Measuring up: Canadian Results of the OECD PISA Study: The Performance of Canada's Youth in Mathematics, Reading, Science and Problem Solving, 2003 First Findings for Canadians Aged 15, jointly published by Human Resources and Skills Development Canada, Statistics Canada and the Council of Ministers of Education of Canada; available at <http://www.pisa.gc.ca>

⁸ Bowlby, W. Jeffrey, and Kathryn McMullen (2002). At a Crossroads: First results for the 18 to 20-year-old cohort of the Youth in Transition Survey. Human Resources Development Canada and Statistics Canada. Ottawa.

Evidence from the mid 1990s pointed out that the situation for adult Canadians may be more problematic. The International Adult Literacy Survey of 1994 indicated that about 40 percent of working-age Canadians (around 8 million people) lacked the literacy skills necessary to succeed in the knowledge-based economy and society.⁹ Even though there will continue to be many employment opportunities for Canadians with weaker literacy skills, the empirical evidence shows that individuals benefit from strong literacy skills, as they earn higher incomes and are less likely to be unemployed. At the economy-wide level, higher levels of human capital, of which literacy skills are an important component, are associated with higher productivity levels and standards of living.

While Canada has seen a rebound in labour productivity growth, the country is experiencing slower productivity growth than the United States. A continuation of this trend will inevitably widen the gap in output per worker that has opened up between our two countries. Since it is productivity levels that drive earnings levels over time, a further widening of the US-Canada productivity gap could compromise Canada's ability to compete for the most skilled workers on the international job market — a market where every industrialized economy is facing slowing labour supply growth — reducing both the attractiveness of Canada in the eyes of immigrants and the standard of living for all Canadians.

Improving the integration of marginalized groups

The challenges associated with a further tightening of the labour market may also create the best opportunities in decades for the less advantaged in Canadian society to integrate into the Canadian workforce. Some marginalized groups, including Aboriginal people, recent immigrants and persons with disabilities, often have less education and skills than other Canadians and often face long and/or frequent spells of unemployment and poorly paid work. Less-skilled older workers also face the risk of being left behind as the economy evolves and greater difficulties in finding new work following a job loss.

While a healthy labour market is a necessary condition for getting those at the margins better integrated or re-integrated, it may not suffice to prevent poverty and homelessness. Policy must both try to play that preventive role, and backstop this with a strong remedial function to help those least fortunate get back on their feet. While appropriate incentives are important, the best incentive is earnings, and better skills are key to better earnings.

Recent housing statistics indicate that vacancy rates for rental housing units have increased again in 2004 in most Canadian metropolitan areas, even though they generally remain below the rates observed during the early 1990s.¹⁰ This easing of the rental housing market partly comes from the continued vigour of the construction industry, as housing starts reached a record level in 2004,¹¹ benefiting from low borrowing rates. Most housing starts are targeted at the homeownership market, and relatively few to the rental market.¹² The 2001 Census showed that housing affordability remains an issue for many households, that close to 15 percent of Canadian households are in core housing needs, and that the incidence of core housing needs among renters is higher. There is also evidence that homelessness is a greater problem and more entrenched than it was before the last recession.

⁹ OECD and Statistics Canada, *Literacy in the Information Age: International Adult Literacy Survey, 2000*. Canada participated in the 2003 Adult Lifeskills and Literacy Survey; results from that international survey will be released later in 2005.

¹⁰ Canadian Mortgage and Housing Corporation, December 21st, 2004, news release.

¹¹ Canadian Mortgage and Housing Corporation, January 11th, 2005, news release.

¹² Canadian Mortgage and Housing Corporation, *Canadian Housing Observer 2004*.

TABLE 2: HRSDC CONTEXTUAL INDICATORS

The following table presents a list of the key contextual indicators that are of interest to HRSDC. These indicators form the basis of the demographic and economic environmental analysis presented above. More details on contextual indicators and the overall indicators framework are shown under the section Performance Measurement Framework (see Diagram 3).

INDICATOR	LEVEL
Demographic	
Net Population Growth, by source	(July 2003 to July 2004) Total 0.9% • Natural increase 0.3% • Net migration 0.6%
Population Dependency Rates, 19 years or less, and 65 years or over	19 years or less 24.4% 65 years or over 13.1% Total 37.5%
Economic	
Real GDP growth	3.3% (third quarter of 2004, year-over-year change, in 1997 dollars)
Labour productivity growth, for business sector	-0.3% (third quarter of 2004, year-over-year change)
Canada's productivity level, as percentage of the United States' productivity level	94.2% (2002)
Employment growth	288,000 (2004), based on annual averages
Real GDP per capita (1997 dollars)	\$35,300 (third quarter of 2004)
Net worth per capita (1997 dollars)	\$112,700 (2003)
Real personal income and real personal disposable income (1997 dollars)	\$26,300 (2003) \$20,300 (2003)
Earning growth, per capita	1.1% (2003)
Labour market, skills and learning	
Participation rate	By age group (2004) • 15 years or over 67.6% • 15–24 years 67.1% • 25–54 years 86.5% • 55 years or over 30.8%
Employment rate	By age group (2004) • 15 years or over 62.7% • 15–24 years 58.1% • 25–54 years 81.3% • 55 years or over 29.1%
Unemployment rate	By age group (2004) • 15 years or over 7.2% • 15–24 years 13.4% • 25–54 years 6.0% • 55 years or over 5.6%
Part-time employment rate, as a proportion of all those employed	18.4% (2004)

Hourly earnings, by education level	Annual average (2004)	
	Overall	\$20.30
	Less than high school diploma	\$15.10
	High school diploma or incomplete post-secondary studies	\$17.60
	Post-secondary certificate or diploma	\$20.10
	University degree	\$26.30
International comparison of learning performance of 15 year-olds: number of countries performing significantly better than Canada in reading, mathematics and science	Reading	1 country
	Mathematics	2 countries
	Science	4 countries
Proportion of the 20-24 year-old and 25-64 year-old population with a high school diploma	(2001)	
	20–24	75.0%
	25–64	65.6%
Proportion of working age Canadians (16-65) with Level 2 literacy or below.	Data expected to be available September 2005	
Growth rate of components of Labour Force inflows	(average annual growth rates, 1999–2003)	
	Net immigration	0.70%
	School leavers	3.50%
	Retirements	-1.70%
Employment growth by skill level (based on occupation classification)	Overall (2004)	1.8%
	Management	5.2%
	Usually requiring	
	• university degree	2.6%
	• college degree	0.6%
	• high school diploma	2.1%
	• on-the-job training	1.5%
Net change in Labour Force Composition by educational attainment	Total (2004)	1.35%
	Less than high school diploma	-2.24%
	High school diploma or incomplete post-secondary education	2.11%
	Post-secondary diploma	1.73%
	University degree	2.42%
Socio-economic		
Incidence of low income, in 2002	All persons	9.6%
	Under 18 years	10.7%
	18–64 years	9.7%
	65 year or over	6.9%
Depth of low income, in 2002 – average percentage by which families' after-tax income falls short of their after-tax low-income cutoffs	All persons	31.5%
	Under 18 years	28.2%
	18–64 years	34.8%
	65 year or over	16.09%
Proportion of Census Tracts in Census Metropolitan Areas with Low-Income Rate Greater than 40%	6.3% (2000)	
Proportion of Low-Income Households in Census Metropolitan Areas Living in Low-Income Neighbourhoods	11.9% (2000)	

Policy Environment

In the October 2004 Speech from the Throne, the Government of Canada outlined a five-point strategy to “build an even more globally competitive and sustainable economy”. The first element of this strategy, to invest in people, has a direct bearing on the work of HRSDC and includes specific commitments to:

- Develop a new workplace skills strategy, including steps to enhance apprenticeship systems and boost literacy and other essential job skills.
- Review the Employment Insurance program to ensure that it remains well suited to the needs of Canada’s workforce.
- Improve the recognition of foreign credentials and prior work experience.
- Increase access to post-secondary education by introducing legislation to implement the Canada Learning Bond, as announced in the Budget 2004.
- Extend and enhance existing programs such as Supporting Communities Partnership Initiative for the homeless, while continuing to recognize that communities are the front lines in building a better quality of life.

The new commitments build on those outlined in the February 2004 Speech from the Throne and Budget 2004 to create new strategic approaches to respond to the emerging economic, labour market and learning needs of Canadians to:

- Improve the Canada Student Loans Program to help overcome financial barriers to post-secondary education.
- Enhance the Canada Education Savings Grant and work with provinces and territories to encourage medium- and low-income families to begin investing in children for their long-term education.
- Refine and enhance programs to encourage skills upgrading, in concert with sector councils, unions and employers.
- Improve recognition of foreign credentials.
- Work with provinces to update labour market programming to better reflect the realities of work in the 21st century, including the growth in self-employment and the need for continuous skills upgrading.
- Renew the Aboriginal Human Resources Development Strategy.
- Work with communities, through the Urban Aboriginal Strategy, to find solutions to the issues that Aboriginal people face.
- Ensure that minority language communities have the tools that enable their members to contribute fully to the development of Canadian society.

Making progress on these commitments will be the key policy objective for the department in 2005–2006. Key to the department's approach will be framing and guiding its work through a new agenda that will focus on enhancing the knowledge and skills — the “human capital” — of each individual Canadian.

A renewed focus on human capital will be HRSDC's contribution to the Government of Canada's broad objective of sustaining and enhancing its productive and innovative economy, vibrant and healthy society, and efficient and inclusive labour market — one where individuals enjoy sustained employment, higher wages and participate actively in society and employers have access to a highly skilled and mobile labour force.

The full and equal participation of women in the labour market and society remains one important dimension of a renewed focus on human capital. In compliance with Canada's domestic and international commitments, the department carries out analysis and activities to ensure that policy and program development implementation and evaluation are designed to support gender equality.

The department also works internationally to ensure that Canada's labour force has the knowledge, skills and competencies to respond to the challenges of the global economy. By working in international forums such as the OECD and like-minded countries (G8) on international employment and learning policy directives and research, HRSDC ensures that Canada's interests are represented in international fora. The outcome of this work feeds into policy development in Canada to ensure that Canada's employment and learning policies are competitive internationally, which makes our labour force attractive to foreign investors.

This collaboration enables HRSDC to learn from the experiences of other countries while showcasing Canadian policy achievements. For example, HRSDC will work with the OECD on the reassessment of the OECD Employment Strategy, the key employment policy document for the organization which has influenced policy development in member countries for the past decade. As part of this effort, Canada will be reviewing the 2005 edition of the OECD Employment Outlook, the organization's annual overview of key international employment trends. Canada is also working with the OECD to tabulate international comparative studies on education (the 2005 edition of Education at a Glance), employment prospects for older workers, and international student assessment (PISA- Programme for International Student Assessment). As another example, HRSDC has embarked on a series of international multi-lateral meetings with the United States, the United Kingdom and Australia on successful approaches to addressing homelessness.

Management environment

In addition to the external environment within which HRSDC operates, the department also administers its programs within an evolving Government of Canada management environment.

Commitment to strengthening public sector management

In the 2004 Budget, the Government of Canada reiterated its commitment to *Strengthening Public Sector Management* with the introduction of government-wide efforts to transform public sector management, and ensure greater transparency, accountability, fiscal responsibility and ethical conduct in government.

Budget 2004 included measures to:

- Re-establish the Office of the Comptroller General of Canada to rigorously oversee all government spending.
- Appoint professionally accredited comptrollers to sign off on all new spending initiatives in every government department.
- Reorganize and bolster the internal audit function on a government-wide basis to ensure comprehensive audit programs, based on sound risk analyses of all departmental activities.
- Introduce modern and timely financial and human resource information systems to better track spending and provide better tools for effective scrutiny and decision making, including a new Expenditure Management and Information System to support ongoing expenditure reviews and improved reporting to Parliament.
- Introduce new corporate governance rules for Crown corporations.

Budget 2004 also confirmed the Government of Canada's plan to examine and focus government spending through the Expenditure Review Committee as part of its efforts to renew and rejuvenate government and to invest in high quality government management.¹³

Taken together, these measures are intended to strengthen public sector management, enhance scrutiny, improve administration and help ensure that tax dollars are spent wisely.

Work undertaken by the Office of the Auditor General and Parliamentary Committees also influences the environment in which the department operates.

Office of the Auditor General recommended improvements to the internal audit function in the federal government

In her November 2004 Report to Parliament, the Auditor General of Canada included a chapter on Internal Audits in Departments and Agencies. The Auditor General concluded that considerable work remains to be done if the government is to achieve the objectives set out in the Treasury Board policy on internal audit. The Treasury Board Secretariat and the Comptroller General are currently developing proposals aimed at ensuring that the Canadian public service has an appropriate internal audit regime. HRSDC has also identified strengthened internal audit as a management priority for 2005–2006.

¹³ http://www.tbs-sct.gc.ca/spsm-rgsp/index_e.asp

In the same Report, the Auditor General of Canada addressed the surplus in the Employment Insurance Account, to assess and report on progress achieved related to concerns previously raised about the accumulated surplus. The Audit Note expresses concerns about the size and the growth of the accumulated surplus and the lack of progress on resolving this issue. The government has indicated that the setting of the Employment Insurance premium rates has been consistent with the applicable legislation and that it is based on the principles reiterated in the 2004 Budget.

The Employment Insurance Fund Subcommittee of the Parliamentary Standing Committee on Human Resources, Skills Development, Social Development and the Status of Persons with Disabilities tabled an interim report on December 16, 2004. The complete report, *Restoring Financial Governance and Accessibility in the Employment Insurance Program*, was tabled in the House February 15, 2005. The report contains 28 recommendations that relate to: Employment Insurance governance and the role of the Canada Employment Insurance Commission; the cumulative balance in the Employment Insurance Account and safeguarding contributions; setting the Employment Insurance premium rate; other financing issues; and other program enhancements. The Standing Committee adopted the report with a dissenting opinion from the Conservative Party of Canada on 13 of the recommendations. The implementation of the recommendations would have a significant impact on the Employment Insurance program. The Standing Committee has requested a Government response to the Report by May 15, 2005.

Bill C-23 would establish the legislative framework for HRSDC

HRSDC departmental legislation currently before Parliament would, if passed, establish the legislative framework for the department.

As a result of the reorganization announced by the Prime Minister on December 12, 2003, which created the Department of Human Resources and Skills Development, new departmental legislation was required. The Bill to establish the legislative framework for the new department, Bill C-23 the *Department of Human Resources and Skills Development Act*, was introduced in Parliament on November 16, 2004. The Bill passed second reading and was reviewed by the Standing Committee on Human Resources, Skills Development, Social Development and the Status of Persons with Disabilities. The Standing Committee agreed on February 15, 2005, to report Bill C-23 without amendment.

In addition to setting out the new mandate of HRSDC and the powers, duties and functions of its Ministers, the legislation includes a code governing the use and disclosure of personal information by the department. The code protects the privacy of Canadians while allowing the department to offer effective service delivery and facilitate quality policy research, program evaluation and performance reporting.

Corporate risks

Risk assessment is an integral part of departmental planning. The department reviewed its corporate-level risks in light of its mandate and operating environment and has identified three key risk areas for 2005–2006:

- Maintain effective, efficient and consistent service and benefit delivery levels to Canadians, and support to the Government of Canada and Ministers in an environment of ongoing service transformation.
- Demonstrate improved accountability for results and stewardship of resources in the context of evolving business processes and heightened public concerns over financial stewardship.
- Provide effective policy and program leadership to deliver on priorities and Government of Canada commitments and to address the diverse and changing needs of Canadians.



DEPARTMENTAL PRIORITIES
AND PERFORMANCE
MEASUREMENT FRAMEWORK

DEPARTMENTAL PRIORITIES

HRSDC has identified priorities for 2005–2006 based on an assessment of its mandate, as part of the broader Government of Canada objectives, and the environment in which the department is operating.

The achievement of its strategic outcomes does not rest solely with the department

Without partners, the department alone cannot reach its goals. Success can happen only with the active participation of many players. Ensuring Canadians have the tools they need to participate fully in the labour market and society requires the active participation of a multitude of partners with the department acting as a catalyst.

Cooperation with provinces and territories is required given their responsibility for education. HRSDC will work closely with its provincial and territorial partners building on established relationships through existing multilateral forums and bilaterally. Employers and unions have an important role in workplace-based training; learning partners, not-for-profit organizations and community groups play a central role in providing information and services; and finally individuals are responsible for making personal decisions regarding the upgrading of their skills. They will all have to play their part for HRSDC to fully meet its objectives.

The complex nature of homelessness demands a multifaceted approach with a variety of stakeholders, including all orders of government and partners such as the voluntary and private sectors. The National Homelessness Initiative works to bring them together, in a community-based approach, to provide a seamless array of supports and services to meet the needs of homeless individuals and families.

The priorities for 2005–2006 are summarized in Table 3.

TABLE 3: HRSDC 2005–2006 PRIORITIES

Key Priorities	
A Human Capital Strategy for Canada	<ul style="list-style-type: none"> • Advance and build consensus on a national human capital agenda to promote a highly skilled and mobile labour force and an efficient and inclusive labour market.
Service to Canadians	<ul style="list-style-type: none"> • Transform service delivery to enhance services to Canadians.
Management, Accountability and Financial Stewardship	<ul style="list-style-type: none"> • Enhance financial stewardship and corporate management. • Ensure that programs and policies undergo thorough review, and implement expenditure review decisions. • Develop a corporate Human Resources Plan.
Detailed Priorities by Strategic Outcome	
Efficient and inclusive labour market transitions through temporary income support and active employment measures	<ul style="list-style-type: none"> • Provide national leadership on issues related to Employment Insurance benefits; determine and implement future directions for the Employment Insurance program to ensure that it remains well suited to the needs of Canada's workforce. • Improve service delivery to Canadians by standardizing, simplifying and automating processes via the Internet, with specific emphasis on self-service and interactive, automated options and services for individuals and the ability for employers to complete Records of Employment on the Web. • Implement Part VII, section 41 of the Official Languages Act in support of Speech from the Throne commitments. • Develop and elaborate on an integrated labour market strategy to respond to emerging labour market trends. • Renew and improve Aboriginal employment programming in support of labour market participation. • Strengthen program management of grants and contributions to create a stronger balance between controls, risk and results.
Enhanced productivity and competitiveness of Canadian workplaces by supporting investment in and recognition and utilization of skills	<ul style="list-style-type: none"> • Facilitate the establishment of effective partnerships, networks and information flows within and for the Canadian labour market. • Support the development of recognition processes and efficient and effective skills recognition and utilization. • Promote skills development in and for the workplace.

Through access to learning, Canadians can participate fully in a knowledge-based economy and society

- Implement initiatives and enhancements to improve access to post-secondary education by reducing financial barriers.
- Pursue policy and program development on lifelong learning, focusing on the reduction of financial and non-financial barriers to learning.

Safe, healthy, fair, stable, cooperative and productive workplaces

- Complete a comprehensive review of Part III (Labour Standards) of the *Canada Labour Code* resulting in a report with recommendations to the Minister of Labour from the independent Commissioner leading the review.
- Finalize the analysis and develop policy options for a modernized Federal Workers' Compensation System for the federal public service and Crown corporations, in support of public service modernization and sound administrative and financial principles.

Enhanced community capacity to contribute to the reduction of homelessness

- Lead the development of a partnership-based Canadian housing framework, in collaboration with the Canada Mortgage and Housing Corporation, to ensure a seamless housing continuum that meets the needs of all Canadian individuals and families.
- Expand relationships and partnerships with federal organizations, the corporate sector, unions and foundations to engage them in building a coordinated response to homelessness and housing challenges.
- Build, with a wide range of partners, an information-sharing network that will house and transfer knowledge and best practices to formulate effective solutions to address homelessness.
- Enable communities to provide greater availability and accessibility to a comprehensive continuum of supports with a focus on transitional and supportive housing.

Seamless, integrated and multi-channel service delivery that ensures client satisfaction

- Ensure a sustainable in-person channel of the Service Delivery Network and align the network with service transformation initiatives.
 - Lead the departmental policy renewal process.
 - Improve performance measurement, integrated risk management and public reporting of the achievement of results.
 - Implement new directions for Audit and Evaluation as identified in the Plans approved by the Audit and Evaluation Committee.
-

A Human Capital Strategy for Canada

HRSDC will advance and build consensus on a national human capital strategy to promote a highly skilled and mobile labour force and an efficient and inclusive labour market. The department will build an evidence base to ensure that both the underlying issues and appropriate solutions are correctly identified, so that expenditures can be directed to areas where they can be most effective.

DIAGRAM 2: HUMAN CAPITAL STRATEGY

Vision

A Canada where skills and knowledge are easily acquired and used, and where a culture of lifelong learning is adopted and valued by all

Goal

Increased opportunity for individual Canadians to acquire and continuously develop their skills and knowledge	Greater responsive-ness to employers and their rapidly changing skills needs	Improved coherence through partnerships based on shared objectives and integrated approaches	Enhanced mobility within the labour market and between the labour force and learning
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Pillars

Lifelong Learning Agenda	Modernizing Employment Programming	Workplace Skills Strategy
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Results

Individuals Increased earnings, employment, improved social and health outcomes	Employers Skilled, mobile labour force and increased investment in training and innovative workplaces	Society Social inclusion, civic participation, improved health and reduced crime	Economy Productivity, growth, investment and innovation
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Under the lead of the Minister of Human Resources and Skills Development:

- **Lifelong learning** is promoted to contribute to a dynamic labour market by implementing initiatives to improve access to post secondary education; by reviewing student debt management measures and support for part-time students; and, by taking measures that promote technology-based learning, literacy and essential skills.
- **Renewal of employment programs**, to foster a productive, adaptable and resilient labour force, will be ensured by developing an integrated labour market strategy to respond to emerging labour market trends; by enhancing employment programs in support of labour market participation; and by demonstrating leadership by introducing new initiatives in areas of federal jurisdiction.

- **Workplace skills strategy**, helping to ensure that the skills and education Canadians receive reflect the skills and education that employers need by encouraging workplace skills development and utilization through collaborative partnerships; by supporting workplace innovation through demonstration projects; and, by enhancing and refining existing tools that support skills development in the workplace.

Under the lead of the Minister of Labour and Housing:

- As a complement to the workplace skills strategy, federal labour standards, which have not been comprehensively reviewed since 1965, will be modernized to manage and promote effective employment relationships that respond to current workplace needs. During 2005–2006, a review of Part III, Labour Standards, of the *Canada Labour Code* will be completed with recommendations for possible future improvements.
- The department will make progress in developing a new partnership-based Canadian housing framework to address issues of housing and homelessness.

Service to Canadians

While Canadians have high and rising expectations about the speed and the quality of service delivered to them, HRSDC faces increasing volumes of client inquiries and transactions with a growing number of them being electronically based.

Canadians want and expect choices on how to access services. They are looking for increased electronic interactions, multiple integrated channels, seamless and timely services, and guarantees around their privacy and security of personal information. Businesses are increasingly vocal about their service delivery needs and wants. They want government to reduce administrative paper burden on them with less costly, simplified and reduced information requirements, and to automate their transactions with the government.

HRSDC has listened and is moving forward. The department has transformed its service to better serve clients in a way that is effective and efficient. For example, the department has put in place electronic services that allow Canadians to apply on-line for Employment Insurance (*Appli-web*) and a Web-based reporting system for employers so they can electronically submit Record of Employment information securely using the Internet. These services help to ensure the timeliness and accuracy of benefits and services provided to our clients.

While substantial progress has occurred in modernizing the department's business to better serve the needs of our clients, more remains to be done. HRSDC continues to explore, in cooperation with other federal departments and agencies, service delivery models and new technologies that would further enhance the interactions Canadians have with our programs and services.

Management, accountability and financial stewardship

The department has focused on financial stewardship by establishing a management structure with clear accountabilities that ensures appropriate oversight and administration of programs and services. The department will undertake a comprehensive review of financial controls to strengthen accountability and will review and improve other aspects of program activity management and budgeting.

The department will continue to focus on financial stewardship by enhancing the administration of its grants and contributions programs to ensure that appropriate management controls are in place, while allowing for effective service delivery. While much progress has been achieved, work will continue on implementing the Common System for Grants and Contributions, improving the quality assurance regime for program administration, and implementing other recommendations resulting from the review of the management framework for the department's grants and contributions programs.

New efforts to strengthen its audit and evaluation function

The department is introducing new initiatives to strengthen its audit and evaluation function by launching a long-term audit plan, implementing new audit and evaluation plans that use a risk-based analysis and priority-setting process, and conducting shorter audits to provide more timely reports.

Improving performance measurement, integrated risk management and public reporting of the achievement of results is also a priority for HRSDC for 2005–2006. Improving the quality of reporting to Parliament and the public is a key element of ensuring accountability for results. To improve its reporting, the department has implemented a new performance measurement framework that is aligned to the new strategic outcomes and has introduced new performance indicators.

An important aspect of good governance is the continual re-examination of departmental policies and programs to ensure that they reflect government priorities. As part of this re-examination, HRSDC has contributed to the government-wide expenditure review exercise and annual ongoing restraint process. The department will continue to participate in the government-wide expenditure review process and will move forward to implement expenditure review decisions as they are made.

Focus on human resources

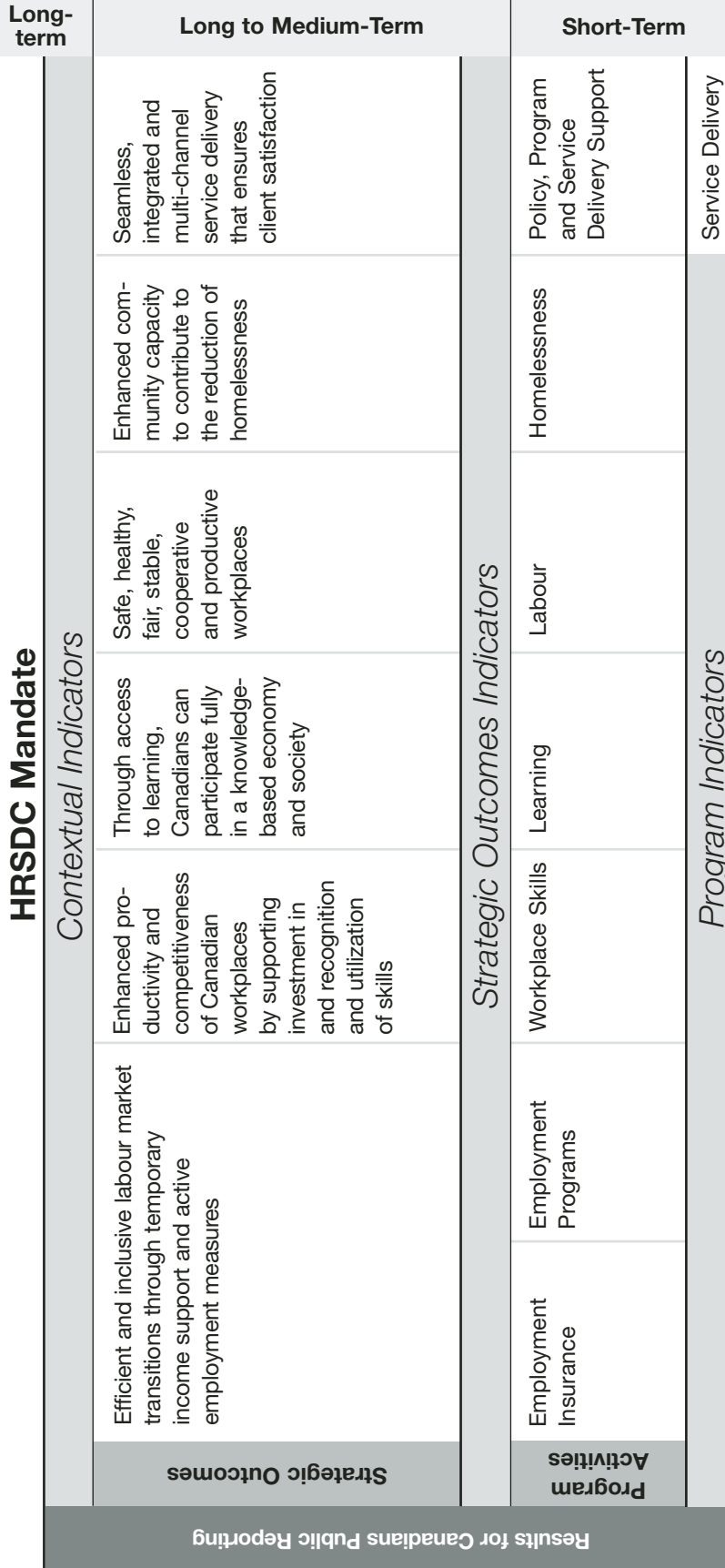
HRSDC will develop a Human Resources Plan to assess the short- and medium-term impacts of service transformation on the in-person network. In addition, the department will continue to promote an effective, informed, adaptable and capable workforce, and to reinforce the understanding and application of public sector values and ethics in the workplace.

PERFORMANCE MEASUREMENT FRAMEWORK

HRSDC is committed to measuring its performance, managing for results and reporting on its progress. To accomplish this, HRSDC has established a performance measurement framework which allows the department to understand its operating environment, define clear performance expectations, track progress through measures, and make any required adjustments. The performance measurement framework provides Parliament and Canadians with information to assess the department's progress in achieving results.

The framework sets out contextual indicators, strategic outcome indicators and program indicators.

DIAGRAM 3: HRSDC PERFORMANCE MEASUREMENT FRAMEWORK



Contextual indicators depict the environment in which the department operates by describing broad trends in society, the economy and labour markets such as population growth and Gross Domestic Product growth. Contextual indicators guide policy development and departmental plans and priorities by allowing the department to assess the continued relevance of programs and the requirement for new programs. The contextual indicators are listed in Table 2 in the previous section.

The **strategic outcome indicators** reflect the ultimate results that the department is striving to influence over the medium to longer term. It is important to note that while the strategic outcomes are within HRSDC's sphere of influence, the department is not the sole contributor to their attainment. Other orders of government, other federal departments, key stakeholders and partners, as well as individual Canadians play an important role in contributing to their attainment. For example, the percent of the adult workforce that participated in job-related training is not due solely to the influence of the workplace skills programs, but is also affected by the decisions of individual employers and employees, their associations and other orders of government.

Program indicators relate more directly to the programs that the department delivers. These indicators facilitate the setting of targets or objectives for the department's programs and the monitoring of results. These indicators are measures over which the department exercises substantial control (e.g. the percentage of initial and renewal claims for Employment Insurance benefits for which a payment or a non-payment notification is given to the claimant within 28 days from date of filing). These indicators can be operational in nature and related to the outputs produced by the department, and include client satisfaction, program access and reach, as well as measures of the impacts or results achieved by the program.

Positive change in program indicators should be interpreted as a necessary, but not sufficient, condition to achieve of improvement in strategic outcomes.

The department recognizes that performance indicators are only part of a comprehensive performance measurement framework. Periodic, in-depth program evaluations also provide an important source of information on the effectiveness of HRSDC programs.

HRSDC will continue to work on strengthening performance indicators, drawing on evaluation and research results. Through its ongoing program evaluation efforts, the department will assess the relevance and validity of the performance indicators as they relate to the achievement of expected results for Canadians (see section *Other Items of Interest* for a list of planned evaluations for 2005–2006).

A supplementary document providing a more detailed explanation of HRSDC's performance indicators by strategic outcome with data sources is available at <http://www.hrsdc.gc.ca>. In the 2005–2006 Departmental Performance Report, these data will be presented in more detail, including by demographic group and by region where available, and with time series and international comparisons where available.

TABLE 4: STRATEGIC OUTCOME AND PROGRAM PERFORMANCE INDICATORS***Efficient and inclusive labour market transitions through temporary income support and active employment measures¹⁴***

Strategic Outcome Indicators	Current level
Percentage of unemployed looking for work for one year or more (52 weeks and over).	9.1% (2004)
Percentage of youth (15–24 year-olds) not in the labour force or in school.	9.3% (2004)
Involuntary part-time employment as a proportion of all part-time employment.	26.8% (2004)
Employment Insurance regular beneficiaries to unemployed ratio (the B/U ratio).	43.3% (2003)
Program Indicators	2005–2006 Objectives
Access	
Percentage of unemployed targeted by the Employment Insurance program eligible to collect regular Employment Insurance benefits.	2003 result – 84%*
Rate of Participation of Designated Groups and Older Workers in Employment Benefits and Support Measures (EBSM):	2003 results: *
• Women	45.3%
• Persons with disabilities**	4.7%
• Aboriginal persons**	7.1%
• Visible minorities**	6.0%
• Older workers (over 55)	5.9%
Adequacy	
Proportion of regular entitlement collected by Employment Insurance claimants (%).	2003 result 65.8% *
Proportion of Employment Insurance maternity/parental entitlement collected by Employment Insurance claimants.	2003 result 85.2% *
Labour market efficiency	
Level of household consumption one year after Employment Insurance benefit.	Actual results to be reported
Duration of employment for clients participating in EBSM or similar provincial/territorial programs under LMDA.	Qualitative results to be reported
Earnings for clients participating in EBSM or similar provincial/territorial programs under LMDA.	Qualitative results to be reported
Number of youth clients who return to school following an employment program intervention (Youth Employment Strategy).	2,000 ¹⁵

¹⁴ Note that the service delivery indicators associated with the Insurance and Employment program activities can be found under the Strategic Outcome “Seamless, integrated and multi-channel service delivery that ensures client satisfaction.”

¹⁵ There will be an additional 48,000 Summer Career Placement participants returning to school (number not included because it was derived through a different methodology)

* Objectives are not set for these indicators. Instead, current levels or most recent results are provided as benchmarks.

** Data on designated group participation is based on self-identification. Also, there are employment programs (funded through the Consolidated Revenue Fund) specifically designed for some of these designated groups such as the Aboriginal Human Resources Development Strategy and the Opportunities Fund for Persons with Disabilities; these participants (non-EBSM) are excluded from this indicator.

Number of Aboriginal clients who return to school following an employment program intervention (Aboriginal Human Resources Development Agreements).	8,000
Number of clients employed or self-employed following an employment program intervention, and as a proportion of client action plans closed.	Clients employed – 260,000 ¹⁶ Proportion – actual results to be reported

Enhanced productivity and competitiveness of Canadian workplaces by supporting investment in and recognition and utilization of skills¹⁷

Strategic Outcome Indicators	Current level
Percentage of adult workforce who participated in job-related formal training.	34.7% (2002)
Percentage of adult workforce who participated in employer-supported job-related training.	25.0% (2002)
Average earnings of recent immigrant university graduates as a percentage of the earnings of Canadian-born university graduates.	65% (2000)
Program Indicators	2005–2006 Objectives
Percentage of labour market represented by an exemplary sector council.	50%
Percentage of occupations that have an essential skills profile developed.	57%
Number of trades people who received Red Seal endorsement.	13,000
Number of job seekers and jobs in Job Bank.	Increase by 5%

¹⁶ The 2005–2006 Anticipated Results are national projections based on historical client and program data. A further target setting exercise will be undertaken with provinces and territories and regions in March and April of 2005.

¹⁷ Note that the service delivery indicator associated with the Workplace Skills program activity can be found under the Strategic Outcome “Seamless, integrated and multi-channel service delivery that ensures client satisfaction.”

Through access to learning, Canadians can participate fully in a knowledge-based economy and society¹⁸

Strategic Outcome Indicators	Current level		
Percentage of population with post-secondary diplomas/degrees. (2004)	25–64 year-olds = 44.6%		
	25–34 year-olds = 53.3%		
	35–64 year-olds = 41.8%		
Percentage of adult population (aged 25–64) who participated in adult learning opportunities.	36.7% (2002)		
Post-secondary participation of 18–21 year-olds by family after-tax income quartile when youth were of age 16. (2001)	Family After-tax Income Quartile	PSE Participation	
		University	College
	Lowest	21%	30%
	Lower-middle	25%	32%
	Upper-middle	30%	37%
	Highest	38%	30%
	Overall	29%	32%
Proportion of adults who were attending university or college, by age groups. (October 2004)	Age Group	Percentage	
	25–34	9.1	
	35–44	3.3	
	45–54	1.8	
	55–64	0.5	
	Overall, 25–64	3.8	
Program Indicators	2005–2006 Objectives		
Percentage of post-secondary education students with a Canada Student Loan or Study Grant.	45%		
3-year loan default rate.	26%		
Number of Canadians attending PSE in the current fiscal year and who have ever received a Canada Education Savings Grant (CESG)	165,000		
Percentage of Canadians under 18 years of age who have ever received a Canada Education Savings Grant (CESG).	36%		
Percentage of children eligible for the Canada Learning Bond who have a Registered Education Savings Plan.	22%		

¹⁸ Note that the service delivery indicator associated with the Learning program activity can be found under the Strategic Outcome "Seamless, integrated and multi-channel service delivery that ensures client satisfaction."

Safe, healthy, fair, stable, cooperative and productive workplaces

Strategic Outcome Indicators	Current level
Hours lost as a proportion of the usual weekly hours of all full-time employees (in percentage).	3.6% (2003)
Injury incidence rate per 100 workers, all federal jurisdictions.	5.89 (2003)
Percentage of total working days lost due to work stoppages.	0.10% (2004)
Program Indicators	2005–2006 Objectives
Percentage of collective bargaining disputes settled under Part I (Industrial Relations) of the <i>Canada Labour Code</i> without work stoppage.	To settle 90% of all collective bargaining disputes without a work stoppage
Percentage of unjust dismissal complaints settled by inspectors (Part III of the <i>Canada Labour Code</i>).	75%
Disabling Injury Incidence Rate (DIIR) measuring the change in the rate of time-loss injuries, illnesses and fatalities within federal jurisdiction industries from year to year.	Reduce the disabling injury incidence rate by 10% over five years (by 2008–09) in those high-risk industries where we are targeting proactive interventions

Enhanced community capacity to contribute to the reduction of homelessness

Strategic Outcome Indicators	Current level
Emergency shelters in Canada in 2004	482
Transitional housing in Canada in 2004	336
Supportive Housing in Canada in 2004	48
Number of National Homelessness Initiative funding partners in 2004	3,174
Percentage of NHI funding partners by Sectors for 2004	
• Non-profit	46%
• All orders of government (e.g. federal/agencies, provincial/territorial, regional/municipal)	27%
• Private sector	9%
• Others (such as faith communities, unions, etc.)	18%
Program Indicators	2005–2006 Objectives
Percentage of investments directed toward the continuum of supports and services based on priorities established by the community.	At least 75% invested in community priorities
Ratio of total NHI investments versus funding by type of partners for each province and territory 2003–2006.	1 to 1.5
Increase in accessible sources of information/data on homelessness.	Evidence of uptake of data/information

Seamless, integrated and multi-channel service delivery that ensures client satisfaction

Strategic Outcome Indicators	Current level
2001–2002 client satisfaction survey results, by program activity:	
• Insurance	77%
• Employment (Employment Benefits and Support Measures)	83%
• Learning (Canada Student Loans)	71%
• Labour (Occupational Safety and Health and Labour Standards)	69%
Program Indicators	2005–2006 Objectives
Employment Insurance	
Percentage of initial and renewal claims finalized within 21 days from date of filing and 21 days of registration for revised claims.	85%
Percentage of initial and renewal claims for which a payment or a non-payment notification is given to the claimant within 28 days from date of filing.	80%
Percentage of appeals scheduled to be heard by the Board of Referees within 30 days of receipt of the appeal.	90%
Percentage of client appeal dockets received at the office of the Umpire within 60 days from date of appeal filing (date of receipt).	100%
Percentage of accurate Employment Insurance payments as measured by the Comprehensive Tracking System calculated on a 12 month moving average nationally.	95%
Percentage of validations of the Social Insurance Number of Employment Insurance applicants with the Social Insurance Registry.	100%
Savings from Employment Insurance detection activities.	\$210 M ¹⁹
Employment Programs	482,400 ²⁰
Number of employment programs clients served.	
Workplace Skills	
Client satisfaction with labour market information products and services — usefulness in conducting a job search.	Survey results to be reported
Learning	
Client satisfaction with the overall quality of services provided by the Canada Student Loans Program.	Survey results to be reported
Client (Registered Education Savings Plan Providers) satisfaction with the overall quality of services provided by the Canada Education Savings Grant.	Survey results to be reported

¹⁹ In response to the Auditor General (November 2003 report) the department is taking a focused approach toward risk, quality and prevention of abuse in the payment of Employment Insurance benefits while continuing detection activities. As a result, the objective has been reduced to reflect only direct savings (overpayments and penalties) and no longer includes indirect savings. Lower penalty levels also drive the reduction.

²⁰ The 2005–2006 Anticipated Results are national projections based on historical client and program data. A further target-setting exercise will be undertaken with provinces and territories and regions in March and April of 2005. There will be an additional 50,000 Summer Career Placements participants served (number not included because it was obtained through a different methodology).



ANALYSIS OF PLANS, PRIORITIES AND PROGRAM ACTIVITIES BY STRATEGIC OUTCOME

- *Efficient and inclusive labour market transitions through temporary income support and active employment measures*
- *Enhanced productivity and competitiveness of Canadian workplaces by supporting investment in and recognition and utilization of skills*
- *Through access to learning, Canadians can participate fully in a knowledge-based economy and society*
- *Safe, healthy, fair, stable, cooperative and productive workplaces*
- *Enhanced community capacity to contribute to the reduction of homelessness*
- *Seamless, integrated and multi-channel service delivery that ensures client satisfaction*

Strategic Outcome



Efficient and inclusive labour market transitions through temporary income support and active employment measures

A vibrant, dynamic labour market is essential to ensuring a strong economy and a rising standard of living in Canada. To achieve this goal, Canada requires an employment system fostering a productive, adaptable and resilient labour force, which is a key component of the Human Capital Strategy.

In support of the strategy and this strategic outcome, the department provides temporary income support to qualified unemployed workers which, in turn, promotes economic stability, individual well-being and a flexible labour market. The department provides employment programs and services that enable all Canadians to participate fully in the labour market and acquire the skills to prepare for, obtain and keep employment. In addition, it contributes to fulfilling the Government of Canada's commitment to Part VII of the *Official Languages Act*, section 41, to promote the vitality of linguistic minority communities and the use of official languages, through the activities of the Secretariat, Official Language Minority Communities. In addition to these activities, the department manages four major horizontal initiatives²¹ — Aboriginal Human Resources Development Strategy; Aboriginal Skills and Employment Partnership Program; Youth Employment Strategy; and Labour Market Development Agreements — each involving various partners, including other orders of government.

Key commitments for this year focus on better responsiveness to labour market trends and improved labour market participation of those who are facing barriers, especially Aboriginal people on and off reserve. HRSDC is also committed to review its Employment Insurance program to ensure that it continues to respond to the needs of Canada's workforce, including workers in seasonal industries.

²¹ Details on these horizontal initiatives can be found at: http://www.tbs-sct.gc.ca/rma/eppi-ibdrp/hrdb-rhbd/profil_e.asp

Priorities

- Provide national leadership on issues related to Employment Insurance benefits; determine and implement future directions for the Employment Insurance program to ensure that it remains well suited to the needs of Canada's workforce.
- Improve service delivery to Canadians by standardizing, simplifying and automating processes via the Internet, with specific emphasis on self-service and interactive, automated options and services for individuals and the ability for employers to complete Records of Employment on the Web.
- Implement Part VII, section 41 of the *Official Languages Act* in support of Speech from the Throne commitments.
- Develop and elaborate on an integrated labour market strategy to respond to emerging labour market trends.
- Renew and improve Aboriginal employment programming in support of labour market participation.
- Strengthen program management of grants and contributions to create a stronger balance between controls, risk and results.

Program Activities

EMPLOYMENT INSURANCE – Employment Insurance promotes individual well being, economic stability and a flexible labour market by providing temporary income support to unemployed workers who qualify under Part I of the *Employment Insurance Act*. Employment Insurance encompasses a wide range of benefits to address the needs of workers and the labour market. http://www.hrsdc.gc.ca/en/gateways/nav/top_nav/program/ei.shtml

Expected results

- *Temporary income to qualified workers experiencing unemployment through no fault of their own.*

EMPLOYMENT PROGRAMS — Employment programs and services are funded under the Consolidated Revenue Fund and Part II of the *Employment Insurance Act*. These enable Canadians, including unemployed adults and targeted groups such as youth and Aboriginal peoples, to develop their skills and encourage them to invest in themselves and become self-reliant and more adaptable to labour market changes.

Expected results

- *New strategies are in place to meet the challenges of a changing labour market.*
- *Canadians who are able to earn income and make smooth labour market transitions.*

- *Employers who are able to find skilled workers and thus improve their competitiveness.*
- *Effective partnerships with labour market partners.*

Priorities

- **Provide national leadership on issues related to Employment Insurance benefits**

Plans

- Review Employment Insurance Economic Regions used to establish entitlement and benefit periods for unemployed Canadians based on the unemployment rate in regional economies across the country.
 - Work on next steps to the agreement in principle on the Quebec Parental Insurance Plan.
 - Work with the Department of Finance to establish a new rate-setting mechanism for determining the level of Employment Insurance premiums for employers and employees.
 - Respond to recommendations made to the government on issues facing seasonal workers.
 - Continue with the final year of a two-year plan to improve the accuracy of Employment Insurance benefit payments by enhancing the quality of services on a national basis.
- **Improve service delivery to Canadians**

Plans

- Align Employment Insurance service delivery processes with the Government of Canada service vision by continuing automation of benefits delivery and promotion of electronic services, such as applying for benefits and receiving Records of Employment using the Internet and automating claims processing.
- Expand the range of Employment Insurance related services that are available to individuals and businesses on the Internet:
 - Allow clients to use Internet service *My Account* to view their claims status and change information, such as their direct deposit and address.
 - Allow doctors to send medical certificates electronically via the Internet.
- Enhance the integrity of the Employment Insurance program by protecting client information and reviewing control activities to ensure that payments are made to the correct individuals.
- Develop transformed and integrated employment programs service offerings through Web-based delivery and contribute to the development of a Secure Channel for on-line transactions for employment.

- **Implement Part VII, section 41 of the *Official Languages Act***

Plans

- Provide the required operational support in the implementation of the new Enabling Fund for Official Language Minority Communities whose objective is to ensure continuity of activities and funding for the organisations that support community capacity building in the area of human resources and economic development.
- Assist the Privy Council Office in coordinating the support to official language minority communities via the Comité national de développement économique et d'employabilité outside Quebec and the National Human Resources Development Committee for the English Linguistic Minority within Quebec.
- Support Citizenship and Immigration Canada to develop strategies to increase the number of French-speaking immigrants in Francophone minority communities and to facilitate their reception and integration into the labour market.
- Participate in the Privy Council Office's Interdepartmental exercise on the development and implementation of the Horizontal Results-based Management and Accountability Framework to provide an overarching account of government spending on all issues regarding Official Languages.

- **Develop and elaborate on an integrated labour market strategy**

Plans

- Explore new arrangements with provinces and territories to support integrated labour market programming.
- Continue to collaborate with the Government of Ontario on initiatives to better integrate Canada and Ontario labour market programs and services.
- Support HRSDC contribution to the development of the Northern Strategy to meet the government's commitment to foster sustainable economic and human development.
- Deliver Canadian Agricultural Skills Services program on behalf of Agriculture and Agri-Food Canada to help farmers and their spouses increase family income through improved farm practices or through alternative income sources.

- **Renew and improve Aboriginal employment programming**

Plans

- Support the implementation of the renewed Aboriginal Human Resources Development Strategy and the Aboriginal Human Resources Development Agreements across the country.
- Improve the participation of Aboriginal people in sustainable employment through the Aboriginal Skills and Employment Partnerships program in support of the Government of Canada's broader Aboriginal agenda.

- Collaborate with other departments on Aboriginal Early Learning and Childhood Development and continue support for quality child care programs on reserve.
- **Strengthen program management of grants and contributions**

Plans

- Balance strengthened accountability and integrity of grants and contributions delivery with service goals (e.g. review of funding approaches for third-party delivery of programs and services) and streamline the related administrative processes.
- Continue to examine ways to increase standardization and efficiency in the delivery of our programs.

Programs supporting priorities

BENEFITS – This program provides temporary financial assistance to unemployed Canadians, including self-employed fishers while they look for work, participants on work-sharing agreements, as well as to Canadians who need to take a temporary absence from work for sickness, pregnancy and childbirth, caring for a newborn or adopted child, or to provide care or support to a gravely ill family member with a significant risk of death.

Operational activities that support delivery of Employment Insurance benefits include:

Claims Processing – Assessment, calculation and adjudication of Employment Insurance claims to determine entitlement and eligibility for benefits.

Appeals – This provision of the *Employment Insurance Act* provides a right of appeal for claimants, employers and the Employment Insurance Commission. There are four levels of appeals, namely, the Board of Referees, the Umpire, the Federal Court and the Supreme Court of Canada.

Investigation and Control – Prevention, deterrence, and detection activities and controls that prevent abuse and fraud against the Employment Insurance Program.

Program Management and Service Improvement – This measure provides functional guidance, policy direction, actuarial services, performance measurement and reporting, and Employer services including premium reductions.

Employment Insurance Premium Collection – Payments to Canada Revenue Agency for the collection of Employment Insurance premiums, insurability rulings and related appeals on behalf of the Employment Insurance Commission.
<http://www.cra-arc.gc.ca>

Expected results

- *Adequate income replacement to unemployed Canadians who qualify under the Employment Insurance Act, while they look for work.*

- *Families which are able to balance work and family responsibilities during a period of unemployment as a result of sickness or injury, pregnancy, parental leave, or caring for a gravely ill family member with a significant risk of death.*

EMPLOYMENT BENEFITS AND SUPPORT MEASURES (EBSM) – Part II of the *Employment Insurance Act* authorizes the design and implementation of EBSM to help unemployed participants to prepare for, find and keep employment and to support organizations, businesses and communities that provide employment assistance services. http://www.hrsdc.gc.ca/en/gateways/nav/top_nav/program/gc.shtml

Expected results

- *Assistance provided to unemployed Canadians to help them prepare for, find and maintain employment.*

LABOUR MARKET DEVELOPMENT AGREEMENTS (LMDA) TRANSFERS – Within the authority of the *Employment Insurance Act*, LMDA have been signed with all provinces and territories with the exception of Ontario. Seven of these agreements are in the form of a transfer agreement under which five provinces and two territories have assumed responsibility for the design and delivery of provincial/territorial programs and services similar to EBSM. HRSDC delivers EBSM in four provinces and one territory under co-managed LMDA, and in Ontario. Pan-Canadian programs maintained under federal jurisdiction are available to address labour market activities and challenges that are national or multi-regional in scope. These activities are delivered under the authority of Treasury Board-approved terms and conditions for EBSM and for the LMDA pursuant to section 63 of the *Employment Insurance Act*. http://www.hrsdc.gc.ca/en/epb/sid/cia/grants/ebsm/section_63.shtml

Expected results

- *Assistance provided to unemployed Canadians to help them prepare for, find and maintain employment.*

ABORIGINAL HUMAN RESOURCES DEVELOPMENT STRATEGY (AHRDS) – The AHRDS is designed to assist Aboriginal people to prepare for, find and keep employment and builds Aboriginal capacity for human resources development. The AHRDS integrates most of HRSDC's Aboriginal programming. <http://www17.hrdc-drhc.gc.ca/ARO-BRA/ARO.cfm>

Expected results

- *Increased employment opportunities for Aboriginal people by helping them build the skills they need to be successful in the labour market.*

ABORIGINAL SKILLS AND EMPLOYMENT PARTNERSHIPS (ASEP) – Complementary to the AHRDS, ASEP is a nationally managed program geared toward supporting collaboration among Aboriginal groups, the private sector and provincial/territorial governments. The goal of ASEP is to ensure sustainable employment for Aboriginal people in major economic opportunities, leading to long-term benefits for Aboriginal communities, families and individuals. <http://www17.hrdc-drhc.gc.ca/ARO-BRA/ARO.cfm>

Expected results

- *Increased employment opportunities for Aboriginal people across Canada to gain the skills they need to participate in economic opportunities such as northern mining, oil and gas, forestry, and hydro development projects.*

YOUTH EMPLOYMENT STRATEGY (YES) – The YES programs ensure that Canada’s youth are well prepared to participate and succeed in today’s changing labour market. This national strategy offers a broad range of initiatives under three programs: Skills Link, Summer Work Experience and Career Focus. <http://www.youth.gc.ca>

Expected results

- *Improved labour market opportunities for young Canadians through assistance, such as skills development, work experience and labour market information, that prepares them for the world of work.*

LABOUR MARKET ADJUSTMENTS AND OFFICIAL LANGUAGE MINORITY COMMUNITIES

Work Sharing – The Work Sharing Program enables employers to retain workers and avoid layoffs during temporary work slowdowns, while allowing employees to maintain their skills. http://www.hrsdc-rhdcc.gc.ca/en/epb/sid/cia/grants/ws/desc_ws.shtml

Official Language Minority Communities – HRSDC provides funding to Official Language Minority Communities designated organizations, the Regroupements de développement économique et d’employabilité (RDÉE) and Community Economic Development and Employability Committees (CEDEC) through contribution agreements. The funding ensures continuity of activities for the organizations that foster the development of human resources, economic growth, and job creation and retention in official language minority communities. http://www.hrsdc.gc.ca/en/gateways/nav/top_nav/program/solmc.shtml

Expected results

- *Adequate and timely response to emergencies that have an impact on the labour market by providing assistance to employers and workers to avert temporary layoffs and retain skills.*
- *Enhanced human resources development, increased employability and community capacity building for the official language minority communities in Canada.*

Financial and Human Resources

	Planned Spending ^a		
	2005-2006	2006-2007	2007-2008
Financial Resources (in millions of dollars)			
Gross Operating Expenditures	1,229.3	1,221.5	1,222.1
Non-Statutory Grants and Contributions	546.8	529.3	524.6
Statutory Transfer Payments	0.2	0.2	0.2
Total Gross Expenditures	1,776.3	1,751.0	1,746.9
EI Part I - Income Benefits	13,595.4	14,133.4	n/a ^b
EI Part II - Employment Benefits and Support Measures	2,145.6	2,145.6	n/a ^b
Government Annuities and Civil Service Insurance Payments	52.1	49.1	46.1
Total	17,569.4	18,079.1	1,793.0 ^b
Human Resources			
Full Time Equivalents	10,510	10,057	10,056

a. Planned spending includes 2005 budget announcements for Official Languages Minority Communities of \$13.8 million per year. It also includes resources transferred from Public Service Human Resources Management Agency of Canada for the Youth Internship Program.

b. Forecasted expenditures for EI Benefits (Parts I and II) are only presented for the planning years 2005–2006 and 2006–2007.

Details by programs and services

	2005-2006	2006-2007	2007-2008
Financial Resources (in millions of dollars)			
Employment Insurance			
EI Benefits	13,595.4	14,133.4	n/a ^d
Claims Processing	301.5	301.2	301.2
Appeals	38.7	38.6	38.6
Investigation and Control	84.0	83.9	83.9
Program Management and Service Improvement	20.9	20.9	20.9
Employment Insurance Premium Collection	103.2	103.2	103.2
Allocated Corporate Services ^a	260.7	265.4	266.3
Other ^b	66.9	64.1	61.1
Employment Programs			
Employment Benefits and Support Measures ^c	1,329.9	1,329.9	74.9 ^d
Labour Market Development Agreements ^c	988.3	988.3	97.7 ^d
Aboriginal Human Resources Development Strategy	257.4	251.4	251.4
Youth Employment Strategy ^g	313.5	315.5	315.5
Aboriginal Skills and Employment Partnerships	38.2	25.0	20.0
Labour Market Adjustments and Official Language Minority Communities	24.3	24.3	24.1
Allocated Corporate Services ^a	126.7	124.4	124.6 ^e
Other ^b	19.8	9.6 ^e	9.6 ^e
Total ^f	17,569.4	18,079.1	1,793.0^d
Human Resources			
Full Time Equivalents	10,510	10,057	10,056

a Corporate Services resources related to the Minister's Office, the Deputy Minister's Office, the Comptroller's Office and the Shared Services from Social Development Canada have been prorated to each Strategic Outcome.

b Other category is for resources which are not directly related to the sub-activities identified.

c Includes all resources associated with EI Part II pan-Canadian activities. On approval of the 2005–2006 EI Plan, which is expected to occur in March 2005, these resources will be distributed to various HRSDC program activities. EI Plan is approved on an annual basis.

d EI Plan data for Part II are only presented for the planning years 2005–2006 and 2006–2007.

e Years 2006–2007 and 2007–2008 include impact of operating resources reductions to be redistributed to other HRSDC program activities.

f Planned spending includes 2005 budget announcements for Official Languages Minority Communities of \$13.8 million per year.

g Includes resources transferred from Public Service Human Resources Management Agency of Canada for the Youth Internship Program.

Strategic Outcome



Enhanced productivity and competitiveness of Canadian workplaces by supporting investment in and recognition and utilization of skills

A key component of ensuring Canada's future prosperity and improving the quality of life involves enhancing the productivity and competitiveness of Canadian workplaces. There is a critical need to be responsive to the needs of employers and workers, and to ensure that there is full development and utilization of the skills of Canadians to promote continued strong growth in high-valued employment. As another major component of the Human Capital Strategy, the Workplace Skills Strategy aims at encouraging workplace skills enhancement and utilization so Canadians can keep pace with evolving workplace requirements.

In support of this strategic outcome, the department, in collaboration with partners — including sectors councils, employers, unions, and provincial and territorial governments — promotes workplace-related learning and skills development and recognition that reflect the realities of the changing labour market. The department manages three horizontal initiatives²²: Sector Council Program; Foreign Credential Recognition; and Training Centre Infrastructure Fund.

Priorities

- Facilitate the establishment of effective partnerships, networks and information flows within and for the Canadian labour market.
- Support the development of recognition processes and efficient and effective skills recognition and utilization.
- Promote skills development in and for the workplace.

Program Activity

WORKPLACE SKILLS — Workplace Skills supports the collaboration of industry partners and stakeholders in identifying, addressing and promoting workplace skills development and recognition issues that reflect the realities of Canadian workplaces in our rapidly evolving labour market. It also develops and disseminates information and knowledge

²² Details on these horizontal initiatives can be found at: http://www.tbs-sct.gc.ca/rma/eppi-ibdrp/hrdb-rhbd/profil_e.asp

from a national, regional and local perspective which is vital in supporting and contributing to a well-functioning labour market.

Expected results

- *Better understanding of workplace-related learning needs by all stakeholders.*
- *Enhanced utilization of existing skills in the labour market.*
- *Increased pan-Canadian consistency of skills recognition processes and requirements.*
- *Increased commitment of stakeholders toward workplace-related learning.*

Priorities

• **Facilitate the establishment of effective partnerships, networks and information flows**

Plans

- Encourage networks of employers and employees to provide and invest in workplace skills strategies by:
 - fostering and strengthening linkages among small- and medium-sized enterprises
 - increasing access among small and medium sized enterprises to information and resources.
- Develop partnerships with other government departments and provinces and territories to promote skills development in and for the workplace.
- Identify priority users of labour market and skills information and approach development and dissemination of information from the point of view of “what employers need” by:
 - establishing strategic partnerships to allow for the effective collection and sharing of data
 - improving accuracy, relevance and access to government-generated information.
- **Support the development of recognition processes and efficient utilization of skills**

Plans

- Support skills recognition processes, particularly for foreign-trained workers, both Canadians and immigrants, seeking employment in Canada by building on work with provincial governments, regulatory bodies and professional associations; and broadening scope of activities to work with sector councils.
- Provide informed labour market assessments to respond to employers’ demands for temporary foreign workers.

- **Promote skills development in and for the workplace**

Plans

- Work with sector councils and other partners to identify current and emerging skills requirements in the labour market.
- Increase the awareness and understanding of essential skills to ensure that Canadians have the right skills for changing labour market demands.
- Work with provinces, territories, employers and unions on apprenticeship and skilled trades issues in Canada to ensure that our labour market has an adequate supply of skilled trades persons who can practise anywhere in Canada.
- Increase opportunity for adult workplace skills investments and lifelong learning.
- Better align government investments in skills with needs of employers and workers.

Programs supporting priorities

HUMAN RESOURCES PARTNERSHIPS (HRP) – HRP works to foster national partnerships between the private sector and learning systems to ensure that Canadians have the skills and knowledge required for the workplace. It includes:

Sector Council Program – The Sector Council Program advances partnerships with industry and the learning system to ensure that Canadians have the skills and knowledge needed for the workplace. http://www.hrsdc.gc.ca/en/gateways/nav/top_nav/program/spi.shtml

National Occupation Classification (NOC) – The NOC is a widely recognized, comprehensive system that describes and organizes occupations in the Canadian economy. <http://www23.hrdc-drhc.gc.ca/2001/e/generic/welcome.shtml>

Apprenticeship and Labour Mobility Initiatives – These initiatives involve working with key apprenticeship stakeholders, including provincial/territorial governments, to find solutions to ensure an adequate supply of skilled trade workers and to allow qualified, skilled Canadian workers to practise their respective trades anywhere in Canada. http://www.hrsdc.gc.ca/en/gateways/nav/top_nav/program/almi.shtml

Expected Results

- *Increased consensus and understanding of skills, occupational needs and labour market issues.*
- *Enhanced skills assessment and recognition processes.*
- *Enhanced labour market transition (facilitating labour market entry and career progression).*
- *Increased standardization of skilled trades requirements.*

FOREIGN WORKER PROGRAM – The Foreign Worker Program assists Canadian employers in meeting their human resource needs by facilitating the entry of temporary

foreign workers while still considering the employers' efforts to recruit, hire and train Canadians. http://www.hrsdc.gc.ca/en/gateways/nav/top_nav/program/fw.shtml

Expected Results

- *Efficient use of temporary foreign labour to meet skills requirements for Canadian employers.*
- *Consistency in decision making regarding the entry of temporary foreign workers.*

LABOUR MARKET INFORMATION – Labour Market Information assists job seekers, people choosing a career, workers, career practitioners, employment service providers, employers and community development organizations in making labour market-related decisions. Labour Market Information products contribute to a well-functioning workplace by providing an array of widely available employment and skills-related information. http://www.hrsdc.gc.ca/en/gateways/nav/top_nav/program/lmi.shtml

Expected Results

- *Better understanding of labour and skill requirements of employers.*
- *Enhanced utilization of existing skills in labour market.*

Financial and Human Resources

	Planned Spending ^a		
	2005-2006	2006-2007	2007-2008
Financial Resources (in millions of dollars)			
Gross Operating Expenditures	75.6	76.1	75.9
Non-Statutory Grants and Contributions	74.3	101.9	93.6
Total	149.9	178.0	169.5
Human Resources			
Full Time Equivalents	695	697	697

^a Planned spending includes 2005 budget announcement for Workplace Skills Strategy of \$25 million in 2005–2006 and \$50 million for 2006–2007 and 2007–2008.

Details by programs and services

	2005-2006	2006-2007	2007-2008
Financial Resources (in millions of dollars)			
Human Resources Partnerships	70.5	78.1	69.6
Foreign Worker Program	10.3	10.3	10.3
Labour Market Information	24.9	24.9	24.9
Allocated Corporate Services ^a	23.6	24.1	24.1
Other ^b	20.6	40.6	40.6
Total ^c	149.9	178.0	169.5
Human Resources			
Full Time Equivalents	695	697	697

^a Corporate Services resources related to the Minister's Office, the Deputy Minister's Office, the Comptroller's Office and the Shared Services from Social Development Canada have been prorated to each Strategic Outcome.

^b Other category is for resources which are not directly related to the sub-activities identified.

^c Planned spending includes 2005 budget announcement for Workplace Skills Strategy of \$25 million in 2005–2006 and \$50 million for 2006–2007 and 2007–2008.

Strategic Outcome



Through access to learning, Canadians can participate fully in a knowledge-based economy and society

For individuals, learning is key to finding a job, increased earnings, personal growth, and civic and community involvement. For Canada, skills are linked to economic growth and competitiveness, an improved standard of living and better social outcomes. A society that promotes lifelong learning and a dynamic labour market is a key component of the Human Capital Strategy.

In support of this strategic outcome, the department invests in skills and learning by promoting awareness of the importance of lifelong learning, by facilitating access to post-secondary education through financial assistance for current students and savings incentives for future students, and by strengthening the capacity of key stakeholders to deliver literacy and learning programs and services. In doing so, it contributes to reducing the financial and non-financial barriers to learning in Canada and to promoting literacy as an essential component of a learning society. In the context of this mandate, the department manages two horizontal initiatives²³ (National Literacy Program and the Canada Student Loans Program) and five foundations²⁴.

This year, commitments to this strategic outcome focus, among other things, on the implementation of measures to increase access to post-secondary education, such as improvements to the Canada Student Loans Program and the implementation of financial incentives and support to help low- to middle-income families save for their children's education.

Priorities

- Implement initiatives and enhancements to improve access to post-secondary education by reducing financial barriers.
- Pursue policy and program development on lifelong learning, focusing on the reduction of financial and non-financial barriers to learning.

²³ Details on these horizontal initiatives can be found at: http://www.tbs-sct.gc.ca/rma/eppi-ibdrp/hrdb-rhbd/profil_e.asp

²⁴ Details on foundations can be found at: <http://www.tbs-sct.gc.ca/>

Program Activity

LEARNING – This area supports the Government of Canada’s significant investments in skills and learning to enable Canadians to acquire and improve their skills over a life-time. Programs within this area include the Canada Student Loans Program (CSLP), the Canada Study Grant (CSG), the Canada Access Grant, the Canada Education Savings Grant (CESG), the Canada Learning Bond (CLB) and several learning and literacy grants and contributions programs, including the National Literacy Program (NLP).

Expected results

- *Reduced financial barriers to participation in post-secondary education.*
- *Reduced non-financial barriers to participation in adult learning.*
- *Increased awareness of the benefits of lifelong learning and literacy.*

Priorities

• **Implement initiatives to improve access to post-secondary education**

Plans

- Implement changes to key learning programs as announced in the 2004 Budget, such as:
 - Enhancements to the CSLP
 - the CLB, which provides a grant to low-income families to encourage saving for their children’s post-secondary education
 - Enhancements to the CESG to increase the grant-matching rates on investments in Registered Education Savings Plans for children of low and middle-income families.
- Implement measures, including Education Savings Incentives Pan-Canadian Outreach, to increase Canadians’ awareness of the importance of planning and saving for post-secondary education.
- Implement the agreement with the Province of Alberta to deliver the Alberta Centennial Education Savings Plan.

• **Pursue policy and program development on lifelong learning**

Plans

- Assess CSLP reforms, in collaboration with provincial and territorial governments, to ensure that debt management measures reflect students’ ability to pay and to better support part-time learners.
- Develop one adult learning program initiative with common objectives, outcomes and processes that strengthens federal leadership in addressing non-financial barriers to learning and builds on the strengths of the National Literacy Program, the Office of Learning Technologies, and the Learning Initiatives Program.

Programs supporting priorities

STUDENT FINANCIAL ASSISTANCE: CANADA STUDENT LOANS PROGRAM (CSLP) AND THE CANADA STUDY GRANT (CSG) – These two programs promote accessibility to post-secondary education for those with demonstrated financial need by lowering financial barriers through the provision of loans and grants. <http://www.hrsdc.gc.ca/en/gateways/topics/exp-gxr.shtml> and <http://www.canlearn.ca>

Expected results

- *Improved access to post-secondary education.*

CANADA EDUCATION SAVINGS PROGRAM: CANADA EDUCATION SAVINGS GRANT (CESG) AND CANADA LEARNING BOND (CLB) – The CESG and the CLB encourage Canadians to save for the post-secondary education of children through Registered Education Savings Plan. <http://www.hrsdc.gc.ca/en/gateways/topics/cgs-gxr.shtml>

Expected results

- *Increased financial capacity to attend post-secondary education.*
- *Increased post-secondary education participation.*

NATIONAL LITERACY SECRETARIAT (NLS) – The NLS works in partnership with the provinces and territories, other government departments, business and labour, the voluntary sector and non-governmental organizations to build capacity for literacy opportunities across Canada. <http://www.hrsdc.gc.ca/en/gateways/topics/lxa-gxr.shtml>

Expected results

- *Enhanced capacity of partners to address literacy.*
- *More literacy opportunities for Canadians with low literacy skills.*

OFFICE OF LEARNING TECHNOLOGIES (OLT) – The OLT promotes and facilitates the development and evolution of Community Learning Networks (CLN) as key features of a community-based approach to learning opportunities through the use of existing technology and strong partnerships. http://www.hrsdc.gc.ca/en/hip/lld/olt/01_index.shtml

Expected results

- *Increased number of communities that develop learning networks and use asset-based approaches to learning.*

LEARNING INITIATIVES PROGRAM – This program promotes a lifelong learning culture and supports partnership initiatives that will contribute to the development of a more results-oriented, accessible, relevant and accountable learning system. <http://www.hrsdc.gc.ca/en/gateways/topics/lxi-gxr.shtml>

Expected results

- *Enhanced innovation and relevance in learning policies and programs.*

INTERNATIONAL ACADEMIC MOBILITY – The International Academic Mobility program advances the development of international skills, knowledge and understanding among students and promotes academic cooperation and institutional linkages among colleges and universities. http://www.hrsdc.gc.ca/en/gateways/nav/top_nav/program/iam.shtml

Expected results

- *Enhanced international mobility for Canadian students.*

Financial and Human Resources

	Planned Spending ^a		
	2005-2006	2006-2007	2007-2008
Financial Resources (in millions of dollars)			
Gross Operating Expenditures	160.6	163.6	169.4
Non-Statutory Grants and Contributions	38.5	43.4	48.5
Statutory Transfer Payments	1,004.2	1,041.6	1,079.0
Total Gross Expenditures	1,203.3	1,248.6	1,296.9
Loans disbursed under the <i>Canada Student Financial Assistance Act</i>	1,118.8	967.8	882.1
Total	2,322.1	2,216.4	2,179.0
Human Resources			
Full Time Equivalents	411	417	394

a. Planned spending includes 2005 budget announcement for National Literacy Secretariat of \$5 million in 2005–2006, \$10 million in 2006–2007, \$15 million in 2007–2008, and for the adjustments to Student Financial Assistance Program of \$3 million in 2005–2006, \$2 million in 2006–2007, and \$3 million in 2007–2008.

Details by programs and services

	2005-2006	2006-2007	2007-2008
Financial Resources (in millions of dollars)			
Student Financial Assistance (CSG and CSLP)	1,641.5	1,509.9	1,435.6
Canada Education Savings Program (CESG and CLB)	614.6	634.6	669.6
National Literacy Secretariat	37.5	42.4	47.5
Office of Learning Technologies	2.2	2.2	2.2
Learning Initiatives Program	1.2	1.2	1.2
International Academic Mobility	4.3	4.3	4.3
Allocated Corporate Services ^a	20.1	20.7	19.7
Other ^b	0.7	1.1	(1.1)
Total ^c	2,322.1	2,216.4	2,179.0
Human Resources			
Full Time Equivalents	411	417	394

a. Corporate Services resources related to the Minister's Office, the Deputy Minister's Office, the Comptroller's Office and the Shared Services from Social Development Canada have been prorated to each Strategic Outcome.

b. Other category is for resources which are not directly related to the sub-activities identified. It includes resources and reductions to be redistributed to other HRSDC program activities.

c. Planned spending includes 2005 budget announcement for National Literacy Secretariat of \$5 million in 2005–2006, \$10 million in 2006–2007, \$15 million in 2007–2008, and for the adjustments to Student Financial Assistance Program of \$3 million in 2005–2006, \$2 million in 2006–2007, and \$3 million in 2007–2008.

Strategic Outcome



Safe, healthy, fair, stable, cooperative and productive workplaces

Canada's ability to compete internationally and to provide secure, rewarding jobs domestically depends on highly productive workplaces. The key to creating such workplaces is in striking the right balance among the interests of employees, organized labour and employers in Canada. The Human Capital Strategy builds upon effective and modern labour legislation and regulations that establish the basic structure of the employment relationship between employers and employees.

In support of this strategic outcome, HRSDC works to ensure that Canadians work in healthy, safe, fair, stable, cooperative and productive work environments that contribute to the social and economic well-being of all Canadians. The department provides an array of programs that equip employees and their employers with the skills they need to respond to emerging trends in the workplace and to adapt to the changing nature of work itself.

This year, the department will concentrate on re-examining the section on labour standards of the *Canada Labour Code*, which has not been reviewed since 1965.

Priorities

- Complete a comprehensive review of Part III (Labour Standards) of the *Canada Labour Code* resulting in a report with recommendations to the Minister of Labour from the independent Commissioner leading the review.
- Finalize the analysis and develop policy options for a modernized Federal Workers' Compensation System for the federal public service and Crown corporations, in support of public service modernization and sound administrative and financial principles.

Program Activity

LABOUR – Labour promotes and sustains stable industrial relations and a safe, fair, healthy, equitable and productive workplace within the federal labour jurisdiction. It collects and disseminates labour and workplace information, represents Canada at international labour activities, fosters constructive labour-management relationships and ensures that minimum labour standards and occupational health and safety protections are enforced.

Expected results

- *Constructive and stable labour-management relations in federally-regulated workplaces.*
- *Safe, healthy and fair federally-regulated workplaces.*
- *Increased awareness of occupational health and safety practices and regulations.*
- *Fulfillment of Canada's international labour commitments.*
- *Increased cooperation and consensus on international labour issues through promotion of dialogue among federal, provincial and territorial governments and among government and employer and worker organizations.*
- *Improved access by stakeholders and the public to information on international labour issues and reports on Canadian labour legislation.*

Priorities

- **Complete a comprehensive review of Part III of the Canada Labour Code**

Plans

- Undertake consultations and roundtables during spring-summer 2005 followed by additional research and analysis of consultation results.
 - Produce a final report covering both legislative and non-legislative recommendations to modernize federal labour standards.
- **Finalize the analysis and development of policy options for a modernized Federal Workers' Compensation System**

Plans

- Carry out research, consultation and analysis of consultation results.
- Analyse policy options and present recommendations for modernized system.

Programs supporting priorities

FEDERAL MEDIATION AND CONCILIATION SERVICE – This service is responsible for providing dispute resolution and dispute prevention assistance to trade unions and employers under the jurisdiction of Part I (Industrial Relations) of the *Canada Labour Code*. <http://www.hrsdc.gc.ca/asp/gateway.asp?hr=/en/lp/fmcs/02About.shtml&hs=mxm>

Expected results

- *Constructive and stable labour-management relations, improved productivity and greater employee involvement in federally-regulated workplaces.*

NATIONAL LABOUR OPERATIONS – This program ensures consistent and cost-effective implementation of Part II (Occupational Health and Safety) and Part III (Labour Standards) of the *Canada Labour Code*, as well as the *Employment Equity Act*, Federal Contractors Program, *Fair Wages and Hours of Labour Act* and the *Non-smokers' Health Act*. National Labour Operations is responsible as well for administering the *Government Employees' Compensation Act* and the *Merchant Seamen Compensation Act*. It also administers Fire Protection Services on behalf of Treasury Board.
http://www.hrsdc.gc.ca/en/gateways/nav/top_nav/program/labour.shtml

Expected results

- *Safe, healthy, fair, stable, cooperative and productive workplaces.*

INTERNATIONAL AND INTERGOVERNMENTAL LABOUR AFFAIRS – This program promotes the development, observance and effective enforcement of internationally recognized labour principles, and fosters cooperation and coordination among labour jurisdictions in Canada on international and national labour issues. <http://www.hrsdc.gc.ca/en/gateways/business/cluster/category/ilaa.shtml>

Expected results

- *Fulfilled Canada's international labour commitments.*
- *Improved cooperation and consensus on international labour issues through promotion of dialogue among federal, provincial and territorial governments and among government and employer and worker organizations.*
- *Improved access by stakeholders and the public to information on international labour issues and reports on Canadian labour legislation.*

WORKPLACE POLICY AND INFORMATION – This program identifies emerging trends and changes in the workplace and provides policy development and leadership in labour policy; manages a national data base of collective agreements, conducts research on employment relationships and disseminates key information, research and analysis. See Work-life Balance and Ageing Workforce at: <http://www.hrsdc.gc.ca/en/gateways/topics/wnc-gxr.shtml>

Expected results

- *Developed policy options that are supported by research and analysis on issues of emerging importance in the workplace, such as, work-life balance, work-related stress, ageing workforce and the transition from work to retirement, workers vulnerable to low wages and poor working conditions, and economic insecurity.*
- *Disseminated workplace-related research, information, tools, case examples and other products using the Internet and other means.*
- *Adopted comprehensive and authoritative national collective bargaining and industrial relations information service.*
- *Established virtual national workplace information centre.*

ABORIGINAL LABOUR AFFAIRS – Aboriginal Labour Affairs ensures a coordinated program approach to Aboriginal labour issues and facilitates the identification of, and appropriate response to, issues arising in the context of self-government negotiations and program service delivery.

Expected results

- *Coordinated program approach to Aboriginal labour issues, the identification of issues arising in the context of self-government negotiations and program service delivery, and the development of appropriate responses to address these issues.*

Financial and Human Resources

	Planned Spending		
	2005-2006	2006-2007	2007-2008
Financial Resources (in millions of dollars)			
Gross Operating Expenditures	74.2	74.5	74.6
Non-Statutory Grants and Contributions	3.9	3.9	3.9
Workers Compensation Payments	127.0	131.0	135.0
Total	205.1	209.4	213.5
Human Resources			
Full Time Equivalents	663	663	663

Details by programs and services

	2005-2006	2006-2007	2007-2008
Financial Resources (in millions of dollars)			
Federal Mediation and Conciliation Service	7.0	7.0	7.0
National Labour Operations	164.3	168.2	172.2
International and Intergovernmental Labour Affairs	5.4	5.4	5.4
Workplace Policy and Information	3.5	3.5	3.5
Aboriginal Labour Affairs	0.3	0.3	0.3
Allocated Corporate Services ^a	23.5	23.9	24.0
Other ^b	1.1	1.1	1.1
Total	205.1	209.4	213.5
Human Resources			
Full Time Equivalents	663	663	663

a Corporate Services resources related to the Minister's Office, the Deputy Minister's Office, the Comptroller's Office and the Shared Services from Social Development Canada have been prorated to each Strategic Outcome.

b Other category is for resources which are not directly related to the sub-activities identified.

Strategic Outcome



Enhanced community capacity to contribute to the reduction of homelessness

In the 1990s, Canada was faced with a growing homelessness problem, particularly in the country's urban centres. Homelessness is the most extreme manifestation of poverty, social exclusion, marginalization and the housing problem. It often combines some of the most severe health, social, income and developmental conditions that individuals and families can face, and cuts across some of the most vulnerable and at-risk populations. To combat the situation, the Government of Canada launched the three-year National Homelessness Initiative (NHI)²⁵ on December 17, 1999.

Homelessness continues to be an important issue affecting individuals and families in small and large communities across Canada, resulting in a wide variety of social and housing problems. It also has a negative impact on the ability of Canadians to fully participate in the labour market and the country's ability to build a 21st century economy. In the Speech from the Throne 2002, the Government of Canada recognized homelessness as a national priority and extended the Supporting Communities Partnership Initiative for three years (2003–2006) to provide communities with the tools to plan and implement local strategies to help reduce homelessness.

The NHI is a community-based initiative, a key element of which is an inclusive community planning process. A total of 61 communities across Canada, representing 75 percent of the population, have assessed their existing plans and updated these plans to reflect changing needs and to target sub-populations such as youth and Aboriginal people. Over the years, to build in sustainability, communities have created partnerships with all orders of government and with the public and non-profit sectors; these partnerships have successfully developed innovative community-based projects and leveraged NHI funding contributions, thereby enabling communities to meet more needs for facilities and services.

This year, in support of its Human Capital Strategy, the department plans to address these issues related to housing and homelessness. HRSDC is committed to work, in collaboration with the Canada Mortgage and Housing Corporation (CMHC), on building on the existing programs and developing new initiatives to build a comprehensive housing continuum for all Canadians. The department is also committed to increase community capacity in networking, and information sharing through transfer of knowledge and best practices.

²⁵ The National Homelessness Initiative is an important horizontal initiative, which involves various partners, including organizations from other orders of governments and which is managed by HRSDC. Details on this horizontal initiative can be found at: http://www.tbs-sct.gc.ca/rma/eppi-ibdrp/hrdb-rhbd/profil_e.asp

Priorities

- Lead the development of a partnership-based Canadian housing framework, in collaboration with the CMHC, to ensure a seamless housing continuum that meets the needs of all Canadian individuals and families.
- Expand relationships and partnerships with federal organizations, the corporate sector, unions and foundations to engage them in building a coordinated response to homelessness and housing challenges.
- Build, with a wide range of partners, an information-sharing network that will house and transfer knowledge and best practices to formulate effective solutions to address homelessness.
- Enable communities to provide greater availability and accessibility to a comprehensive continuum of supports with a focus on transitional and supportive housing.

Program Activity

HOMELESSNESS – This program activity aims at assisting communities, through partnerships, in implementing measures that help homeless individuals and families to move towards self-sufficiency, thereby contributing to society and the economy.

http://www.homelessness.gc.ca/home/index_e.asp

Expected results

- *Contribution to the reduction of homelessness.*

Priorities

- **Lead the development of a partnership-based Canadian housing framework**

Plans

- Develop policy rationale and funding for the partnership-based Canadian housing framework.
- Lead the design of the Canadian housing framework, including the renewal of the Supporting Communities Partnership Initiative.

- **Expand relationships and partnerships to engage in building a coordinated response to homelessness and housing challenges.**

Plans

- Implement the new and expanded horizontal initiatives increasing community access to resources, programs and expertise regarding homelessness and housing solutions.
 - Hold an Advisory Roundtable on Homelessness with leaders from the corporate sector and unions to provide advice to the Minister on engaging the private sector in solutions to housing and homelessness and to connect business at the community level.
 - Support national industry, business associations, and key corporate, union and other non-governmental sector partners in “connecting” their membership with homelessness and housing solutions.
- **Build an information-sharing network**

Plans

- Elaborate on and produce promising approaches/best practices and disseminate them via the National Secretariat on Homelessness (NSH) Website and public events.
 - Promote the Partnering Learning Network information-sharing sessions and disseminate specialized partnership products via the NSH Website.
 - Expand the national network of shelter service providers across Canada using the Homeless Individuals and Families Information System to promote information-sharing to disseminate comparable data on the characteristics of homelessness.
 - Enhance the NSH Website to support improved access to and sharing of information on homelessness among the 61 designated communities.
- **Enable communities to provide availability and accessibility to a continuum of supports on traditional and supportive housing**

Plans

- Implement the national rollout of the learning strategy for “Not In My Back Yard” in partnership with CMHC.
- Report on project investment, demonstrating shift from emergency to supportive and transitional housing.

Programs supporting priorities

SUPPORTING COMMUNITIES PARTNERSHIP INITIATIVE (SCPI) – The SCPI aims to increase availability and access to a range of services and facilities (emergency shelters, transitional/supportive housing, prevention) along the continuum from homelessness to self-sufficiency and an independent lifestyle. Projects funded by the SCPI support the priority areas identified through an inclusive community planning process. Along with providing financial support to communities, the SCPI encourages them to work in partnership with provincial/territorial and municipal governments as well as the private and voluntary sectors to strengthen existing capacity and to develop integrated responses to homelessness. Communities are allocated a maximum funding level that must be matched from other community sources (i.e. fundraising, local sponsors, etc.). Communities must also explain how their activities are sustainable (i.e. how they will continue once SCPI funding ends). http://www.homelessness.gc.ca/initiative/scpi_e.asp

Expected results

- *Comprehensive continuum of supports to help homeless Canadians move out of the cycle of homelessness and prevent those at risk from falling into homelessness.*
- *Enhanced community capacity to address homelessness.*

URBAN ABORIGINAL HOMELESSNESS (UAH) – Aboriginal homelessness is a serious issue in some communities and is best addressed by developing local responses. The NHI will continue to address the unique needs of the Aboriginal population through its UAH component. This component provides flexibility to meet the needs of homeless Aboriginal people, through culturally sensitive services. Enhancing capacity building — both within and outside of Aboriginal communities — through community planning, decision making and the formulation of partnerships is a key UAH focus. Cost matching is not required; however, community contributions will be encouraged where and when possible. The National Secretariat on Homelessness works with the Federal Interlocutor's Division of Indian and Northern Affairs Canada to ensure the complementarity of the Urban Aboriginal Strategy pilot projects and the NHI's UAH component. http://www.homelessness.gc.ca/initiative/uah_e.asp

Expected results

- *Comprehensive continuum of supports to help homeless Canadians move out of the cycle of homelessness and prevent those at risk from falling into homelessness.*
- *Enhanced community capacity to address homelessness.*

HOMELESS INDIVIDUALS AND FAMILIES INFORMATION SYSTEM (HIFIS) – There is little credible information or reliable methodology to determine the size or scope of the homeless population, the total number of shelters throughout Canada, the provision of homelessness-related supports and services provided by these shelters, and the diversity of these shelters’ clientele. To better address these knowledge gaps, HIFIS provides a solution to service providers by offering an electronic data management system that enables them to share information and partnership development with local, private, municipal, provincial/territorial and federal levels. It assists communities in longer term planning efforts and capacity-building to address their local homelessness challenges. The benefits resulting from a network of data-sharing communities will contribute to the development of a national database. This database will provide a better understanding of the size and scope of the shelter homeless population, guide policy development, and help in further transforming management practices within the shelter system. http://www.homelessness.gc.ca/initiative/hifis_e.asp

Expected results

- *Enhanced community capacity to address homelessness.*

NATIONAL RESEARCH PROGRAM (NRP) – The NRP is designed to address the gaps and priorities in knowledge around issues of homelessness in Canada. The program works to:

- further increase the base of policy and community-relevant research
- encourage and support research partnerships (with research and community organizations, other federal departments, and academic researchers)
- facilitate the sharing of best practices and transfer of knowledge.

By providing funding to partners to strengthen their capacity to develop a deeper understanding of homelessness, the NRP will help foster the development and assessment of appropriate and effective solutions to homelessness. This is vital to making efficient use of scarce resources and sustaining community efforts over the long term. http://www.homelessness.gc.ca/initiative/nrp_e.asp

Expected results

- *Enhanced community capacity to address homelessness.*

REGIONAL HOMELESSNESS FUND (RHF) – The RHF is designed to provide support to small and rural communities that are experiencing homelessness in their local areas, but often face capacity challenges to respond to homelessness issues. Homeless individuals or those at risk of homelessness must often move to larger urban centres to access homeless-related supports and services. This in turn can place a burden on the service systems of these larger communities. The RHF will provide funding to establish support services needed to prevent homelessness and to help stabilize the living conditions of at-risk individuals and families. The fund also encourages a wide range of partnerships and takes the unique needs of youth populations into consideration in the planning and implementation process. http://www.homelessness.gc.ca/initiative/rhf_e.asp

Expected results

- *Comprehensive continuum of supports to help homeless Canadians move out of the cycle of homelessness and prevent those at-risk from falling into homelessness*

SURPLUS FEDERAL REAL PROPERTY FOR HOMELESSNESS INITIATIVE (SFRPHI) – The SFRPHI provides surplus federal properties to communities across Canada to address their local homelessness-related needs through National Secretariat on Homelessness coordination. The homelessness projects, which must be financially viable and sustainable, help communities overcome the high capital costs of buying land or buildings. Government departments and agencies, which are encouraged to identify such properties, receive compensation at market value and transfer them — to community organizations, the not-for-profit sector and other orders of government — for a nominal cost to help alleviate and prevent homelessness. Additional funding for construction and renovation costs may also be available through related federal programs such as SCPI and CMHC programs. Three Government of Canada organizations — Public Works and Government Services Canada, Human Resources and Skills Development Canada (NSH), and the CMHC — act as partners at the national and regional levels in implementing and managing this initiative. http://www.homelessness.gc.ca/initiative/sfrphi_e.asp

Expected results

- *Comprehensive continuum of supports to help homeless Canadians move out of the cycle of homelessness and prevent those at-risk from falling into homelessness.*

Financial and Human Resources

	Planned Spending		
	2005-2006	2006-2007 ^a	2007-2008 ^a
Financial Resources (in millions of dollars)			
Gross Operating Expenditures	38.5	0.2	0.2
Non-Statutory Grants and Contributions	141.1	0.0	0.0
Total	179.6	0.2	0.2
Human Resources			
Full Time Equivalents	280	1 ^b	1 ^b

a The National Homelessness Initiative is currently a three year initiative that ends in March 2006.

b For 2006–2007 and 2007–2008, a position is being transferred from Infrastructure Canada, Crown Corporations Secretariat, to provide support to the Honourable Joseph Fontana, Minister of Labour and Housing with respect to Canada Mortgage and Housing Corporation (CMHC).

Details by programs and services

	2005-2006	2006-2007 ^c	2007-2008 ^c
Financial Resources (in millions of dollars)			
Supporting Communities Partnership Initiative	132.9	0.1	0.1
Urban Aboriginal Homelessness	21.5	-	-
Regional Homelessness Fund	7.1	-	-
Surplus Federal Real Property for Homelessness Initiative	0.1	-	-
Homeless Individual and Families Information System	1.9	-	-
National Research Program	3.9	-	-
Allocated Corporate Services ^a	12.2	0.1	0.1
Other ^b	-	-	-
Total	179.6	0.2	0.2
Human Resources			
Full Time Equivalents	280	1 ^d	1 ^d

a Corporate Services resources related to the Minister's Office, the Deputy Minister's Office, the Comptroller's Office and the Shared Services from Social Development Canada have been prorated to each Strategic Outcome.

b Other category is for resources which are not directly related to the sub-activities identified.

c The National Homelessness Initiative is currently a three year initiative that ends in March 2006.

d For 2006–2007 and 2007–2008, a position is being transferred from Infrastructure Canada, Crown Corporations Secretariat to provide support to the Honourable Joseph Fontana, Minister of Labour and Housing with respect to Canada Mortgage and Housing Corporation (CMHC).

Strategic Outcome



Seamless, integrated and multi-channel service delivery that ensures client satisfaction

Citizens expect and deserve timeliness, fairness, knowledge, competence, courteousness and results when dealing with Government of Canada programs and services. Within a complex operating environment, HRSDC is committed to providing the highest level of citizen-centred quality service that meets the needs and expectations of Canadians in a multi-channel environment that includes in-person, mail, Internet and telephone service.

In support of this strategic outcome, the department is working to deliver programs and services that are easy to access, simple to navigate and delivered by a modern, innovative public service. HRSDC strives to be a leader in providing the programs and services that citizens need in an affordable and sustainable fashion. In addition, the department manages the in-person channel of the Service Canada initiative,²⁶ a horizontal initiative whose mandate is to provide Canadians with one-stop access to a wide range of Government of Canada services involving several federal partners.

In its endeavour to further improve the quality and relevance of service and program delivery, HRSDC is supported by integrated strategic policy leadership, planning, communications and management functions.

In 2005–2006, HRSDC will continue to develop a more effective and efficient service delivery network, building on strengthened policy development, performance monitoring and program evaluation.

It is important to note that the performance indicators reported under this Strategic Outcome relate to the combined service delivery efforts of various program activities and, where possible, the department has identified specific indicators by program activity.

²⁶ Details on this horizontal initiative can be found at: http://www.tbs-sct.gc.ca/rma/eppi-ibdrp/hrdb-rhbd/profil_e.asp

Priorities

- Ensure a sustainable in-person channel of the Service Delivery Network and align the network with service transformation initiatives.
- Lead the policy renewal process.
- Improve performance measurement, integrated risk management and public reporting of the achievement of results.
- Implement new directions for Audit and Evaluation as identified in the Plans approved by the Audit and Evaluation Committee.

Program Activity

POLICY, PROGRAM AND SERVICE DELIVERY SUPPORT – The in-person regional service delivery network provides direct service to clients for both the departments of Human Resources and Skills Development Canada and Social Development Canada. It also includes Policy and Communications support.

Expected results

- *Effective strategic policy advice, communications and delivery of programs and services.*

Priorities

- **Ensure a sustainable in-person channel of the Service Delivery Network**

Plans

- Provide ongoing support to regional and local operations and monitor regional performance and levels of client satisfaction.
- Lead initiatives to redesign the in-person channel of the Service Delivery Network and ensure its alignment with other service channels.
- Work to strengthen partnerships within the current Service Canada initiative, such as the Service Canada and Passport Office partnership that improves access to Canadians applying for a passport. Extend the partnership with the Passport Office for an additional 12 months in the three Service Canada Access Centres; additional sites may be added if required and funding is available.
- Actively participate in the Ottawa Counter Project with the province of Ontario and the municipality of Ottawa to provide one-stop access to services among all orders of government.
- Coordinate department-wide responses to incidents and/or emergencies with impacts on service delivery and lead initiatives that will improve incident management practices and tools to facilitate future management responses.

- **Lead the policy renewal process**

Plans

- Develop human capital policy frameworks that encompass lifelong learning, the workplace skills strategy and labour market programming.
 - Highlight key conceptual shifts, priority areas for improving the learning system, and links between learning policy and the government's broader social and economic objectives.
 - Develop a departmental multi-year research plan to fund external research of interest to HRSDC.
 - Manage the departmental survey budget, ensuring the funding of surveys with reliable sources of information for policy, research and evaluation purposes.
- **Improve performance measurement, integrated risk management and public reporting of the achievement of results**

Plans

- Continue to strengthen and refine the department's performance measurement framework by reviewing and revising the indicators related to the strategic outcomes.
 - Continue to implement Integrated Risk Management (IRM) across the department through a strategy to strengthen the practice of IRM and the continued support of senior management.
- **Implement new directions for Audit and Evaluation**

Plans

- Carry out new risk-based audit and evaluation work plans.
- Implement the longer term Audit Work Plan which was developed using a risk-based approach to ensure the timely submission of audit reports.

Programs supporting priorities

REGIONAL AND LOCAL PROGRAM AND SERVICE DELIVERY – This program provides and maintains the nation-wide accessible in-person Service Delivery Network (SDN) that facilitates the delivery of HRSDC and Social Development Canada (SDC) programs and services, meets the needs and preferences of citizens and communities, supports HRSDC's commitment to service excellence and service transformation, and is capable of integrating the in-person services of other Government of Canada departments.

Expected results

- *Effective delivery of programs and services to citizens via the in-person channel of the Service Delivery Network.*

STRATEGIC POLICY AND PLANNING – This program provides strategic policy leadership to all program areas. It is integrated with the planning cycle, drawing on the results of audit and evaluation, and based on sound research and partnerships.

Expected results

- *Accurate and timely strategic policy advice and management support to the department.*

COMMUNICATIONS – Communications provides support to the department, including the processing and coordinating of ministerial and executive correspondence, and liaison between ministers' offices and program branches.

Expected results

- *Effective internal and external communications, and support to the Ministers' offices.*

Financial and Human Resources

	Planned Spending		
	2005-2006 ^a	2006-2007	2007-2008
Financial Resources (in millions of dollars)			
Gross Operating Expenditures	230.1	255.2	253.9
Non-Statutory Grants and Contributions ^b	0.0	0.0	0.0
Total	230.1	255.2	253.9
Human Resources			
Full Time Equivalents	1,088	1,092	1,081

a Planned spending for 2005–2006 reflects a reduction of \$2.3 million related to the government-wide efficiencies on federal purchases (procurement).

b Net planned spending has been decreased by the estimated resources to be transferred to Citizenship and Immigration Canada resulting from the February 3, 2005 OIC on the transfer of the Toronto Waterfront Revitalization Initiative.

Details by programs and services

	2005-2006 ^a	2006-2007	2007-2008
Financial Resources (in millions of dollars)			
Service and Benefit Delivery Support	84.4	84.4	84.4
Strategic Policy and Planning	48.4	57.9	57.1
Communications	26.1	31.1	30.8
Allocated Corporate Services ^b	71.2	81.8	81.6
Other	-	-	-
Total	230.1	255.2	253.9
Human Resources			
Full Time Equivalents	1,088	1,092	1,081

a Planned spending for 2005–2006 reflects a reduction of \$2.3 million related to the government-wide efficiencies on federal purchases (procurement).

b Corporate Services resources related to the Minister's Office, the Deputy Minister's Office, the Comptroller's Office and the Shared Services from Social Development Canada have been prorated to each Strategic Outcome.



SUPPLEMENTARY INFORMATION

MANAGEMENT REPRESENTATION STATEMENT

I submit, for tabling in Parliament, the *2005–2006 Report on Plans and Priorities* for Human Resources and Skills Development Canada.

This document has been prepared based on the reporting principles contained in the *Guide to the Preparation of Part III of the Estimates: Reports on Plans and Priorities*.

- It accurately portrays the organization's plans and priorities. It is comprehensive and accurate.
- It adheres to the specific reporting requirements outlined in the Treasury Board Secretariat guidelines.
- It is based on the department's approved accountability structure.
- It provides a basis of accountability for the results achieved with the resources and authorities entrusted to it.
- It reports finances based on approved planned spending numbers from the Treasury Board Secretariat.

Alan Nymark
Deputy Minister
Human Resources and Skills Development

MANAGEMENT REPRESENTATION STATEMENT

On July 20, 2004, the Prime Minister announced the Minister of Labour and Housing as part of the new Cabinet. In addition to Labour and the Canada Mortgage and Housing Corporation portfolios, the Minister is also responsible for the National Homelessness Initiative.

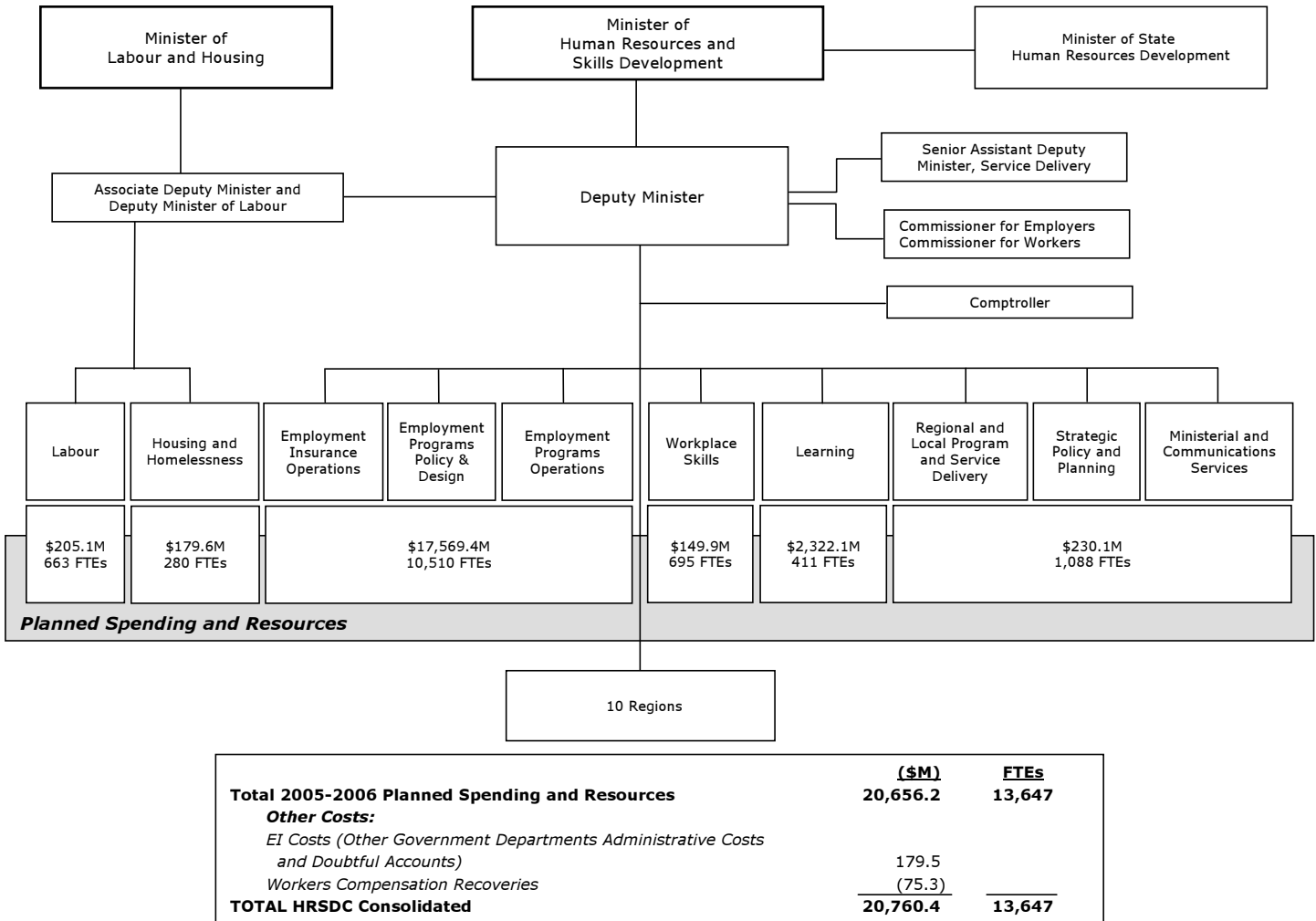
The plans, priorities, planned spending and performance measures in support of the Labour program and National Homelessness Initiative are presented in the 2005–2006 Report on Plans and Priorities for Human Resources and Skills Development Canada.

Maryantonett Flumian
Associate Deputy Minister and Deputy Minister for Labour

ORGANIZATIONAL INFORMATION

Organizational Chart

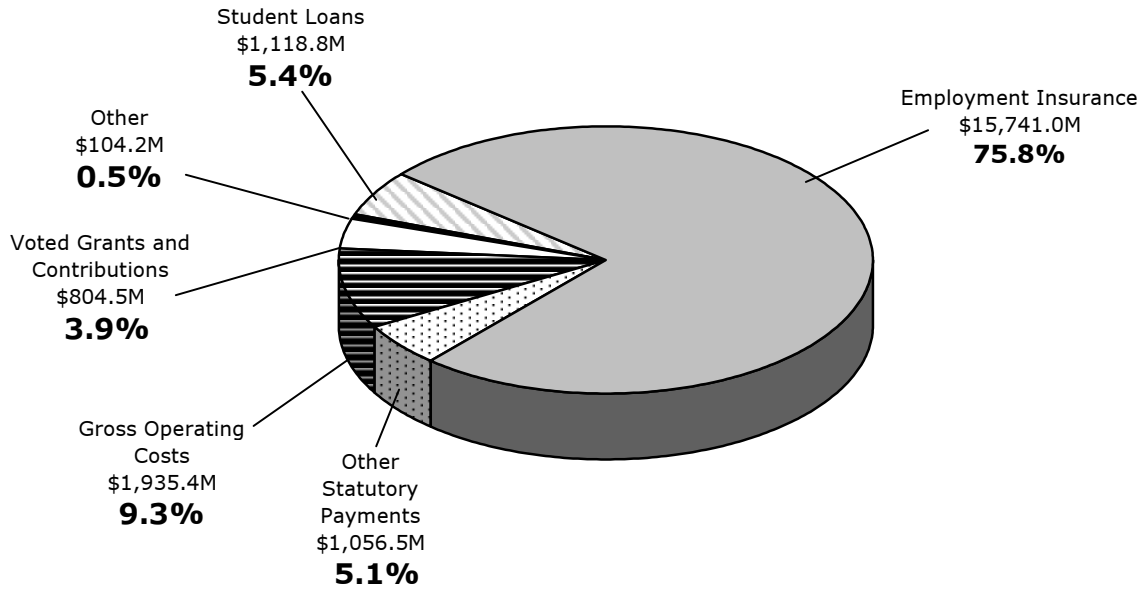
Human Resources and Skills Development Canada



2005–2006 PLANNED EXPENDITURE PROFILE

HRSDC has expenditures of more than \$20 billion, of which \$17 billion or 86% are direct benefits to Canadians through Employment Insurance, Loans disbursed under the *Canada Student Financial Assistance Act* and other statutory transfer payments.

Consolidated Total: \$20,760.4M



2005–2006 Planned Expenditure Profile

(in millions of dollars)

Budgetary

Net Operating Costs	590.3	
Add Recoveries in relation to:		
Employment Insurance Account	1,255.8	
Workers Compensation	75.3	
Canada Pension Plan	14.0 ^a	
	<u>Sub-total</u>	<u>1,345.1</u> 1,345.1
Gross Operating Costs		Sub-total 1,935.4 1,935.4
Voted Grants and Contributions		804.5

Total Planned Expenditures	2,739.9
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Others

EI Administrative Costs (OGD)	118.5	
Estimated Doubtful Accounts	61.0	
	<u>Sub-total</u>	<u>179.5</u> 179.5
Workers Compensation Recoveries		(75.3)

Total Others	104.2
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Non-Budgetary

Loans disbursed under <i>Canada Student</i>	
<i>Financial Assistance Act</i> (CSFAA)	1,118.8 ^b

Total Non-Budgetary	1,118.8
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Statutory Transfer Payments

Grants and Contributions:

Other Statutory Payments:

Canada Learning Bond	85.0	
Canada Student Loans	409.2	
Canada Education Savings Grant	510.0	
Others	0.2	
	<u>Sub-total</u>	<u>1,004.4</u> 1,004.4

Employment Insurance benefits

Part I	13,595.4	
Part II	2,145.6	
	<u>Sub-total</u>	<u>15,741.0</u> 15,741.0

Other Specified Purpose Accounts	52.1 ^c
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Total Statutory Transfer Payments	16,797.5^b
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CONSOLIDATED TOTAL**20,760.4**

a. The Canada Pension Plan (CPP) is under the portfolio of Social Development Canada (SDC) but HRSDC recovers costs for services related to the CPP program.

b. These two amounts directly benefit Canadians.

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

FINANCIAL TABLES

Table 1: Planned Spending and Full Time Equivalents

Program Activities (millions of dollars)	Forecast	Planned Spending ^a		
	Spending 2004-2005	2005-2006	2006-2007	2007-2008
Budgetary Main Estimates				
Employment Insurance	562.7	804.9	809.3	810.3
Employment Programs	795.7	893.0	871.1	866.1
Workplace Skills	62.3	168.8	172.2	168.7
Learning	879.5	929.5	953.6	974.8
Labour	185.4	205.8	210.2	214.2 ^b
Homelessness	195.9	180.0	0.2 ^b	0.2
Policy, Program and Service Delivery Support	206.1	351.5	373.7	372.4
Gross Budgetary Main Estimates	2,887.6	3,533.5	3,390.3	3,406.7
Less: Respendable revenue	(894.2)	(1,347.0)	(1,360.3)	(1,362.0)
Net Budgetary	1,993.4	2,186.5	2,030.0	2,044.7
Non-Budgetary				
Loans disbursed under <i>Canada Student Financial Assistance Act</i>	1,254.7	1,040.8	882.8	784.1
Adjustments Budgetary:				
Supplementary Estimates A:				
- Toronto Waterfront Revitalization Initiative	35.0	n/a	n/a	n/a
- Aboriginal Human Resources Development Strategy	25.0			
- Official Language Minority Communities	10.0			
- Foreign Credential Assessment and Recognition	8.7			
- Realignment of resources between Social Development and Human Resources and Skills Development	8.6			
- Operating Budget Carry Forward	7.8			
- Older Worker Pilot	5.4			
- Initiatives to prevent racism	2.0			
- Government On-line	1.9			
- Government-wide reallocation	(2.2)			
- Transfer to Other Government Departments	(0.1)			
Total Supplementary A	102.1			
Supplementary Estimates B:				
- Canada Student Loans Program	14.9	n/a	n/a	n/a
- Canada Education Savings Grants	25.0			
- Loans disbursed under the <i>Canada Student Financial Assistance Act</i>	(51.8)			
Total Supplementary B	(11.9)			
Others:				
- TB Vote 15	1.0	n/a	n/a	n/a
- Employee Benefit Plan (EBP)	(5.6)			
- Freezes	(79.5)			
Total Others	(84.1)			

 Continues... 

Table 1: Planned Spending and Full Time Equivalents (continued)

(millions of dollars)	Forecast Spending 2004-2005	Planned Spending		
		2005-2006	2006-2007	2007-2008
Budget Announcements:				
Budget 2004				
- Aboriginal Human Resources Development Strategy	n/a	25.0	25.0	25.0
- Training Centre Infrastructure Fund		10.0	10.0	5.0
- Canada Learning Bond		100.0	110.0	130.0
- Enhancement to Canada Education Savings Grants		80.0	80.0	80.0
- Easing transition to Post-Secondary Education		45.0	48.0	51.0
- Enhancing Student Loans		14.0	18.0	16.0
Sub-Total Budget 2004		274.0	291.0	307.0
Budget 2005				
- Workplace Skills Strategy	n/a	25.0	50.0	50.0
- National Literacy Secretariat		5.0	10.0	15.0
- Adjustments to Student Financial Assistance Program - CSLP Forgiveness		3.0	2.0	3.0
- Procurement Savings		(0.4)		
Sub-Total Budget 2005		32.6	62.0	68.0
Others				
- Revitalization of Toronto Waterfront ^c	n/a	(116.8)	(115.8)	(115.8)
- Official Language Minority Communities		13.8	13.8	13.8
- Youth Internship Program - Transfer from PSHRMAC		9.2	1.2	1.2
Sub-Total Others		(93.8)	(100.8)	(100.8)
Total Adjustments Budgetary	6.1	212.8	252.2	274.2
Adjustment Non Budgetary:				
- Enhancing Student Loans	n/a	78.0	85.0	98.0
Total Adjustments Budgetary and Non-Budgetary	6.1	290.8	337.2	372.2
Total Planned Spending	3,254.2	3,518.1	3,250.0	3,201.0
Specified Purpose Accounts				
Employment Insurance	16,893.1 ^d	17,312.4	17,855.2	n/a ^e
Other Specified Purpose Accounts	55.3	52.1	49.1	46.1
Departmental Recoveries charged to the Canada Pension Plan	6.8	14.0	15.5	n/a
Departmental Employee Benefit Plan recoverable from EI Account and Canada Pension Plan	(103.2)	(136.2)	(133.6)	n/a
Total HRSDC Consolidated	20,106.2	20,760.4	21,036.2	3,247.1 ^e
Less: Non-Respendable revenue	(276.9)	(337.6)	(356.4)	(371.1)
Plus: Cost of services received without charge	13.0	15.4	13.7	13.8
Total HRSDC	19,842.3	20,438.2	20,693.5	2,889.8 ^e
Full Time Equivalents	13,133	13,647	12,927	12,892

a. The increase in planned spending effective in 2005–2006 is mainly due to a transfer between Social Development Canada (SDC) and Human Resources and Skills Development Canada (HRSDC) of funds for shared services.

b. The National Homelessness Initiative is currently a three year initiative that ends in March 2006.

c. Net planned spending has been decreased by the estimated resources to be transferred to Citizenship and Immigration Canada (CIC) resulting from the February 3, 2005 OIC on the transfer of the Toronto Waterfront Revitalization Initiative.

d. EI Benefits for 2004–2005 represent the Budget 2005 forecasts.

e. Forecasted expenditures for EI Benefits (Parts I and II) are only presented for the planning years 2005–2006 and 2006–2007.

Financial Highlights

HRSDC's consolidated spending is expected to be \$20,760.4 million in 2005–2006. This represents an increase of \$654.2 million over the 2004–2005 forecast of \$20,106.2 million. The variance is mainly due to the following:

- an increase of \$39.4 million in net operating expenditures, mainly due to:
 - transfers of funds between Social Development Canada (SDC) and HRSDC for shared services, the Comptroller's office, and other technical adjustments (\$7.3 million). This also includes a transfer of \$536.4 million for the cost of shared services provided by SDC, which is offset by increased revenues of \$422.4 million;
 - additional funding to implement initiatives announced in Budgets 2004 and 2005 (\$20.6 million);
 - Supplementary Estimates and frozen items in 2004–2005 (\$11.5 million);
- an increase of \$224.1 million in statutory payments mainly related to the introduction of the new Canada Learning Bond (\$85.0 million), the enhancement of the Canada Education Savings Grant (\$80.0 million) and the Canada Students Loans (\$59.0 million) as announced in the Budget 2004;
- a net decrease of \$84.1 million for loans disbursed under the *Canada Student Financial Assistance Act*, which reflects a higher value of forecasted disbursements in loans (\$62.5 million) related to the latest demographic and economic projections published by the Office of the Chief Actuary and a higher value of forecasted repayments from borrowers (\$146.6 million); and
- an increase of \$419.3 million for the Employment Insurance Account. The increase in benefits is due to a 2.6% expected increase in the average weekly benefits and a 0.5% expected increase in the number of beneficiaries.

For 2006–2007, the department’s consolidated planned spending is anticipated to be \$21,036.2 million, which represents an increase of \$275.8 million from the 2005–2006 planned spending. The major changes are as follows:

- a decrease of \$30.4 million in net operating expenditures mainly due to the end of the funding for the National Homelessness Initiative which was renewed from 2003–2004 to 2005–2006;
- a decrease of \$126.0 million in grants and contributions which is mainly due to the end of the funding for the National Homelessness Initiative which was renewed from 2003–2004 to 2005–2006 only (\$141.1 million), additional funding for the Workplace Skills Strategy announced in Budget 2005 (\$25 million) and a decrease for the Youth Internship Program (\$8.0 million);
- an increase of \$46.4 million in statutory payments which is mainly the result of the Budgets 2004 and 2005 announcements for the Canada Learning Bond (additional \$15.0 million) and Canada Student Loans Program (additional \$6.0 million) and forecast increases for the Canada Student Loans Program (\$13.4 million) and for the Canada Education Savings Grant (\$10.0 million);
- a net decrease of \$151.0 million for loans disbursed under the *Canada Student Financial Assistance Act*, which reflects a lower value of forecasted disbursements in loans (\$8.0 million) related to the latest demographic and economic projections published by the Office of the Chief Actuary and a higher value of forecasted repayments from borrowers (\$143.0 million); and
- an increase of \$542.8 million for Employment Insurance Account. This growth in expenditures reflects the projected increase in the number of people eligible for benefits and increases in average benefits.

For 2007–2008, the net departmental planned spending, excluding the Special Purpose Accounts, is anticipated to be \$3,201.0 million, which represents a decrease of \$49.0 million from the 2006–2007 consolidated net planned spending. The variance is mainly due to the following:

- an increase of \$47.4 million in statutory payments which is mainly the result of the Budget 2004 announcements for the Canada Learning Bond (additional \$20 million) and forecast increases for the Canada Student Loans Program (\$9.4 million) and the Canada Education Savings Grant for CSLP (\$15.0 million); and
- a decrease of \$85.7 million for loans disbursed under the *Canada Student Financial Assistance Act*, which reflects a higher value of forecasted disbursements in loans (\$42.8 million) related to the latest demographic and economic projections published by the Office of the Chief Actuary and a higher value of forecasted repayments from borrowers (\$128.5 million).

The following table provides resource information for the Estimates year only.

Table 2: Program Activities

(millions of dollars)	2005-2006							
	Main Estimates Budgetary					Main Estimates Non-Budgetary	Adjustments (planned spending not in Main Estimates) ^a	Total Planned Spending
	Operating	Grants and Contributions	Gross	Revenue	(Net) Total Main Estimates	Loans		
Program Activity	Operating	Grants and Contributions	Gross	Revenue	(Net) Total Main Estimates	Loans	Adjustments (planned spending not in Main Estimates) ^a	Total Planned Spending
Employment Insurance	804.7	0.2	804.9	(711.5)	93.4	-	(0.3)	93.1
Employment Programs	388.9	504.1	893.0	(274.4)	618.6	-	46.5	665.1
Workplace Skills	128.5	40.3	168.8	(95.1)	73.7	-	20.4	94.1
Learning	112.8	816.7	929.5	(6.6)	922.9	1,040.8	343.7	2,307.4
Labour	201.9	3.9	205.8	(76.0)	129.8	-	(0.7)	129.1
Homelessness	38.9	141.1	180.0	-	180.0	-	(0.3)	179.7
Policy, Program and Service Delivery Support	234.7	116.8	351.5	(183.4)	168.1	-	(118.5)	49.6
Total	1,910.4	1,623.1	3,533.5	(1,347.0)	2,186.5	1,040.8	290.8	3,518.1

a. Planned Spending by program activity has been adjusted from the Main Estimates breakdown in order to more accurately reflect recent organizational decisions.

Table 3: Voted and Statutory Items listed in Main Estimates

2005-2006		(in thousands of dollars)	
Voted or Statutory Item		2005-2006 Main Estimates	2004-2005 Main Estimates
1	Operating expenditures	266,045	258,702
5	Grants and contributions	839,664	719,887
(S)	Minister of Human Resources and Skills Development - Salary and motor car allowance	70	70
(S)	Minister of Labour - Salary and motor car allowance	70	70
(S)	Payments related to the direct financing arrangement under the <i>Canada Student Financial Assistance Act</i>	263,800	250,100
(S)	The provision of funds for interest payments to lending institutions under the <i>Canada Student Loans Act</i>	100	500
(S)	The provision of funds for liabilities including liabilities in the form of guaranteed loans under the <i>Canada Student Loans Act</i>	11,700	18,900
(S)	The provision of funds for interest and other payments to lending institutions and liabilities under the <i>Canada Student Financial Assistance Act</i>	70,600	75,400
(S)	Canada Study Grants to qualifying full and part-time students pursuant to the <i>Canada Student Financial Assistance Act</i>	83,000	79,800
(S)	Grants to the trustees of Registered Education Savings Plans (RESPs) for the benefit of beneficiaries named under those RESPs, pursuant to the Canada Education Savings Grant regulations of the <i>Department of Human Resources Development Act</i>	430,000	385,000
(S)	Supplementary Retirement Benefits - Annuities agents' pensions	35	35
(S)	Labour adjustment benefits in accordance with the terms and conditions prescribed by the Governor in Council to assist workers who have been laid off as a result of import competition, industrial restructuring, or severe economic disruption	22	22
(S)	Civil Service Insurance actuarial liability adjustments	145	145
(S)	Payments of compensation respecting government employees and merchant seamen	51,000	51,000
(S)	Payments to private collection agencies pursuant to Section 17.1 of the <i>Financial Administration Act</i>	-	12,500
(S)	Contributions to employee benefit plans	170,255	141,291
	Total Budgetary	2,186,506	1,993,422
	Loans disbursed under the <i>Canada Student Financial Assistance Act</i>	1,040,800	1,254,700
	Total Department	3,227,306	3,248,122

Financial Highlights

HRSDC Main Estimates for 2005–2006 total \$3,227.3 million, representing a net decrease of \$20.8 million over the 2004–2005 Main Estimates amount of \$3,248.1 million. The major changes are as follows:

- An increase of \$7.3 million in net operating expenditures mainly due to a transfer of funds between Social Development Canada (SDC) and HRSDC for shared services, the Comptroller's office, and other technical adjustments, and a reduction related to the government-wide commitment of securing \$1 billion in ongoing expenditure reductions;
- An increase of \$119.8 million in Voted Grants and Contributions – Vote 5 largely due to funding transferred from Transport Canada for the Toronto Waterfront Revitalization Initiative;
- A decrease of \$8.0 million in Canada Student Loans Program (CSLP) due to a change in forecasting information reducing the Service Bureau costs (\$16.9 million), a transfer from HRSDC to SDC for the Private Collection Agencies (\$12.5 million), an increase in the statutory payment due to the impact of CSL measures announced in Budget 2003 on the alternative payment costs (\$18.2 million), and an increase in the Canada Study Grant (\$3.2 million);
- An increase of \$45.0 million in Canada Education Savings Grants from \$385.0 million to \$430.0 million due to the increasing trend in the demand for the Grants;
- A net increase of \$29.0 million to the Employee Benefits Costs related to an increase in salary costs; and
- A decrease of \$213.9 million in non-budgetary payments for loans disbursed under the Canada Student Financial Assistance Act from \$1,254.7 million to \$1,040.8 million. This decrease is primarily due to the impact of loan reimbursements from borrowers on the loan portfolio.

Table 4: Net Cost of Department for the Estimate Year

2005-2006	
(millions of dollars)	HRSDC Total
TOTAL PLANNED SPENDING	3,518.1
Plus: Services Received without Charge	
Contributions covering employers' share of employees' insurance premiums and expenditures paid by TBS	12.8
Salary and associated expenditures of legal services provided by the Department of Justice Canada	2.6
	15.4
Less: Non-Respendable Revenue	
Students Loans recovery	(123.5)
Set-offs of income tax refunds	(67.7)
Others ^a	(146.4)
	(337.6)
2005-2006 NET COST OF DEPARTMENT	3,195.9

a. Includes \$6 million of planned non-respendable revenue related to improvements to collection services announced in the Budget 2005.

Table 5: Loans (Non-Budgetary)

(millions of dollars)	Forecast Spending 2004-2005	Planned Spending		
		2005-2006	2006-2007	2007-2008
Learning				
Loans disbursed under the <i>Canada Student Financial Assistance Act</i>	1,202.9	1,118.8	967.8	882.1
Total	1,202.9	1,118.8	967.8	882.1

Table 6: Sources of Respendable and Non-Respendable Revenue

(millions of dollars)	RESPENDABLE REVENUE ^a			
	Forecast Spending	Planned Revenue		
	2004-2005	2005-2006	2006-2007	2007-2008
Employment Insurance	473.9	730.6	733.5	734.4
Employment Programs	139.0	287.4	290.1	289.9
Workplace Skills	50.9	55.8	55.6	55.7
Learning	19.2	14.8	14.8	14.7
Labour	74.0	76.0	78.0	81.0
Homelessness	-	-	-	-
Policy, Program and Service Delivery Support	90.5	180.5	188.3	186.3
Total Respendable Revenue	847.5	1,345.1	1,360.3	1,362.0
NON-RESPENDABLE REVENUE				
<i>Employment Insurance</i> - Recovery of Employee Benefit Plan (EBP) costs	70.0	87.0	87.2	87.3
<i>Employment Programs</i> - Recovery of EBP	14.4	26.3	23.8	23.8
<i>Workplace Skills</i> - Recovery of EBP	8.1	6.6	6.6	6.6
<i>Learning</i>				
Student Loan recoveries	108.8	123.5	136.3	149.5
Set-offs of income tax refunds	61.3	67.7	72.2	73.7
Recovery of EBP	2.5	1.2	1.2	1.2
Others ^b	-	6.0	10.0	10.0
	172.6	198.4	219.7	234.4
<i>Labour</i> - Service Fees	2.1	2.2	2.3	2.4
<i>Homelessness</i> - Recovery of EBP	-	-	-	-
<i>Policy, Program and Service Delivery Support</i>				
Recovery of EBP	9.7	17.1	16.8	16.6
Total Non-Respendable Revenue	276.9	337.6	356.4	371.1
Total Respendable and Non-Respendable Revenue	1,124.4	1,682.7	1,716.7	1,733.1

a. The respendable revenues include administrative costs recovered from the EI Account and CPP.

b. Includes \$6 million for 2005–2006 rising to \$10 million per year thereafter of planned non-respendable revenue related to improvements to collection services.

Table 7: Major Regulatory Initiatives

Regulations	Planned Results
<i>Strategic Outcome: Efficient and Inclusive Labour Market Transitions through Temporary Income Support and Active Employment Measures</i>	
Employment Insurance (EI) Regulation section 34 — Family Supplement.	By September 2005, an amendment to the Regulation will correct an inequity in the processing and payment of the family supplement.
Employment Insurance (EI) Regulation section 7(d).	By December 2005, an amendment will refine the definition of excluded insurable employment for workers from outside of Canada who are here on assignment.
Employment Insurance (EI) Regulation section 19.3.	By September 2005, an amendment to eliminate the requirement for employers to provide a paper copy of the Record of Employment (ROE) to an employee, if the employer is an approved WebROE user.
Other Employment Insurance Regulatory Enhancements.	By March 2006, various enhancements to EI Program in response to various Government of Canada initiatives.

Strategic Outcome: Through Access to Learning, Canadians Can Participate Fully in a Knowledge-Based Economy and Society

Canada Education Savings Grant

Implementation of new savings incentives for post-secondary education enacted by Bill C-5, the <i>Canada Education Savings Act</i> , on December 15, 2004 (Canada Learning Bond and update to the existing Canada Education Savings Grant program). These new regulations are expected to be approved in fiscal 2004–2005 and will replace the current <i>CES Grant Regulations</i> .	To provide greater clarity for the <i>Canada Education Savings Act</i> , set out the parameters for the new Canada Learning Bond, and update the existing Canada Education Savings Grant regulations.
	To encourage greater participation from low- to middle-income families to open and invest in Registered Education Savings Plans for their children's post-secondary education.

Weekly Loan Limits

The 2004 Federal Budget announced an increase in federal weekly loan limits under the Canada Student Loans Program, from the current \$165 per week of study to \$210 per week of study. An amendment to section 10 of the <i>Canada Student Financial Assistance Regulations</i> is required to implement this announcement. The amendment is expected to be approved in April 2005.	An increase in loan limits will decrease financial barriers to post-secondary study, respond to the rising costs of post-secondary education, help meet current unfunded financial need and help reduce reliance on costly private borrowing.
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Regulations**Planned Results*****Canada Access Grant for Students from Low-income Families***

The 2004 Federal Budget announced that the Canada Student Loans Program would provide a new non-repayable grant for first-time, first-year students from low-income families who are entering post-secondary education. Regulatory amendments to the *Canada Student Financial Assistance Regulations* are required in order to introduce this new grant. The amendment is expected to be approved in April 2005.

This grant will provide incentives for students from low-income families to participate in post-secondary education, decrease barriers to post-secondary studies, and offset the costs of tuition incurred in the first year of study.

This grant will also align post-secondary education policy with Canada's broader social policy via the provision of targeted assistance to students who need additional support.

Canada Access Grant for Students with Permanent Disabilities

The 2004 Federal Budget announced that the current Canada Study Grant for High-need Students with Permanent Disabilities will be replaced with a new up-front non-repayable access grant for post-secondary students with permanent disabilities. Regulatory amendments to the *Canada Student Financial Assistance Regulations* are required in order to introduce this new grant (April 2005).

The new access grant for post-secondary students with permanent disabilities will provide increased incentive to students with permanent disabilities to participate in post-secondary studies, decrease financial barriers, reduce reliance on student loans, and provide targeted assistance to those who need additional support.

Interest Relief

Interest Relief is a debt management measure that assists borrowers who are experiencing temporary financial difficulty in repaying their student loans by providing short-term relief on loan payments. While receiving Interest Relief, a borrower is not required to make any payments of interest or principal on their outstanding Canada Student Loan. The 2004 Federal Budget announced a 5% increase to income thresholds used to determine Interest Relief eligibility.

Increasing income thresholds by 5% will make Interest Relief more accessible to borrowers experiencing temporary difficulty in repaying their student loans.

Regulatory amendments to the *Canada Student Financial Assistance Regulations* are required in order to introduce higher income thresholds (April 2005).

Regulations**Planned Results*****Debt Reduction in Repayment***

Debt Reduction in Repayment (DRR) is a debt management measure that provides borrowers who are experiencing long-term financial difficulty in repaying their student loans with a reduction in loan principal. The 2004 Federal Budget announced an increase in the maximum amount available for reduction under DRR from \$20,000 to \$26,000.

Raising the maximum amount will provide more assistance to borrowers who are experiencing exceptional long-term financial difficulties in repaying their student loans.

This amendment coincides with increased loan limits announced in the 2004 Federal Budget.

Amendments to the *Canada Student Financial Assistance Regulations* and the *Canada Student Loans Regulations* are required to implement this announcement (April 2005).

Strategic Outcome: Safe, Healthy, Fair, Stable, Cooperative and Productive Workplaces

Canada Labour Code, Part III — Amendments to the Canada Labour Standards Regulations.

These amendments will replace the lists of industrial establishments for the purpose of group termination that could occur at Bell Canada, and at Canadian Pacific Limited.

Canada Labour Code, Part III — New regulations.

The regulations will exempt commission-paid salespeople in the banking industry from the application of sections 169, 171, 173 and 174 setting the hours of work under the *Canada Labour Code*.

Personal Information Protection and Electronic Documents Act — New regulations.

The regulations will allow employers to issue pay statements to their employees through electronic means.

Employment Equity Act — Employment Equity Regulations.

In the process of updating and making administrative changes that will:

- update the census Metropolitan Areas to 2002 Statistics Canada publication;
- update the National Occupational Classification to the 2001 codes;
- introduce the North American Industry Classification System; and
- make administrative and consequential changes (i.e. changing dates and department name).

Canada Labour Code, Part II — Canada Occupational Health and Safety Regulations (COHSR).

This will fulfill the Labour Program's obligation to make regulations prescribing steps to prevent and protect against violence in the workplace.

Violence in the Workplace: Regulations are being developed as a result of the September 2000 amendments to Part II.

Regulations	Planned Results
<p><i>Canada Labour Code, Part II — Canada Occupational Health and Safety Regulations.</i></p> <p><i>Hazard Prevention Program Regulations</i> were developed as a result of the September 2000 amendments to Part II and were published in Part I of the Canada Gazette on November 27, 2004.</p>	<p>This will fulfill the Labour Program's obligation to make regulations for a prescribed program for the prevention of hazards in the workplace.</p>
<p><i>Canada Labour Code, Part II — Canada Occupational Health and Safety Regulations.</i></p> <p>Ergonomics standards are being developed as a result of the September 2000 amendments to Part II.</p>	<p>This will fulfill the Labour Program's obligation to address ergonomics standards in workplaces.</p>
<p><i>Canada Labour Code, Part II — Safety and Health Committees and Representatives Regulations.</i></p> <p>Amending the existing regulations to bring them up to date with the September 2000 amendments to Part II.</p>	<p>This will bring the existing regulations up to date with the Code amendments pertaining to policy committees, training of health and safety committee members, and with the terminology of the amended Code.</p>
<p><i>Canada Labour Code, Part II — Aviation Occupational Safety and Health Regulations.</i></p> <p>Working in concert with Transport Canada to amend the existing regulations.</p>	<p>This will bring the existing regulations up to date with the COHSR and with current standards and work practices in the aviation industry.</p>
<p><i>Canada Labour Code, Part II — Onboard Trains Occupational Safety and Health Regulations.</i></p> <p>Working in concert with Transport Canada to amend the existing regulations.</p>	<p>This will bring the existing regulations up to date with the COHSR and with current standards and work practices in the rail industry.</p>
<p><i>Canada Labour Code, Part II — Marine Occupational Safety and Health Regulations.</i></p> <p>Working in concert with Transport Canada to amend the existing regulations.</p>	<p>This will bring the existing regulations up to date with the COHSR and with current standards and work practices in the marine industry.</p>
<p><i>Canada Labour Code, Part II — Oil and Gas Occupational Safety and Health Regulations.</i></p> <p>Working in concert with the National Energy Board to amend the existing regulations.</p>	<p>This will bring the existing regulations up to date with the COHSR and with current standards and work practices in the oil and gas industry.</p>

Strategic Outcome: Seamless, Integrated and Multi-Channel Service Delivery that ensures client satisfaction

Planned Results

Department of Human Resources and Skills Development Regulations.

Regulation required for Part 4: *Protection of Personal Information*, subsection 35(2) of the Bill C-23 *Department of Human Resources and Skills Development Act*.

Planned Results

A list of the federal institutions with which Human Resources and Skills Development Canada discloses personal information for the purpose of administering their respective legislation(s) will be included in the regulation.

This will increase the department's transparency in regards to the disclosure of personal information to other federal government institutions.

Table 8: Transfer Payments Programs

Over the next three fiscal years (2005–2006 to 2007–2008) HRSDC will manage the following transfer payment programs in excess of \$5 million:

1. Youth Employment Strategy
2. National Literacy Program
3. Canada Student Loans Program — Liabilities
4. Canada Student Loans Program — Interest Payments and Liabilities
5. Canada Student Loans Program — Direct Financing Arrangement
6. Canada Study Grant
7. Canada Learning Bond
8. Canada Education Savings Grant
9. Aboriginal Skills and Employment Partnerships
10. Aboriginal Human Resources Development Strategy
11. Aboriginal Human Resources Development Program — the Joint Voisey's Bay Employment and Training Authority (JETA)
12. Training Centre Infrastructure Fund
13. Sector Council Program
14. Foreign Credential Recognition Program
15. Enabling Fund for Official Language Minority Communities
16. National Homelessness Initiative ^a
17. Workplace Skills Strategy ^b

For further information on the above-mentioned transfer payment programs see <http://www.tbs-sct.gc.ca/est-pre/estime.asp>

a. Note that the National Homelessness Initiative ends on March 31, 2006.

b. There is no fact sheet provided for this initiative which results from the Budget 2005. The program has not been created and no Treasury Board submission has been prepared. A detailed fact sheet will be available in the Departmental Performance Report 2005–2006.

Table 9: Foundations (Conditional Grants)

Over the next three fiscal years (2005–2006 to 2007–2008) HRSDC will contribute to the following foundations using conditional grants:

1. Canadian Council on Learning
2. The Canadian Millennium Scholarship Foundation
3. The Peter Gzowski Foundation for Literacy
4. The Winnipeg Foundation
5. Read to Me! Foundation Inc.

For further information on the above-mentioned Foundations see <http://www.tbs-sct.gc.ca/est-pre/estime.asp>

Note: The Frontier College Learning Foundation is not listed in this document as the funding agreement with HRSDC has now expired.

Table 10: Horizontal Initiatives

During fiscal year 2005–2006 HRSDC will be involved in the following horizontal initiatives. Unless otherwise mentioned in the list, HRSDC acts as the lead department for these initiatives.

1. Youth Employment Strategy
2. Sector Council Program
3. National Literacy Program
4. Labour Market Development Agreements
5. Foreign Credential Recognition Program
6. Canada Student Loans Program
7. Aboriginal Skills and Employment Partnership Program
8. Aboriginal Human Resources Development Strategy
9. Service Canada
10. Action Plan for Official Languages (Privy Council Office is the lead)
11. National Homelessness Initiative

Further information on the above-mentioned horizontal initiatives see <http://www.tbs-sct.gc.ca/est-pre/estime.asp>

SPECIFIED PURPOSE ACCOUNTS

Introduction

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

HRSDC is responsible for the stewardship of three such accounts:

- the Employment Insurance (EI) Account;
- the Government Annuities Account; and
- the Civil Service Insurance Fund.

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

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

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

Employment Insurance Account

Description

The Employment Insurance (EI) Account was established in the Accounts of Canada by the *Employment Insurance Act (EI Act)* to record all amounts received or paid out under that Act. The *EI Act* provides short-term financial relief and other assistance to eligible workers. The program covers all workers in an employer-employee relationship. Self-employed fishers are also included under special regulation of the *EI Act*. In 2003, 15.4 million Canadians contributed to the Program and 2.6 million received benefits.

Employment Insurance provides:

- **Income Benefits** under Part I of the *EI Act* as a temporary income replacement to claimants, including self-employed fishers, while they look for work. This includes work-sharing agreements for temporary work shortages to allow employees to receive pro-rated EI benefits while working for part of a week, thus avoiding layoffs. EI also provides four types of special benefits: maternity benefits, payable to biological mothers for work missed as a result of pregnancy and childbirth; parental benefits, payable to both biological and adoptive parents for the purpose of caring for a new born or adopted child; sickness benefits, payable to claimants who are too ill to work; and compassionate care benefits, payable to claimants who provide care to a gravely ill or dying child, parent or spouse.
- **Employment Benefits** under Part II of the *EI Act* through a set of Employment Benefits and Support Measures that can be tailored to meet the needs of individuals and local circumstances. The Government of Canada has Labour Market Development Agreements with the governments of most provinces and territories. These enable provincial and territorial governments to assume direct responsibility for the design and delivery of these benefits or to take part in co-management arrangements with the federal government.

Employers and workers pay all costs associated with EI through premiums. Benefits and administrative costs are paid out of the Consolidated Revenue Fund and charged to the EI Account. A surplus in the Account generates interest at a rate established by the Minister of Finance, which is currently set at 90% of the monthly average of the three-month Treasury bill rate.

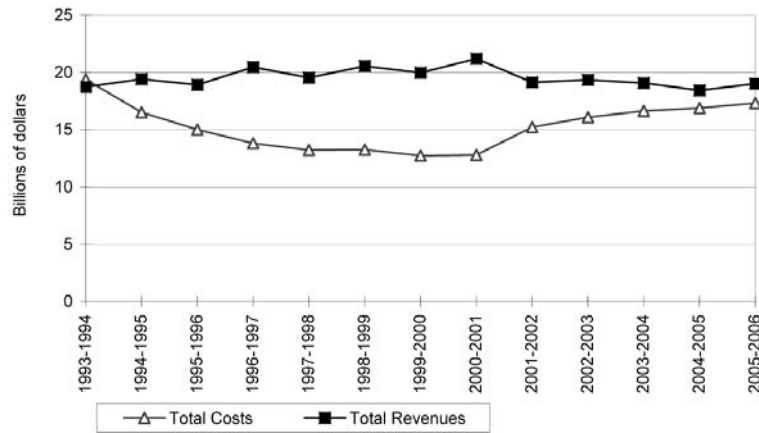
Financial Summary

In 2005–2006, total revenues are expected to exceed total costs by \$1.7 billion, which will increase the cumulative surplus to \$49.5 billion as of March 31, 2006. The changes in benefits and premium are explained as follows:

- Benefits are expected to increase by 2.9% to \$15.7 billion. This is due to a 2.6% expected increase in the average weekly benefits and a 0.5% expected increase in the number of beneficiaries.
- Premium revenue is expected to increase to \$17.7 billion, as rising employment and earnings offset the reduction in premium rates to 1.95% in 2005.

The following figure summarizes trends in total costs and revenues of the EI Account from 1993–1994 to 2005–2006.

EI Account – Cost and Revenues Trend



The table below summarizes the financial results for the EI Account from 2002–2003 to 2005–2006.

EI Account – Summary

(millions of dollars)	Actual		Forecast	Planned Spending
	2002-2003	2003-2004	2004-2005	2005-2006
Expenditures				
Benefits	14,501	15,070	15,291	15,741
Administrative Costs	1,519	1,521	1,542	1,510
Doubtful Accounts	81	60	60	61
Total Costs	16,101	16,651	16,893	17,312
Revenues				
Premium Revenue	18,243	17,900	17,378	17,702
Penalties	71	47	48	49
Interest	1,055	1,125	1,008	1,272
Total Revenues	19,369	19,072	18,434	19,023
Surplus				
Current Year	3,268	2,421	1,541	1,711
Cumulative	43,812	46,233	47,774	49,485

Note:

1. The EI premiums reported in the summary financial statements of the Government of Canada exclude the premium contributions made by the Government of Canada as an employer.
2. Totals may not add due to rounding.

Benefit Payments

Benefits in 2005–2006 are expected to reach \$15.7 billion, consisting of \$13.6 billion for Income Benefits and \$2.1 billion for Employment Benefits and Support Measures.

Income Benefits

EI Income Benefits include regular, special, work-sharing and fishers' benefits.²⁷ Major aspects of these benefits are as follows:

Regular Benefits

- **Amount of Work Required to Qualify for Benefits**
 - Most claimants require 420 to 700 hours of work during their qualifying period, regardless of whether from full-time or part-time work, or whether the work is with one employer or several. The exact number of hours required is called the “variable entrance requirement”. It is determined by the rate of unemployment in a claimant’s region at the time he or she applies for benefits. In general, the higher the rate of unemployment, the fewer hours of work required to qualify.
 - People who have just entered the labour market (“new entrants”) and those returning to the labour force after an absence (“re-entrants”) require 910 hours of work. However, if they worked at least 490 hours in the preceding 12 months, or received at least one week of maternity or parental benefits in the four years before that, they will be eligible under normal rules the following year.
 - Claimants who commit EI fraud are subject to higher entrance requirements. The degree of violation — minor, serious, very serious or repeat violation — increases the minimum number of hours required to establish a claim to 1.25, 1.5, 1.75 or 2 times the normal minimum hours of work required.
 - Analysis of the employed population indicates that access to EI remains high with 88% of individuals in paid employment being eligible for EI benefits.²⁸
- **Determining the Benefit Rate and Entitlement**
 - Claimants for regular benefits may receive benefits for 14 to 45 weeks, depending upon their hours of insurable employment and the regional unemployment rate.
 - Claimants’ weekly benefits are 55% of their average insurable earnings during the last 26 weeks. The average insurable earnings are based on the actual weeks of work, subject to a minimum 14 to 22 divisor that is tied to the regional rate of unemployment.

²⁷ For more details refer to the EI website at <http://www.hrsdc.gc.ca/en/gateways/topics/tyt-gxr.shtml>

²⁸ For further information, see http://www.hrsdc.gc.ca/en/ei/reports/eimar_2003.shtml

- Claimants with a combined family income of less than \$25,921 and who qualify for the Canada Child Tax Benefit (CCTB) receive a Family Supplement based upon:
 - the net family income;
 - the number of dependent children; and
 - the ages of those dependent children.
- The benefit rate for claimants who receive a Family Supplement can be increased to a maximum of 80% of the claimant’s average weekly insurable earnings. However, the actual weekly amount of benefits cannot exceed the maximum weekly rate noted below.
- A two-year pilot project was implemented in 2004 to increase regular benefit entitlement up to five additional weeks in high unemployment regions for claims filed between June 6, 2004 and June 4, 2006. The maximum regular benefit entitlement remains at 45 weeks.
- The maximum weekly benefit rate stays at \$413 in 2005 (55% of the maximum yearly insurable earnings divided by 52) as the Maximum Yearly Insurable Earnings (MYIE) remains at \$39,000. Refer to the Premiums section for a description of MYIE.
- To demonstrate its commitment, the government announced new measures in the 2005 Budget that will help to alleviate the challenges faced by Canadian workers who lose their job and turn to Employment Insurance for assistance.
- The new measures include three pilot projects in regions of high unemployment (10 percent or higher), that will test the labour market impact of:
 - enabling individuals new to the labour market or returning after an extended absence to access EI benefits after 840 hours of work (rather than 910) when linked with EI employment programs;
 - calculating EI benefits based on the “best 14 weeks” of earnings over the 52 weeks preceding a claim for benefits. This will mean that for individuals with sporadic work patterns, EI benefit levels will be more reflective of their full-time work patterns; and
 - increasing the working-while-on-claim threshold to allow individuals to earn the greater of \$75 or 40 percent of benefits so that they can continue to work without a reduction in their benefits.

Special Benefits

Claims for sickness, maternity, parental, or compassionate care benefits require 600 hours of work, and are not affected by the new entrant/re-entrant rule. All claimants may receive sickness benefits for up to 15 weeks. Parental benefits of 35 weeks are available for biological and adoptive parents in addition to the 15 weeks of maternity benefits available to biological mothers. Compassionate care benefits of six weeks are available for those providing care for a gravely ill or dying child, parent or spouse.

The 2005 Budget also signals the Government's intention to conclude an agreement with Quebec on the establishment of Quebec's own parental benefits program in accordance with the *Employment Insurance Act*. Under such an agreement, the Government of Canada would adjust federal EI premium rates in Quebec to provide Quebec premium space to put its own program in place. At the same time, both governments will work to ensure equitable treatment between federal and provincial programs. While negotiations are still under way, the federal government will provide transitional assistance to Quebec to support the launch of the provincial program if a final agreement is reached before March 31, 2005.

Work Sharing

Claimants may receive benefits while on work-sharing agreements. These agreements between HRSDC, employees and employers attempt to avoid temporary layoffs by combining partial EI benefits with reduced workweeks. They normally last from six to 26 weeks.

Fishers' Benefits

Fisher claims have a duration and benefit rate that depend on the earnings from fishing and the regional rate of unemployment. All fisher claims have a 31-week maximum qualifying period and a maximum entitlement of 26 weeks of benefits. These can be claimed from October 1st to June 15th for summer fishers' benefits and April 1st to December 15th for winter fishers' benefits.

Benefit rates for fisher claims are determined by a minimum of 14 to 22 divisor that depends on the regional rate of unemployment, not actual weeks worked.

Benefit Repayments

When the net annual income of EI claimants exceeds 1.25 times the maximum yearly insurable earnings ("the repayment threshold"), they have to repay the lesser of 30% ("the repayment rate") of the benefits received that make up the excess or 30% of the amount of total benefits other than special benefits paid. This does not apply to claimants who did not receive EI regular or fishers benefits in the last 10 years.

EI Income Benefits – Expenditures

(millions of dollars)	Actual		Forecast	Planned Spending
	2002-2003	2003-2004	2004-2005	2005-2006
Income Benefits				
Regular	8,676	9,122	9,131	9,411
Sickness	691	754	787	816
Maternity	845	909	926	957
Parental	1,880	2,015	2,111	2,185
Compassionate Care		2	9	11
Fishing	309	337	316	325
Work Sharing	23	27	14	15
Benefit Repayments	(100)	(114)	(114)	(125)
Total Income Benefits	12,325	13,052	13,180	13,595

Note: Totals may not add due to rounding.

Factors Affecting Income Benefit

	Actual		Forecast	Spending	% change
	2002-2003	2003-2004	2004-2005	2005-2006	
Income Benefits (\$ million)	12,325	13,052	13,180	13,595	3.1%
Average Monthly Beneficiaries (000's)	818	848	837	841	0.5%
Benefit Rate (\$/week)	291	295	302	310	2.6%

Employment Benefits and Support Measures

The **Employment Benefits** include Skills Development, Job Creation Partnerships, Self-Employment and Targeted Wage Subsidies.

The **Support Measures** include Employment Assistance Services, Labour Market Partnerships and Research and Innovation.

Part II of the *EI Act* also authorizes the federal government to make payments to the governments of the provinces and territories for implementing programs similar to Employment Benefits and Support Measures. The planned federal contribution to provinces and territories (i.e., New Brunswick, Quebec, Manitoba, Saskatchewan, Alberta, Northwest Territories and Nunavut) under Labour Market Development Agreements is \$891 million for 2005–2006.

The total planned spending for Employment Benefits and Support Measures in 2005–2006 is set at approximately \$2.146 billion or 0.55% of the total estimated insurable earnings of \$393,289 million. This is below the 0.8% ceiling set under Section 78 of the *EI Act*.

Employment Benefits and Support Measures

(millions of dollars)	Actual		Forecast	Planned Spending ^a
	2002-2003	2003-2004	2004-2005	2005-2006
Job Creation Partnerships	68	74	80	
Skills Development	436	355	386	
Self-Employment	93	96	104	
Targeted Wage Subsidies	44	45	49	
Employment Assistance	339	334	362	
Labour Market Partnerships	271	192	209	
Research & Innovation	34	27	29	
Total HRSDC Programs	1,284	1,124	1,219	1,255
Transfers to Provinces and Territories	893	894	892	891
Total	2,177	2,018	2,111	2,146

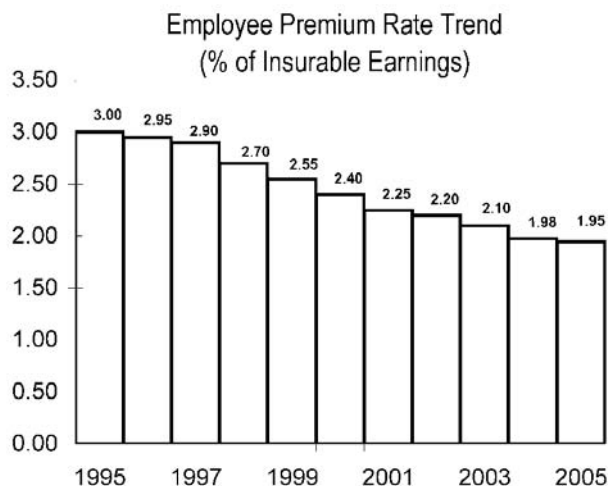
a. Breakdown by component is not available, as spending will be guided by local labour market needs. Breakdown by provinces/territories is provided in the Employment Insurance Part II – 2005–2006 Expenditure Plan.

Note: Totals may not add due to rounding.

Premiums

Premiums are collected from insured employees and their employers to cover the program costs over a business cycle, based on a yearly premium rate and employees' insurable earnings. The factors affecting the premiums are further explained below:

Premium Rate: As indicated in the chart, the premium rate has been gradually reduced from its level of 3.00% of insurable earnings in 1995 to 1.95% in 2005, for employees. The corresponding employer rates at 1.4 times the employee rate is 2.73% for 2005.



In the 2005 Budget, the Government of Canada also proposes to introduce a new rate-setting mechanism that is expected to be in place in time to set the rate for 2006. The mechanism will provide for rates to be established at an annual break-even level, which means a rate to generate premium revenues corresponding to expected program costs. In addition, in order to provide premium rate stability through the transition to a new rate setting mechanism, the Government commits to ensuring that the rate for the next two years will not exceed \$1.95 per \$100 of insurable earnings. As a measure of prudence in case legislation is not passed in time, the Government proposes to give the Governor-in-Council the authority to set, in the fall of 2005, the rate for 2006.

Maximum Yearly Insurable Earnings (MYIE): Premiums are paid on all employment earnings of insured employees up to the MYIE. Section 4 of the *EI Act* provides that the MYIE will be \$39,000 until the value of the twelve month weekly average earnings ending in June of the first preceding year times the ratio of the same average to the corresponding average for the second preceding year times 52 and rounded down to the nearest \$100 exceeds that threshold.²⁹

Premium Reduction: Employers with qualified wage-loss insurance plans are entitled to premium reductions. They are required to share this reduction with their employees.³⁰

Premium Refund:

- Workers with annual earnings of \$2,000 or less can receive a refund of their EI premiums through the income tax system.
- EI premiums are refunded to employees when their insurable earnings are in excess of the maximum yearly insurable earnings.

²⁹ For further information, see http://www.hrsdc.gc.ca/en/ei/legislation/ei_act_maxyear.shtml#Maximum%20for

³⁰ For further information, see http://www.hrsdc.gc.ca/en/ei/legislation/ei_act_part3.shtml#69

Factors Affecting Premium Revenue					
	Actual		Forecast	Planned Revenue	%
	2002-2003	2003-2004	2004-2005	2005-2006	Change
Fiscal Year Factors					
Premium Revenue (\$ million)	18,243	17,900	17,378	17,702	1.9%
Total Insurable Earnings (\$ million)	364,184	372,209	381,215	393,289	3.2%
	2002	2003	2004	2005	
Calendar Year Factors					
Employee Premium Rate ^a (% of insurable earnings)	2.20%	2.10%	1.98%	1.95%	(1.5%)
Maximum Insurable Earnings (\$)	39,000	39,000	39,000	39,000	
Premium Reduction (\$ million)	(513)	(522)	(536)	(551)	
Premium Refunds (\$ million)					
Employee	(170)	(165)	(165)	(165)	
Employer (New Hires/Youth Hires)	(11)	(17)	-	-	

a. The employers' portion is 1.4 times the employee rate.

Note: The premium rate reduction to 1.95%, as set by the Governor in Council for the calendar year 2005, represents an ongoing annual savings to employers and employees of \$10.5 billion in 2005, compared to the 1994 rate of 3.07%. Premium revenue is expected to increase by 1.9% in 2005–2006 due to a 3.2% increase in total insurable earnings, partially offset by a 1.5% decrease in the premium rate.

Interest Earned

Section 76 of the *EI Act* stipulates that the Minister of Finance may authorize the payment of interest on the balance in the Employment Insurance Account in accordance with such terms and conditions and at such rates as the Minister of Finance may establish, and the interest, which is currently set at 90% of the three-month Treasury bill rate, shall be credited to the Employment Insurance Account and charged to the Consolidated Revenue Fund. Interest is calculated monthly, based on the 30-day average of the daily balance in the Account.

Effective July 1, 2002, interest is charged on overdue accounts receivable, caused through misrepresentation, in accordance with Treasury Board regulations. The interest rate used in this calculation is the average Bank of Canada discount rate for the previous month plus 3 percent.

Interest Earned

(millions of dollars)	Actual		Forecast	Planned Revenue
	2002-2003	2003-2004	2004-2005	2005-2006
Sources				
Account Balance	1,036	1,096	979	1,236
Accounts Receivable	19	29	29	36
Total	1,055	1,125	1,008	1,272

Interest earned is expected to reach \$1.3 billion due to the increase in the interest rate as well as a higher cumulative surplus.

Administrative Costs

Section 77 of the *EI Act* specifies that the costs of administering the Act are to be charged to the EI Account.

The Minister of Human Resources and Skills Development is responsible for reporting on the EI Program to Parliament. However, the Canada Revenue Agency (CRA), which collects premiums and benefit repayments and provides decisions on insurability under the Act, shares the administration of the Program. The Department of Social Development, Treasury Board Secretariat and the Department of Justice all supply services that support management and delivery of programs under the *EI Act*.

The administrative costs that provincial and territorial governments incur to administer Employment Benefits and Support Measures under the Labour Market Development Agreements are also charged to the EI Account.

Administrative Costs

(millions of dollars)	Actual		Forecast	Planned Spending
	2002-2003	2003-2004	2004-2005	2005-2006
Federal				
EI Income Benefits	484	485		
Premium Collection	103	103		
Service Delivery Support	380	381		
Corporate Services	300	301		
Human Resources Investment	165	165		
Subtotal	1,433	1,436	1,456	1,425
Provincial	91	92	92	92
Recovery	(5)	(6)	(6)	(7)
Total	1,519	1,521	1,542	1,510

Note: Totals may not add due to rounding.

The \$1.5 billion in EI administrative costs represents the initial approved resources for 2005–2006, which are \$32 million less than the forecast for 2004–2005.

Government Annuities Account

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

The purpose of the *Government Annuities Act* was to assist Canadians to provide for their later years, by the purchase of Government annuities. The *Government Annuities Improvement Act* increased the rate of return and flexibility of Government annuity contracts.

Income consists of premiums received, funds reclaimed from the Consolidated Revenue Fund for previously untraceable annuitants, earned interest and any transfer needed to cover the actuarial deficit. Payments and other charges represent matured annuities, the commuted value of death benefits, premium refunds and withdrawals, and actuarial surpluses and unclaimed items transferred to non-tax revenues. The amounts of unclaimed annuities, related to untraceable annuitants, are transferred to non-tax revenues.

As of March 31, 2004, there were 3,558 outstanding deferred annuities, the last of which will come into payment around 2030.

Government Annuities Account – Receipts and Disbursements

(millions of dollars)	Actual		Forecast	Planned Spending
	2002-2003	2003-2004	2004-2005	2005-2006
Expenditures				
Actuarial Liabilities –				
Balance at beginning of year	471.4	437.6	405.8	375.7
Income	30.8	28.5	26.4	24.4
Payments and other charges	61.3	57.8	54.6	51.4
Excess of Payments and other charges over income for the year	30.5	29.3	28.2	27.0
Actuarial Surplus	3.3	2.5	1.9	1.5
Actuarial Liabilities –				
Balance at year-end	437.6	405.8	375.7	347.2

Civil Service Insurance Fund

This account was established by the *Civil Service Insurance Act*, under which the Minister of Finance could contract with permanent employees in the public service for the payment of certain death benefits. No new contracts have been entered into since 1954 when the Supplementary Death Benefit Plan for the Public Service and Canadian Forces was introduced as part of the *Public Service Superannuation Act* and the *Canadian Forces Superannuation Act*, respectively. As of April 1997, the Department of Human Resources Development assumed the responsibility for the administration and the actuarial valuation of the *Civil Service Insurance Act*.

The number of policies in force as of March 31, 2004 was 1,653 and the average age of the policy holders was 85.6 years. Receipts and other credits consist of premiums and an amount (charged to expenditures) which is transferred from the Consolidated Revenue Fund in order to balance the assets and actuarial liabilities of the program. Payments and other charges consist of death benefits, settlement annuities paid to beneficiaries and premium refunds.

Pursuant to subsection 16(3) of the *Civil Service Insurance Regulations*, any deficit will be credited to the Account from the Consolidated Revenue Fund.

Civil Service Insurance Fund – Receipts and Disbursements				
(millions of dollars)	Actual			Planned
	2002-2003	2003-2004	2004-2005	Spending
	2002-2003	2003-2004	2004-2005	2005-2006
Revenue				
Opening Balance	7.7	7.5	7.1	6.6
Receipts and other credits	0.3	0.2	0.2	0.2
Payments and other charges	0.5	0.6	0.7	0.7
Excess of payments and other charges over income for the year	0.2	0.4	0.5	0.5
Closing Balance	7.5	7.1	6.6	6.1

EMPLOYMENT INSURANCE PART II — 2005–2006 EXPENDITURE PLAN

Background

Part II of the *Employment Insurance Act (EI Act)* commits the federal government to work in concert with provinces and territories in designing and implementing active employment programs that would be more effective in helping unemployed Canadians integrate into the labour market. These programs are called Employment Benefits and Support Measures (EBSM).

In accordance with the Government of Canada's 1996 offer to provinces and territories to enter into bilateral partnerships on labour market activities, Labour Market Development Agreements (LMDAs) have been concluded with nine provinces and the three territories. The LMDAs involve two types of arrangements:

- Co-management agreements where Human Resources and Skills Development Canada (HRSDC), formerly Human Resources Development Canada, and the province or territory jointly assume responsibility for the planning and design of EBSM, while HRSDC continues to deliver programs and services through its service delivery network. Such agreements have been concluded with Newfoundland and Labrador, Prince Edward Island, British Columbia and the Yukon. There is also a strategic partnership agreement that is a variation of co-management in Nova Scotia.
- Transfer agreements where the province or territory assumes responsibility for the design and delivery of active employment programs similar to EBSM. Such agreements have been concluded with New Brunswick, Quebec, Manitoba, Saskatchewan, Alberta, the Northwest Territories and Nunavut.
- HRSDC delivers EBSM in Ontario where there is no LMDA.

In addition to locally and regionally delivered EBSM and similar programs, pan-Canadian activities that are national or multi-regional in scope or purpose are delivered by HRSDC in any of the provinces and territories through its EBSM. Pan-Canadian activities include programming similar to EBSM delivered by Aboriginal organizations under Aboriginal Human Resources Development Agreements.

Employment Benefits and Support Measures

The five employment benefits are:

- **Targeted Wage Subsidies** to encourage employers to hire individuals who they would not normally hire in the absence of a subsidy.
- **Self-Employment** to help individuals to create jobs for themselves by starting a business.
- **Job Creation Partnerships** to provide individuals with opportunities through which they can gain work experience which leads to on-going employment.
- **Skills Development** to help individuals to obtain skills for employment, ranging from basic to advanced skills through direct assistance to individuals, and, where applicable, contributions to provinces/territories or provincially/territorially funded training institutions to cover costs not included in tuition fees.
- **Targeted Earnings Supplements** to encourage individuals to accept employment by offering them financial incentives.

It should be noted that of the employment benefits listed above, Targeted Earnings Supplements has not yet been implemented. Pilot research projects were conducted to evaluate the effectiveness of Targeted Earnings Supplements but HRSDC has not yet arrived at a feasible design.

Eligibility to receive assistance under the employment benefits extends to persons who are insured participants as defined in Section 58 of the *EI Act*, i.e., active claimants and former claimants (individuals who have received regular benefits in the past three years or maternity or parental benefits in the past five years).

Part II of the legislation also authorizes the establishment of support measures in support of the National Employment Service. The three measures are:

- Employment Assistance Services to assist organizations in the provision of employment services to unemployed persons.
- Labour Market Partnerships to encourage and support employers, employee and/or employer associations and communities to improve their capacity for dealing with human resource requirements and implementing labour force adjustments.
- Research and Innovation to support activities which identify better ways of helping persons prepare for or keep employment and be productive participants in the labour force.

Financial Data

2005–2006 Employment Insurance Plan			
(millions of dollars)	Base	Re-Investment	Total Plan
Newfoundland and Labrador	58.3	73.1	131.4
Nova Scotia	50.7	30.3	81.0
New Brunswick	50.1	42.1	92.2
Prince Edward Island	16.3	10.0	26.3
Quebec	348.0	248.1	596.0
Ontario	340.9	184.1	525.0
Manitoba	37.1	10.2	47.3
Saskatchewan	29.1	9.9	39.0
Alberta	73.8	35.9	109.7
Northwest Territories	1.9	1.6	3.5
Nunavut	1.8	1.0	2.8
British Columbia	139.9	151.7	291.7
Yukon	2.0	2.0	4.0
	1,150.0	800.0	1,950.0
Pan-Canadian Responsibilities^a	195.6	0.0	195.6
Funds available for Employment Benefits and Support Measures	1,345.6	800.0	2,145.6

a. Funds earmarked for Pan-Canadian priorities, such as Aboriginal programming, sectoral and innovations projects. The amount is net of \$12.8 million funds permanently converted to operating costs and of resources identified in the Plan as part of Government Wide Reallocation exercise.

Note: Totals may not add due to rounding.

For 2005–2006, the EI Part II expenditure authority of \$2,158.4 million represents 0.55% of total estimated insurable earnings of \$393.289 billion. This represents a lower level of expenditures than the 0.8% ceiling imposed under the Act, which is estimated at \$3.146 billion in 2005–2006.

Some of the savings from Part I income benefits generated by the EI reform are included in these funds to provide job opportunities and help Canadians get back to work more quickly. The amount of re investment reached maturity at \$800 million in 2000–2001.

Expected Results

An accountability framework has been developed that respects the legal responsibility of the Minister of Human Resources and Skills Development for the EI Account. Key indicators will measure both the short and long term outcomes of EBSM.

It is expected that 442,400 active and former claimants will be assisted in 2005–2006. These estimates may change, depending on labour market conditions and agreements achieved with provinces and territories.

EBSM (EI Part II Activities)^a			
	Clients Employed/ Self-Employed	Unpaid Benefits	Active Claimants Served
Targeted Results 2003–2004 ^b	217,059	\$766.0M	394,797
Actual Results 2003–2004	228,345	\$852.82M ^c	455,674 ^d
Targeted Results 2004–2005 ^e	231,234	\$863.6M	442,549
Anticipated Results 2005–2006	235,775 ^f	\$930.6M	442,400 ^g

- a. Exclusive of Employment Information Services. This table includes Aboriginal pan-Canadian EBSM numbers which were not reported in this annex of the EI Expenditure Plan (Part II) for 2004–2005.
- b. The targeted results for Clients Employed and Unpaid Benefits for 2003–2004 and 2004–2005 are the totals as submitted by the regions, provinces and territories. "Clients served" includes Active EI claimants from all regions/provinces/territories, plus Former EI claimants from Quebec. The Quebec agreement requires that the province report on Active and Former EI claimants, as "Clients served".
- c. Represents one count of unpaid benefits per client, to avoid the double counting of unpaid benefits of clients who participated in both Regular and Aboriginal pan-Canadian EBSM.
- d. The Regular EBSM clients served (440,407) includes Active EI claimants from all regions, plus Former claimants from Quebec. The Quebec agreement requires that the province report on Active and Former EI claimants, as "Clients served". It also includes 15,267 Aboriginal pan-Canadian EBSM clients served.
- e. Targeted Results 2004–2005 are higher than the Anticipated Results 2004–2005 reported in this annex of the EI Expenditure Plan (Part II) for 2004–2005 because of the robust labour market performance during the reporting period and the use of a conservative approach to target setting by some provinces.
- f. Includes Regular EBSM (225,775) and the Aboriginal pan-Canadian EBSM (10,000).
- g. Includes Regular EBSM (422,400) and the Aboriginal pan-Canadian EBSM (20,000).

Formative evaluations have been completed for all regions but Nunavut. A formative/summative evaluation of the Nunavut LMDA is planned for release in 2005. Summative evaluations are designed to measure cost-effectiveness and the longer-term impact of EBSM in assisting individuals to prepare for, find and keep employment. Summative evaluations have been completed or are nearly completed in three jurisdictions: Quebec, British Columbia and Newfoundland and Labrador. Preliminary information is available for studies underway in three other jurisdictions: Alberta, Ontario and Nunavut. Summative evaluations have also been started in Saskatchewan and New Brunswick. The launch of the summative evaluations for the remaining jurisdictions is planned for 2005–2006 and 2006–2007.

EBSM effectiveness in reducing reliance on EI was recently examined under the Medium Term Indicator (MTI) pilot project. This project, using EBSM administrative data in British Columbia, produced results as a parallel line of evidence to summative evaluation findings under the British Columbia LMDA/EBSM evaluation. Additional analysis through the use of administrative data is planned or underway. Near completion is a joint initiative with the Province of British Columbia to examine social assistance reliance. Recent approval by the departmental Databank Review Committee for the linkage to tax data provides the basis and parameters for undertaking further administrative data analysis in the coming year.

CONSOLIDATED REPORT ON CANADA STUDENT LOANS

In August 2000, the Canada Student Loans Program (CSLP) was shifted from the risk-shared financing arrangements that had been in place with financial institutions between 1995 and July 2000 to a direct student loan financing plan.³¹

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

Reporting Entity

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

Basis of Accounting

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

Specific Accounting Policies

Revenues

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

- **Interest Revenue on Direct Loans** – Borrowers are required to pay simple interest on their student loans once they leave full-time studies. At the time they leave school, students have the option of selecting a variable (prime + 2.5%) or fixed (prime + 5%) interest rate. The figures represent the interest accrued on the outstanding balance of the government-owned Direct Loans. Borrowers continue to pay the interest accruing on the guaranteed and risk-shared loans directly to the private lender holding these loans.

³¹ For further information on the Canada Student Loans Program, see http://www.hrsdc.gc.ca/en/gateways/nav/top_nav/program/cslp.shtml

- **Recoveries on Guaranteed Loans** – The government reimburses the private lenders for any loans issued prior to August 1, 1995 that go into default (i.e., lenders claim any amount of principal and interest not repaid in full). The figures represent the recovery of principal and interest on these defaulted loans.
- **Recoveries on Put-back Loans** – Under the risk-shared agreements, the government will purchase from the participating financial institutions any loans issued between August 1, 1995 to July 31, 2000 that are in default of payments for at least twelve months after the period of study, that in aggregate, do not exceed 3% of the average monthly balance of the lender's outstanding student loans in repayments. The amount paid is set at 5% of the value of the loans in question. The figures represent the recovery of principal and interest on these loans.

Canada Study Grants and Canada Access Grants

Canada Study Grants and Canada Access Grants improve access to post-secondary education by providing non-repayable financial assistance to post-secondary students. Five types of grants are available to assist: (1) students with permanent disabilities in order to meet disability-related educational expenses (up to \$8,000 annually); (2) students with dependants (up to \$3,120 for full-time students and up to \$1,920 for part-time students, annually); (3) high-need part-time students (up to \$1,200 annually); (4) women in certain fields of Ph.D. studies (up to \$3,000 annually for up to three years); and (5) high-need students with permanent disabilities (up to \$2,000 annually). Two Canada Access Grants will be available, as of August 1, 2005, to assist: (1) dependent students from low-income families entering their first year of post-secondary studies (50% of tuition, up to \$3,000); and (2) students with permanent disabilities in order to assist with education and living expenses (up to \$2,000 annually).³²

Collection Costs

These amounts represent the cost of using private collection agencies to collect defaulted Canada Student Loans. The loans being collected include: risk-shared and guaranteed loans that have gone into default and for which the government has reimbursed the private lender; and Direct Loans issued after July 31, 2000, that are returned to HRSDC by the third party service provider as having defaulted.

³² The new Canada Access Grant for Student with Permanent Disabilities will replace the current Canada Study Grant for High-need Students with Permanent Disabilities.

Service Provider Costs

CSLP uses third party service providers to administer loan origination, in-study loan management, post-studies repayment activities and debt management. This item represents the cost associated with these contracted services.

Risk Premium

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

Put-Back

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

Administrative Fees to Provinces and Territories

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

In-Study Interest Borrowing Expense

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

In Repayment Interest Borrowing Expense

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

In-Study Interest Subsidy

A central feature of federal student assistance is that student borrowers are not required to pay the interest on their student loans as long as they are in full-time study and, in the case of loans negotiated prior to August 1, 1993, for six months after the completion of studies. Under the guaranteed and risk-shared programs, the Government paid the interest to the lending institutions on behalf of the student.

Interest Relief

Assistance may be provided to cover loan interest and suspend payments on the principal of loans in repayment for up to 54 months for borrowers experiencing temporary difficulties repaying their loans. The shift from Guaranteed and Risk-Shared Loans to Direct Loans did not alter interest relief for loans in distress from the borrower's perspective; however, the method of recording associated costs changed. For loans issued prior to August 1, 2000, CSLP compensates lending institutions for lost interest equal to the accrued interest amount on loans under interest relief. For loans issued after August 1, 2000, an interest relief expense is recorded to offset the accrued interest on direct loans.

Debt Reduction in Repayment

Debt Reduction in Repayment (DRR) assists borrowers experiencing long-term difficulties repaying their loans. DRR is a federal repayment assistance program through which the Government of Canada reduces a qualifying borrower's outstanding Canada Student Loans principal to an affordable amount after all other interest relief measures are exhausted and only after 5 years have passed since the borrower ceased to be a full-time student. The maximum amount of the reduction is \$20,000, which is available to eligible borrowers in an initial reduction of up to \$10,000 and two subsequent reductions of up to \$5,000. For loans issued prior to August 1, 2000, CSLP pays the lending institutions the amount of student debt principal reduced by the Government of Canada under DRR. For loans issued after August 1, 2000, the Government of Canada forgives a portion of the loan principal. As of August 1, 2005, the maximum amount of DRR assistance will be increased to \$26,000, which will be available to eligible borrowers in an initial reduction of up to \$10,000, a second reduction of up to \$10,000 and a final reduction of up to \$6,000.

Claims Paid and Loans Forgiven

From the beginning of the program in 1964 until July 31, 1995, the Government fully guaranteed all loans issued to students by private lenders. The Government reimburses private lenders for any of these loans that go into default (i.e., lenders claim any amount of principal and interest not repaid in full, after which the department of Social Development Canada's Collection Services will attempt to recover these amounts).³³ The risk-shared arrangements also permitted loans issued from August 1, 1995 to July 31, 2000 to be guaranteed under specific circumstances. This item represents the costs associated with loan guarantees.

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

Bad Debt Expense

Under Direct Loans, the government owns the loans issued to students and must record them as assets. As a result, Generally Accepted Accounting Principles require a provision be made for potential future losses associated with these loans. The provision must be made in the year the loans are issued even though the losses may occur many years later. The figures represent the annual expense against the provisions for Bad Debt and Debt Reduction in Repayment on Direct Loans.

Alternative Payments to Non-participating Provinces

Provinces and territories may choose not to participate in the CSLP. These provinces and territories receive an alternative payment to assist in the cost of delivering a similar student financial assistance program.

Commitments

For the 2005–2006 fiscal year, the expected cash flow for Service Provider contracts is: \$94.7 million. The current end date for the Service Provider contracts is March 31, 2006.

³³ Collection services are shared between HRSDC and SDC and are housed in SDC.

Consolidated Canada Student Loans Programs — Financial Tables

Consolidated CSL Programs – Combined Programs						
(millions of dollars)	Actual		Forecast	Planned Spending^c		
	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Revenue						
Interest Revenue on Direct Loans	103.9	174.3	206.9	286.6	368.2	448.7
Recoveries On Guaranteed Loans	111.1	91.3	105.1	63.7	44.1	30.5
Recoveries On Put-Back Loans	7.7	9.6	14.4	13.6	13.6	13.3
Total Revenue	222.7	275.2	326.4	363.9	425.9	492.5
Expenses						
<i>Transfer Payments</i>						
Canada Study Grants	54.5	66.8	74.7	128.0	129.8	133.9
<i>Loan Administration</i>						
Collection Costs	12.8	13.4	18.6	19.4	22.2	25.9
Service Bureau Costs	41.2	41.0	59.5	66.3	73.4	82.4
Risk Premium	23.0	11.7	4.9	7.5	7.2	6.7
Put-Back	5.8	4.3	5.1	4.9	4.4	3.9
Administrative Fees to Provinces and Territories	8.4	8.8	9.6	15.7	15.6	15.6
Total Loan Administration Expenses	91.2	79.2	97.7	113.8	122.8	134.5
<i>Cost of Government Support</i>						
<i>Benefits Provided to Students</i>						
In-Study Interest Borrowing Expense (Class A) ^a	138.6	148.6	163.0	173.4	180.0	186.8
In Repayment Interest Borrowing Expense (Class B) ^a	41.3	68.1	118.3	164.3	209.8	253.1
In-Study Interest Subsidy (Class A)	39.8	27.4	15.6	13.8	7.9	2.7
Interest Relief	74.6	73.8	62.9	66.8	72.0	74.9
Debt Reduction in Repayment	7.4	10.7	29.4	20.7	21.9	14.9
Claims Paid & Loans Forgiven	40.7	34.8	26.9	17.9	12.8	10.5
<i>Bad Debt Expense^b</i>						
Debt Reduction in Repayment Expense	10.8	11.5	11.8	12.2	12.2	12.5
Bad Debt Expense	175.7	193.3	205.4	219.7	227.7	242.2
Total Cost of Government Support Expenses	528.9	568.2	633.3	688.8	744.3	797.6
Total Expenses	674.6	714.2	805.7	930.6	996.9	1,066.0
Net Operating Results	451.9	439.0	479.3	566.7	571.0	573.5
Alternative Payments to Non-Participating Provinces	76.0	244.8	187.0	146.6	163.5	173.4
Final Operating Results	527.9	683.8	666.3	713.3	734.5	746.9

a. These costs are related to Canada Student Direct Loans but reported by the Department of Finance.

b. This represents the annual expense against the Provisions for Bad Debt and Debt Reduction in Repayment as required under Accrual Accounting.

c. The Planned Spending figures include the incremental costs related to the Budget 2004 announcements, which measures are expected to be effective August 1, 2005.

Consolidated CSL Programs – Risk Shared and Guaranteed Loans Only

(millions of dollars)	Actual		Forecast	Planned Spending ^a		
	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Revenue						
Recoveries On Guaranteed Loans	111.1	91.3	105.1	63.7	44.1	30.5
Recoveries On Put-Back Loans	7.7	9.6	14.4	13.6	13.6	13.3
Total Revenue	118.8	100.9	119.5	77.3	57.7	43.8
Expenses						
<i>Loan Administration</i>						
Collection Costs	12.0	9.3	11.1	7.1	5.2	3.9
Risk Premium	23.0	11.7	4.9	7.5	7.2	6.7
Put-Back	5.8	4.3	5.1	4.9	4.4	3.9
Total Loan Administration Expenses	40.8	25.3	21.1	19.5	16.8	14.5
<i>Cost of Government Support</i>						
<i>Benefits Provided to Students</i>						
In-Study Interest Subsidy (Class A)	39.8	27.4	15.6	13.8	7.9	2.7
Interest Relief	65.3	53.8	35.5	23.0	17.4	14.3
Debt Reduction in Repayment	7.4	10.7	29.4	20.7	21.9	14.9
Claims Paid & Loans Forgiven	40.0	33.3	24.3	15.1	9.3	6.1
Total Cost of Government Support Expenses	152.5	125.2	104.8	72.6	56.5	38.0
Total Expenses	193.3	150.5	125.9	92.1	73.3	52.5
Net Operating Results	74.5	49.6	6.4	14.8	15.6	8.7

a. The Planned Spending figures include the incremental costs related to the Budget 2004 announcements, which measures are expected to be effective August 1, 2005.

Consolidated CSL Programs – Direct Loans Only

(millions of dollars)	Actual		Forecast	Planned Spending [~]		
	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Revenue						
Interest Revenue on Direct Loans	103.9	174.3	206.9	286.6	368.2	448.7
Expenses						
<i>Transfer Payments</i>						
Canada Study Grants	54.5	66.8	74.7	128.0	129.8	133.9
<i>Loan Administration</i>						
Collection Costs	0.8	4.1	7.5	12.3	17.0	22.0
Service Bureau Costs	41.2	41.0	59.5	66.3	73.4	82.4
Administrative Fees to Provinces and Territories	8.4	8.8	9.6	15.7	15.6	15.6
Total Loan Administration Expenses	50.4	53.9	76.6	94.3	106.0	120.0
<i>Cost of Government Support</i>						
<i>Benefits Provided to Students</i>						
In-Study Interest Borrowing Expense (Class A) ^a	138.6	148.6	163.0	173.4	180.0	186.8
In Repayment Interest Borrowing Expense (Class B) ^a	41.3	68.1	118.3	164.3	209.8	253.1
Interest Relief	9.3	20.0	27.4	43.8	54.6	60.6
Loans Forgiven	0.7	1.5	2.6	2.8	3.5	4.4
<i>Bad Debt Expense ^b</i>						
Debt Reduction in Repayment Expense	10.8	11.5	11.8	12.2	12.2	12.5
Bad Debt Expense	175.7	193.3	205.4	219.7	227.7	242.2
Total Cost of Government Support Expenses	376.4	443.0	528.5	616.2	687.8	759.6
Total Expenses	481.3	563.7	679.8	838.5	923.6	1,013.5
Net Operating Results	377.4	389.4	472.9	551.9	555.4	564.8
Alternative Payments to Non-Participating Provinces	76.0	244.8	187.0	146.6	163.5	173.4
Final Operating Results	453.4	634.2	659.9	698.5	718.9	738.2

a. These costs are related to Canada Student Direct Loans but reported by the Department of Finance.

b. This represents the annual expense against the Provisions for Bad Debt and Debt Reduction in Repayment as required under Accrual Accounting.

c. The Planned Spending figures include the incremental costs related to the Budget 2004 announcements, which measures are expected to be effective August 1, 2005.



OTHER ITEMS OF INTEREST

SUSTAINABLE DEVELOPMENT

As articulated in the October 2004 Speech from the Throne, the Government of Canada continues to make sustainable development a priority, with a view to building sustainable development systematically into decision making. Due to the reorganization of HRDC, the Ministers for HRSDC, Social Development Canada, and Labour and Homelessness jointly tabled HRDC's third-generation Sustainable Development Strategy (SDS-III) in Parliament in February 2004. Sustainable Development Strategies are updated every three years, and separate departmental Strategies will be developed for tabling in 2006.

In line with the Government's priority, HRSDC is moving ahead to achieve the commitments outlined in the HRDC SDS-III in the context of HRSDC's new mandate. Objectives for this year include:

- Develop an HRSDC Sustainable Development (SD) policy that provides guidance on department-wide SD priorities, and clearly situates the SDS within HRSDC's mandate and priorities;
- Increased use of effective e-learning opportunities among Canadians;
- To assist communities in addressing homelessness by providing them with the tools to develop a range of interventions to meet the needs of homeless individuals and families and to prevent those at-risk from falling into homelessness, by enhancing community leadership and by increasing awareness — by the public, non-profit and private sectors — on the issue of homelessness in Canada;
- Conduct research on the cost of stress in the workplace.

A number of the SDS-III targets are aimed at 'greening' the operations of the department (e.g., promoting commuter options, providing green procurement information sessions). Due to shared services between HRSDC and SDC, SDC is responsible for completing these 'greening' targets. Detailed information on the current Sustainable Development Strategy (SDS-III), including specific goals, objectives and targets can be accessed at the following departmental website: <http://www.hrsdc.gc.ca/en/cs/fas/as/sds/sdd.shtml>.

EVALUATIONS TO BE COMPLETED IN 2005–2006

Strategic Evaluation of Workplace Equity

Employment Insurance Summative Evaluation

Employment Insurance – Evaluation of Preventive Withdrawal

Labour Market Development Agreement – Nunavut – Formative Evaluation

Labour Market Development Agreement – Alberta – Summative Evaluation

Labour Market Development Agreement Newfoundland & Labrador –
Summative Evaluation

Employment Benefits and Support Measures – Summative Evaluation of Ontario

Evaluation of Integrity of Labour Program Delivery Initiative

Formative Evaluation of National Literacy Secretariat – Phase I

Formative Evaluation of the Foreign Credential Recognition Program

Formative Evaluation of Youth Employment Strategy

Formative Evaluation of Electronic Labour Exchange

Formative of Preventive Mediation Program

Summative Evaluation of Learning Initiative Program

Summative Evaluation of the Office of Learning Technology

Summative Evaluation of the Canada Student Loans Program

Evaluation of Quality of Services – Synthesis Report

Summative Evaluation of the National Homelessness Initiative



WEBSITE REFERENCES

WEBSITE REFERENCES

HRSDC Website

<http://www.hrsdc-rhdcc.gc.ca>

The Honourable Lucienne Robillard, P.C., M.P.

Minister of Human Resources and Skills Development Canada

<http://pm.gc.ca/eng/bio.asp?id=37>

The Honourable Joseph Frank Fontana

Minister of Labour and Housing

<http://www.pm.gc.ca/eng/bio.asp?id=29>

The Honourable Claudette Bradshaw

Minister of State (Human Resources Development)

<http://www.pm.gc.ca/eng/bio.asp?id=20>

Acts and Regulations Governing HRSDC and SDC

<http://www.hrsdc.gc.ca/en/cs/fas/as/contact/acts.shtml>

HRSDC Overview

- List of HRSDC Programs and Services
http://www.hrsdc.gc.ca/en/gateways/nav/top_nav/ps.shtml
- Speech from the Throne, October 5, 2004
<http://pm.gc.ca/eng/sft-ddt.asp>
- The Budget Speech 2004
<http://www.fin.gc.ca/budget04/speech/speeche.htm>
- The Budget Speech 2005
<http://www.fin.gc.ca/budget05/speech/speeche.htm>

Efficient and Inclusive Labour Market Transitions through Temporary Income Support and Active Employment Measures

- Employment Insurance Benefits
http://www.hrsdc.gc.ca/en/gateways/nav/top_nav/program/ei.shtml
- Employment Benefits and Support Measures
http://www.hrsdc.gc.ca/en/gateways/nav/top_nav/program/gc.shtml
- Labour Market Development Agreements
http://www.tbs-sct.gc.ca/rma/eppi-ibdrp/hrdb-rhbd/lmda-edmt/description_e.asp

- Aboriginal Human Resources Development Strategy
<http://www17.hrdc-drhc.gc.ca/ARO-BRA/ARO.cfm>
http://www.socialunion.gc.ca/ecd_e.html
http://www.hc-sc.gc.ca/english/media/releases/2002/2002_72bk.htm
- Aboriginal Skills and Employment Partnerships
http://www17.hrdc-drhc.gc.ca/ARO-BRA/ARO.cfm?Menu=asepMenu_e.cfm&File=asep/asep_intro_e.cfm&SubMenu=ASEP
- Youth Employment Strategy
<http://www.youth.gc.ca>
- Official Language Minority Communities
http://www.hrsdc.gc.ca/en/gateways/nav/top_nav/program/solmc.shtml
- Work Sharing
http://www.hrsdc-rhdcc.gc.ca/en/epb/sid/cia/grants/ws/desc_ws.shtml

Enhanced Productivity and Competitiveness of Canadian Workplaces by Supporting Investment in and Recognition and Utilization of Skills

- Human Resources Partnerships
 - The Sector Council Program
http://www.hrsdc.gc.ca/en/gateways/nav/top_nav/program/spi.shtml
 - Essential Skills
<http://www15.hrdc-drhc.gc.ca/English/general/default.asp>
 - National Occupational Classification
http://www.hrsdc.gc.ca/en/hip/hrp/noc/noc_index.shtml
 - Apprenticeship and Labour Mobility Initiatives
http://www.hrsdc.gc.ca/en/gateways/nav/top_nav/program/almi.shtml
- The Foreign Worker Program
http://www.hrsdc.gc.ca/en/gateways/nav/top_nav/program/fw.shtml
- Labour Market Information
http://www.hrsdc.gc.ca/en/gateways/nav/top_nav/program/lmi.shtml

Through Access to Learning, Canadians Can Participate Fully in a Knowledge-Based Economy and Society

- Student Financial Assistance (Canada Student Loans Program)
<http://www.hrsdc.gc.ca/en/gateways/topics/cxp-gxr.shtml> and <http://www.canlearn.ca>
- Canada Education Savings Grant
<http://www.hrsdc.gc.ca/en/gateways/topics/cgs-gxr.shtml>
- National Literacy Program
<http://www.hrsdc.gc.ca/en/gateways/topics/lxa-gxr.shtml>

- Learning Initiatives Program
<http://www.hrsdc.gc.ca/en/gateways/topics/lxi-gxr.shtml>
- International Academic Mobility
http://www.hrsdc.gc.ca/en/gateways/nav/top_nav/program/iam.shtml
- Office of Learning Technologies
http://www.hrsdc.gc.ca/en/hip/lld/olt/01_index.shtml

Safe, Healthy, Fair, Stable, Cooperative and Productive Workplaces

- The Federal Mediation and Conciliation Service
<http://www.hrsdc.gc.ca/asp/gateway.asp?hr=/en/lp/fmcs/02About.shtml&hs=mxm>
- National Labour Operations
http://www.hrsdc.gc.ca/en/gateways/nav/top_nav/program/labour.shtml
- International Labour Affairs
<http://www.hrsdc.gc.ca/en/gateways/business/cluster/category/ilaa.shtml>
- Work-life Balance and Ageing Workforce
<http://www.hrsdc.gc.ca/en/gateways/topics/wnc-gxr.shtml>

Enhanced Community Capacity to Contribute to the Reduction of Homelessness

- The National Homelessness Initiative
http://www.homelessness.gc.ca/home/index_e.asp
- The National Homelessness Programs
http://www.homelessness.gc.ca/initiative/nhiprograms_e.asp

Seamless, Integrated and Multi-Channel Service Delivery that ensures client satisfaction

- Service Canada

Questions and Public Enquiries

If you have questions about departmental programs and services, you may contact your nearest Human Resource Centre of Canada office listed in the Government of Canada pages of the telephone book or through the HRSDC website at http://www.hrsdc.gc.ca/en/gateways/nav/top_nav/our_offices.shtml.

To obtain HRSDC publications, please contact the Public Enquiries Centre at http://www.hrsdc.gc.ca/en/gateways/nav/left_nav/publications.shtml