



**ESTIMATES**

# **Human Resources Development Canada**

**2001-2002  
Estimates**

Part III – Report on Plans and Priorities

**Canada**

## The Estimates Documents

Each year, the government prepares Estimates in support of its request to Parliament for authority to spend public monies. This request is formalized through the tabling of appropriation bills in Parliament. The Estimates, which are tabled in the House of Commons by the President of the Treasury Board, consist of three parts:

**Part I – The Government Expenditure Plan** provides an overview of federal spending and summarizes both the relationship of the key elements of the Main Estimates to the Expenditure Plan (as set out in the Budget).

**Part II – The Main Estimates** directly support the *Appropriation Act*. The Main Estimates identify the spending authorities (votes) and amounts to be included in subsequent appropriation bills. Parliament will be asked to approve these votes to enable the government to proceed with its spending plans. Parts I and II of the Estimates are tabled concurrently on or before 1 March.

**Part III – Departmental Expenditure Plans** which is divided into two components:

- (1) **Reports on Plans and Priorities (RPPs)** are individual expenditure plans for each department and agency (excluding Crown corporations). These reports provide increased levels of detail on a business line basis and contain information on objectives, initiatives and planned results, including links to related resource requirements over a three-year period. The RPPs also provide details on human resource requirements, major capital projects, grants and contributions, and net program costs. They are tabled in Parliament by the President of the Treasury Board on behalf of the ministers who preside over the departments and agencies identified in Schedules I, I.1 and II of the *Financial Administration Act*. These documents are to be tabled on or before 31 March and referred to committees, which then report back to the House of Commons pursuant to Standing Order 81(4).
- (2) **Departmental Performance Reports (DPRs)** are individual department and agency accounts of accomplishments achieved against planned performance expectations as set out in respective RPPs. These Performance Reports, which cover the most recently completed fiscal year, are tabled in Parliament in the fall by the President of the Treasury Board on behalf of the ministers who preside over the departments and agencies identified in Schedules I, I.1 and II of the *Financial Administration Act*.

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

As part of its ongoing efforts to streamline reporting requirements, the Treasury Board of Canada Secretariat has requested that Human Resources Development Canada and thirteen other departments explore alternative reporting structures to this year's *Report on Plans and Priorities*. It has, therefore, exempted the department from the usual guidelines for the preparation of this report.

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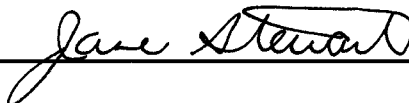
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# Human Resources Development Canada

**2001-2002  
Estimates**

## **A Report on Plans and Priorities**

Approved by:



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



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

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The January 2001 Speech from the Throne began a new mandate for our government – a mandate in which Human Resources Development Canada (HRDC) will help a growing, progressive country to achieve even more and to ensure that all Canadians are part of that success.

Skills and learning will be a major focus of the new mandate. In today's world, not only do individual Canadians benefit from investments in skills, so does Canada. Jobs and growth flow to countries where skills are plentiful and where people upgrade their skills regularly. We will take steps with our many partners to help working people upgrade their skills and to make it easier for recent immigrants to put their expertise to work in Canada. We will also continue to reach out to youth, Aboriginal people and Canadians with disabilities, so they enjoy wider opportunities to develop skills and have the support to succeed in the workplace.

Children and families will continue to be a national priority. We want to build on the important work we are doing with provincial and territorial governments and our other partners. The Government of Canada recently provided an additional \$425 million investment in the National Child Benefit to help parents support their children. The Early Childhood Development agreement concluded with First Ministers in September 2000 includes a \$2.2 billion federal investment over the next five years to ensure that all Canadian children get a good start in life. We will add to our work by testing and expanding innovative ideas to meet the particular needs of Aboriginal children, to help parents provide income for their family while caring for critically ill or injured children and to assist low income single parents in achieving self-sufficiency.

HRDC's work will also encompass many other areas of equally direct value to Canadians. For example, we will continue to improve the services of the Canada Pension Plan, Old Age Security program and Employment Insurance.

A strong emphasis on the most modern management standards will be a basic priority in all HRDC efforts. This department has worked hard to achieve the best balance between responsive services and appropriate attention to the administration of public funds. The work to find that balance will continue because these efforts are critical to ensuring we continue to have strong programs that make a difference in the lives of Canadians.

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





The federal government is committed to building a stronger, more inclusive Canada and to create opportunities for all citizens to be full participants in their communities and workplaces. This *Report on Plans and Priorities* describes some of the important ways that our government is meeting the needs of Canadians.

One of these ways is through the work of the Labour Program. We will continue our efforts to update federal labour laws and to improve workplace regulations and policies that cover over one million Canadians. The Labour Program will pursue its work in partnership with employees, employers and unions to provide safe, fair, equitable and productive workplaces. We will also build on cooperation and partnerships with the provinces and territories, improve information services and focus on developing stronger international labour standards.

The Government of Canada's Homelessness Initiative is another example of our commitment to building partnerships to help meet the unique needs of communities across the country. Through the Supporting Communities Partnership Initiative, we are working directly with communities to provide local solutions to the challenges they face. Already we can see a strong base emerging for more action, as we work with communities to help them fill gaps in services and address homelessness across a broad continuum of supports that will bring lasting results.

The recent Speech from the Throne demonstrated the government's commitment to create and share opportunities for all Canadians. In the year ahead, initiatives on both the Labour Program and the Homelessness fronts will contribute to that objective.

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



## Overview to Report on Plans and Priorities

In January 2001, the Government of Canada set out priorities for its new mandate in its Speech from the Throne. Human Resources Development Canada (HRDC) will be focused on the fulfillment of two fundamental goals: developing policy and program responses to the priorities as set out in the recent Speech from the Throne; and, effective and accountable management of and investment in services, technology and a capable, diverse workforce.

### Policy Priorities

In leading Canada into the new millennium, the Government indicated in the January 2001 Speech from the Throne that its overarching goal will continue to be to build a stronger, ever more inclusive Canada and secure a higher quality of life for all Canadians. In pursuit of this goal, the Government will focus on:

- ◆ Building a world-leading economy driven by innovation, ideas and talent;
- ◆ Creating a more inclusive society where children get the right start in life, where quality health services are available to all, and where Canadians enjoy strong and safe communities;
- ◆ Ensuring a clean, healthy environment for Canadians and the preservation of our natural spaces; and
- ◆ Enhancing our Canadian voice in the world and our shared sense of citizenship.

As the department responsible for many aspects of the Government's labour market and social policy agenda, HRDC will continue to assist the Government in helping Canadians meet these challenges with particular emphasis on creating and sharing opportunities. This work will be guided by the values of Canadians and will include cooperative efforts with other governments, the private and voluntary sectors and citizens.

#### ➤ Skills and Learning

Canada's future success depends on the talents of its workforce and the nation "[...] will only realize its full potential by investing aggressively in the skills and talents of its people" (Speech from the Throne, January 2001). HRDC will assist the Government in achieving this goal in several ways:

- ↪ Continuing to help young Canadians to contribute to their country, gain employment and apply their business and creative skills;
- ↪ Working with partners to ensure support for youth who particularly need help staying in school or getting their first job;
- ↪ Working with provinces, territories and non-governmental organizations to ensure that all Canadians, young and old, can achieve their learning goals;



- ↵ Helping adults who want to improve their skills, but who may face difficulty in finding the time or resources to do this while providing for themselves and their families. The Government indicated that in support of this need, it will create Registered Individual Learning Accounts to make it easier for Canadians to finance their learning and that it will improve the loans that are available to part-time students, so more workers can learn while they earn;
- ↵ Inviting the provinces along with the private sector and voluntary organizations to launch a national initiative to significantly increase the proportion of adults with higher levels of literacy;
- ↵ Developing a system of supports for persons with disabilities. In particular, examine possible initiatives towards breaking down barriers to full participation in the labour market, including employability supports and the use of technologies for persons with disabilities; and
- ↵ Working in cooperation with the provinces and territories to secure better recognition of foreign credentials of new Canadians.

### ➤ **Children and Families**

The Government reinforced its commitment to children and families in several ways in the Speech from the Throne and HRDC will continue to support the Government in pursuit of this goal:

- ↵ The Early Childhood Development Agreement reached by First Ministers in September 2000, will continue to be an important pillar of the social policy agenda. In keeping with commitments in the Agreement, we will work with provinces and territories to implement this Agreement, including reporting to the public in the fall of 2001 on the Government's baseline investments in children and their families. In collaboration with other departments we expect to introduce measures to enhance support for early childhood development in First Nations communities to ensure a better start for Aboriginal children;
- ↵ Over the past few years, the Government has taken significant steps to address child poverty, particularly through the National Child Benefit (NCB). HRDC will work with provinces to implement July 2001 increases to the NCB, and to consider future directions in addressing child poverty;
- ↵ Continuing to work with provinces and territories to test innovations focused on the special challenges of overcoming poverty by single parents and their children with the longer-term aim of developing new measures;
- ↵ Improving support available to parents and caregivers in times of family crisis.

Our greatest successes have been achieved in partnership with the provinces. Many of our priorities will require collective action that builds on mutually supporting social objectives.





➤ **Research and Evaluation**

HRDC will also continue its research and evaluation efforts in key areas such as the determinants of well-being and development of children, and the effectiveness of labour market measures. This is essential to ensure that Canadian policy solutions reflect a clear understanding of the determinants of these issues as well as knowing what works, for whom and why.

## **Program Management Priorities**

HRDC delivers a broad array of statutory and discretionary programs. Departmental management continues to seek the best ways of ensuring that programs are managed with due regard for probity and that they meet the on-going and evolving needs of Canadians. The departmental chart of key results and measures of achievement specifically identifies departmental priorities in terms of service delivery to clients, taxpayers and citizens. Significant effort is made by all program branches to ensure achievement of these results and continuous improvement in the delivery of these programs. Detailed plans are discussed in each of the core services sections of this report.

A key priority over the short term for HRDC will be the implementation of recently announced program initiatives related to Homelessness, the Canada Student Loans Program, legislative amendments to the *Employment Insurance Act* and amendments to Part II of the *Canada Labour Code*.

➤ **Homelessness**

As the department continues to move forward in implementing the Homelessness Strategy, work on this front will focus on three fundamental priorities:

- ↻ alleviating the hardship of those who have nowhere to live;
- ↻ supporting efforts of communities to develop a 'continuum of supports' approach to reducing homelessness; and
- ↻ developing a base of knowledge, expertise and data about homelessness.

➤ **Canada Student Loans Program**

The Government of Canada announced on December 1, 2000 the awarding of competitive contracts to two companies to act as service providers for the Canada Student Loans Program commencing March 2001. Implementing this new regime in support of delivery of this important program will be an on-going priority.



➤ **Bill C-2**

The Government of Canada tabled in Parliament Bill C-2 to amend the *Employment Insurance Act*. The proposed legislative amendments include significant changes to eligibility and entitlement criteria of the program:

- ↪ Eliminate the intensity rule retroactively to October 1, 2000.
- ↪ Adjust the benefit repayment provision to exempt Canadians from benefit repayment when they seek EI benefits for the first time. Also, sickness, maternity and parental benefits would be exempt from repayment. This would be effective from tax year 2000.
- ↪ Access to EI benefits would be improved for parents re-entering the workforce after taking an extended absence to raise children.

These legislative changes will have a significant impact on operational guidelines, communication products, systems development and training of program staff.

➤ **Labour**

The recent amendments to Part II (Occupational Safety and Health) of the *Canada Labour Code* placed greater emphasis on the roles and responsibilities of the workplace parties. The department is in the early stages of implementation of these changes and the intended result is direct resolution of safety and health concerns in workplaces. The department is also considering the need to review Part III (Labour Standards) of the *Canada Labour Code* as a result of changing workplace issues.

## **A Strong, Effective and Accountable Organization**

Over the past year, HRDC has been active in addressing the management issues identified as a result of the January 2000 release of the Internal Audit Report on Grants and Contributions Programs administration and other emerging challenges. HRDC has made significant progress in addressing the many issues identified.

The Department is determined to build on the improvements it has already made to its administration of these programs, and recognizes that more work needs to be done. HRDC accepts the Auditor General's challenge that "[...] the department has to make today's extraordinary effort tomorrow's routine and fundamentally change its day-to-day approach to the delivery of grants and contributions."

As a further commitment on grants and contributions program management, HRDC has initiated the Program Management Initiative. Over the next two years, the work of this initiative will be targeted to achieving two objectives: a results-based accountability framework (referred to as "Track I") and renewal of program authorities (referred to as "Track II"). Track I is slated for completion by March 2001 and will include a statement of objectives, a logic model for each program including output/outcome measures and performance indicators. Track II is scheduled for completion by December 31, 2002 and is focused primarily on renewal and approval of appropriate terms and conditions for grant and contribution programs by Treasury Board Ministers.



Departmental management is dedicated to demonstrating leadership with respect to the management of all programs. From this perspective, HRDC has begun to internalize the principles of modern comptrollership at every level of the organization. The department also recognizes the need for continuous improvement of accountability mechanisms through better reporting of results and outcomes to Parliament and to Canadians. HRDC has devoted considerable effort to defining more comprehensive outcome measures in consultation with partners and stakeholders that may lead to changes to our key results and how they are reported in the future.

Some longer-term issues will also be addressed through a series of incremental initiatives focusing on leadership and cultural change, creating an effective and accountable organization and building a strong and effective workforce. Further, HRDC stated in its management response to the Auditor General report that the department would continue to work with all interested parties to ensure that it achieves the right balance between responsive client service and prudent management of taxpayers' money.

## Innovation and Transformation

In implementing Government On-Line (GOL), HRDC will manage carefully the challenges inherent in adopting a new service delivery channel, including the financial impacts.

While HRDC has a lot of work ahead, a number of projects have started to make HRDC's services accessible on-line to Canadians. Development of on-line services for our Employment Insurance program is an excellent example, with the following two projects currently underway:

**EI Services for Individuals** will offer Canadians the complete range of Employment Insurance services on-line, beginning with Internet access to insurance benefits. Development will continue over time to include on-line capabilities for claims processing and a seamless integration into associated labour market. **EI Service for Employers** will see employers able to submit Record of Employment data on-line using technology that provides digital signatures and appropriate authentication and security. Development of these services is planned for over the next few years.

HRDC's Service Delivery policy is based on a client-centred approach by program. Nevertheless, the shift from the traditional program-centred approach to a client-centred approach will not be fully realized until the department has had a further opportunity to reflect on the change in approach, to learn how clients react to electronic service delivery, and to observe what works and does not work.



Through the continued development of the Service Delivery Network and demonstrating innovation in delivery of programs and services to Canadians, the department will support on-going efforts in reaching out to Canadians in increasingly direct and interactive ways. This will include conducting surveys to determine levels of client satisfaction.

In its on-going efforts in support of program integrity and service delivery, HRDC will continue to work toward reducing the error rates of benefit payments of the Employment Insurance and Income Security Programs, and in strengthening the integrity of the Social Insurance Number.

## **Maintaining a Capable and Diverse Workforce**

More than 25,000 employees support development of innovative policy, program administration and service delivery. The human resources challenges associated with meeting the policy, program, operational and service delivery demands of a department with such a broad mandate require significant investment in a variety of ways. Over the next several years, HRDC will be continuing to invest in leadership development, training, and recruitment and retention strategies to ensure that the department is a strong, effective and accountable organization.



## Our Mandate

The Government of Canada is committed to help create a more inclusive, innovative environment for all Canadians. The Government and Parliament have given Human Resources Development Canada (HRDC) a mandate to help achieve these goals by reaching Canadians of all ages and in many different situations, such as homelessness.

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

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### Children

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

### Youth

- Youth Employment Strategy
- EI Premium Relief for employers hiring youth
- Literacy initiatives for out-of-school youth
- Canada Student Loans
- Canada Study Grants
- Student debt management initiatives
- Student Summer Job Action
- Social Insurance Numbers
- Youth Occupational Safety and Health
- Youth at Risk

### Working Age Adults

- Employment Insurance Income Benefits
- Employment Benefits and Support Measures
- Promotion of stable, safe, fair, family-friendly and equitable workplaces
- CPP Disability benefits
- Labour laws to protect health, safety, working environment and equality in employment
- Employment Equity, pay equity and fair wages provisions
- Employment Assistance for People with Disabilities
- Opportunities Fund
- CPP Survivors benefits
- Urban Aboriginal Initiatives
- Older Workers Pilot Projects Initiatives
- Labour Market Information

### Seniors

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

### Homelessness

- Supporting Communities Partnership Initiative
- Assistance for Community Plans
- Youth at risk
- Urban Aboriginal Strategy



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

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

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

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

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

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

[2001 Speech from the Throne]

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**Our Mission is:**

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

**Our Vision is to:**

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

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



## How We Serve Canadians

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

More than 25,000 HRDC employees are at work across Canada. Most work in our 320 Human Resource Centres of Canada, our 21 telecentres that offer 1-800 toll free service and our six Information Technology Centres. Others work in our National Headquarters and 10 regional offices. Many Canadians get their HRDC services through our 5,000 self-service electronic kiosks and over the Internet.

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

[2001 Speech from the Throne]

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

## Our Service Lines and Key Results

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

- ◆ Key Results for HRDC at both the service line and HRDC-wide levels;
- ◆ Performance Evidence that indicates the expected outcomes of HRDC activities;
- ◆ Planned Results that define those expected outcomes more precisely.

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<sup>2</sup> See Our Main Partners Table on [page 117](#).



A balanced mix of performance indicators is being developed to measure progress towards the planned results. This will give a more complete, accurate picture of the Department's performance based on the perspectives of citizens, clients and taxpayers.

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

Our **clients** are the Canadians to whom we directly provide services. They expect and deserve the high level of quality service that we express through service delivery and quality measures contained in our **Key Results** and through our service commitments (see [page 48](#) in Sound Departmental Management).

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

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*Our clients include:*

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

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

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We have structured HRDC programs and services under four core service lines responsible for direct program delivery to Canadians and two others relating to activities that provide support and services to the core service lines.

<b>Human Resources Development Service Lines</b>	<b>2001-2002 Expenditures</b>	<b>To provide Canadians with:</b>
<b>Core Service Lines</b>		
Income Security (see page 19)	\$45,506M FTEs: 3,479	Income Security for seniors, persons with disabilities and their children, survivors and migrants Sustainable and effective program management and service delivery
Employment Insurance Income Benefits (see page 23)	\$10,675M FTEs: 7,596	The opportunity to fully participate in the workplace and community Sustainable and effective program management and service delivery
Human Resources Investment (see page 27)	\$6,833M FTEs: 3,885	The opportunity to fully participate in the workplace and community Sustainable and effective program management and service delivery
Labour (see page 41)	\$156M FTEs: 740	Safe, fair, stable and productive workplaces Sustainable and effective program management and service delivery
<b>Sound Departmental Management</b>		
Corporate Services and Service Delivery Support (see page 46)	\$645M FTEs: 5,638	Sustainable and effective program management and service delivery
<b>Total HRDC's Service Lines</b>	<b>\$63,815M</b>	
Other Costs*	\$160M	
<b>Consolidated Total</b>	<b>\$63,975M</b> <b>FTEs: 21,338</b>	

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



## Chart of Key Results

The Chart of Key Results identifies the four key results that HRDC endeavours to provide for Canadians. It also identifies a series of outcomes or areas of performance evidence that will be used to demonstrate progress towards these results. Planned results are included that more specifically outline the sphere of influence of HRDC's programs and services and demonstrate performance in support of expected outcomes and the key results in tangible ways.

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

**KEY RESULT ⇨ Income security for seniors, persons with disabilities and their children, survivors and migrants**

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



KEY RESULT ⇨ **The opportunity to fully participate in the workplace and community**

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



KEY RESULT ⇨ **Safe, fair, stable and productive workplaces**

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

KEY RESULT ⇨ **Sustainable and effective program management and service delivery**

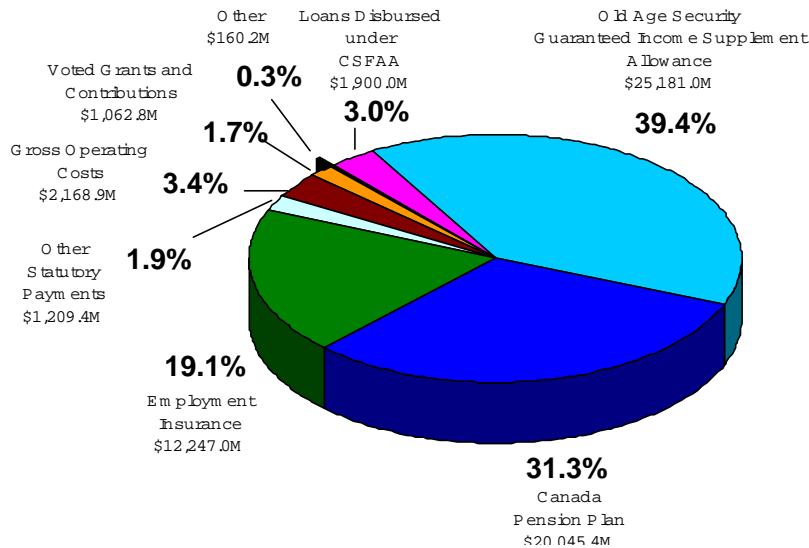
Service Lines	Performance Evidence (Outcome)	Planned Results
ALL	Responsible management of public funds including protection against fraud and abuse	Improve integrity of public funds
SDS	Sound and responsive departmental infrastructure to deliver information and results to Canadians	Delivery and maintenance of IT support to improve service delivery to Canadians
CS	Productive work environment and sustainable workforce	Progress towards maintaining a workplace of choice
ALL	Quality service to Canadians	Provide highest quality service to Canadians through service standards which include providing access, speed of payment and service, interactive relationships with clients and improvement of the level of client satisfaction with HRDC services



## 2001-2002 Expenditure Profile

Although HRDC has the greatest expenditure on programs and services of any department at \$64 billion, more than \$58 billion, or 92% of this spending, goes directly to individual Canadians through the Employment Insurance (EI), Canada Pension Plan (CPP) and Old Age Security (OAS) programs and other statutory transfer payments.

**CONSOLIDATED TOTAL:  
\$63,974.7M**



HRDC's Gross Expenditures		
<u>Budgetary</u>		
Net Operating Costs		793.4
Add Recoveries in relation to:		
Canada Pension Plan	206.9	
Employment Insurance Account	1,118.0	
Workers Compensation	50.6	1,375.5
Gross Operating Costs		<b>2,168.9</b>
Voted Grants and Contributions		<b>1,062.8</b>
<b>Total Gross Expenditures</b>		<b>3,231.7</b>
Other – Workers Compensation and EI/CPP Charges and Recoveries		<b>160.2</b>
<u>Non-Budgetary</u>		
Loans disbursed under <i>Canada Student Financial Assistance Act</i> (CSFAA)		<b>1,900.0</b>

Statutory Transfer Payments		
Grants and Contributions:		
Old Age Security programs		<b>25,181.0</b>
Other Statutory Payments:		
Canada Student Loans	643.9	
Canada Education Savings Grant	499.0	
Other	0.7	1,143.6
<b>Total</b>		<b>26,324.6</b>
Canada Pension Plan benefits		
Employment Insurance benefits		<b>20,045.4</b>
Part I	10,095.2	
Part II	2,151.8	<b>12,247.0</b>
Other Specified Purpose Accounts*		65.8
<b>Total Statutory Transfer Payments</b>		<b>58,682.8</b>

\* Includes payments related to Government Annuities and Civil Service Insurance Fund.



## Income Security

### *Our Key Results:*

*To provide Canadians with Income Security for seniors, persons with disabilities and their children, survivors and migrants; and*

*Sustainable and effective program management and service delivery.*



Parliament has mandated HRDC to promote and strengthen the income security of seniors, persons with disabilities and their children, survivors and migrants to and from Canada.<sup>3</sup> Our major vehicles to reach these goals are the Canada Pension Plan (CPP), the Old Age Security (OAS) program and by informing Canadians about Canada's public pensions.<sup>4</sup>

In 2001-2002, we will provide benefits under these Income Security Programs (ISP) to 4.7 million Canadians and 135,000 clients living abroad. We will make 7.5 million monthly payments worth more than \$45 billion in benefits to our clients. We will also provide up to 12 million people with personalized statements of their contributions to the Canada Pension Plan, in addition to producing other information explaining Canada's retirement income system.

About 3,600 HRDC employees across the country will help to deliver the Income Security Programs in 2001-2002.

### **GROSS SPENDING**

Funding (millions of dollars)	Forecast	Planned Spending		
	2000-2001	2001-2002	2002-2003	2003-2004
Gross Operating Expenditures	285.4	279.3	278.6	274.0
OAS Related Transfer Payments	24,279.0	25,181.0	25,995.0	26,825.0
Total Gross Expenditures	24,564.4	25,460.3	26,273.6	27,099.0
CPP Benefit Payments	19,352.0	20,045.4	20,942.6	21,943.1
Consolidated Total for IS	43,916.4	45,505.7	47,216.2	49,042.1
Full Time Equivalents	3,587	3,479	3,455	3,455

<sup>3</sup> For detailed objectives and description, see *Main Estimates* Part II, chapter 12, at [http://www.tbs-sct.gc.ca/tb/estimate/20012002/001\\_e.pdf](http://www.tbs-sct.gc.ca/tb/estimate/20012002/001_e.pdf)

<sup>4</sup> CPP benefits include retirement pensions, disability benefits, children's benefits, survivor's benefits and death benefits. The OAS program includes the basic OAS pension, the Guaranteed Income Supplement (GIS) and the Allowance (ALW).

## Operating Environment and Challenges

Two principal factors influence the operational planning for our Income Security Programs. The first is an ageing society, with an expected doubling of the percentage of seniors in the Canadian population over the next 30 years. While reviews of CPP and OAS have confirmed that both are financially sustainable pillars of Canada's retirement income system, it is equally clear that more Canadians need to plan to complement their eventual CPP and OAS benefits with other sources of retirement income such as payments from employer pensions and Registered Retirement Savings Plans. That underlines the importance of strong HRDC communications with Canadians on the entire retirement income system.

The second factor is the changing service delivery expectations of Canadians and related Government commitments. For example, while people have perceived seniors as not interested in using the Internet to deal with government services, this is changing rapidly. In fact, the rate of growth of Internet users is fastest among those 65 and over.<sup>5</sup> This trend underlines the importance of improved use of technologies to deliver services to Canadians, including seniors.

The environment in which Income Security Programs are delivered is dynamic. In order to ensure sound stewardship of public funds and resources, we are carrying out many linked initiatives including strengthening staff knowledge and focusing on sound financial management practices, clear accountabilities, performance measurement, effective risk assessment, control of public resources and open reporting of results.

## On-Line Access to Pension Information

Making our Income Security Programs more accessible to Canadians will be one of the highest profile results of the Government On-Line initiative for HRDC.<sup>6</sup> We will make important progress towards our Government On-line goals during 2001-2002 as we continue with a five-year Information Technology Renewal plan for our Income Security Programs. By the end of 2001, among other innovations, we will add a pension calculator tool to the existing HRDC website that will let Canadians estimate their own benefits and review their retirement options. Clients will also be able to electronically file requests for statements of their CPP contributions and notify us of changes of address. We will begin to introduce a web-based system that will permit our front-line agents to manage a wider range of client inquiries and transactions; it will subsequently be accessible to clients as part of our overall Government On-Line strategy.

To further support client services, we will review our programs and regulations to ensure that they are compatible with the new e-government service environment. A major priority in our work will be to ensure that our new systems protect the personal information of clients while also ensuring that the integrity of CPP and OAS funds, data and systems.

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<sup>5</sup> Dickson, P. & Ellision, J. (2000). *Plugging In: The Increase of Household Internet Use Continues into 1999*, Connectedness Series, Statistics Canada, Catalogue No. 56F0004MIE, No. 1

<sup>6</sup> HRDC's overall contributions to the Government On-Line commitment are described on [page 48](#).

## Citizen Participation in Measuring our Improvements

Consistent with achieving the expectations set out in Treasury Board's *Results for Canadians: A Management Framework for the Government of Canada*<sup>7</sup>, we recognize that telephone access will continue to be the most important form of contact for clients about CPP and OAS benefits for the foreseeable future. Accordingly, we will improve our services to callers, based on the results of a new client satisfaction tracking mechanism to be developed during the year. This Active Client Input project will allow us to survey clients who use our Integrated Voice Response System for telephone services. Their responses will allow us to report back to local managers on client service satisfaction almost instantaneously.

More generally, we will introduce a Client Service Charter and Service Standards for our Income Security Program activities. The Charter will outline our purpose and the level of service that clients deserve to expect. It will also identify ways in which Canadians can help us to improve our service through feedback. We will make it easier for clients to provide that feedback, as well as bring in measurement tools to give us a better understanding of customer expectations and a fuller picture of the quality of service we are providing. The results will enable us to continually find ways to improve business practices, policies, legislation and information products.

The Service Standards will reflect national performance criteria that are nearing finalization. We will collect data on how well we reach those standards through client satisfaction surveys, focus groups and interviews. We will report on the results through our Departmental Performance Reports.

We continue to implement a performance framework for our Information on the Retirement Income System (IRIS) initiative during 2001-2002. This framework will enable us to track changes in Canadians' awareness and knowledge of the public retirement system by measuring their response to communication products via client surveys, focus testing of new products and interviews.

## Continuous Improvement in the Canada Pension Plan – Disability Benefits

Disability Benefits under the Canada Pension Plan are an important source of income for many Canadians with disabilities. HRDC has strengthened the overall management of the program, and will continue to do so during 2001-2002.

We will enhance our shift to client-centred service delivery, which means providing services that are tailored and timed to meet the needs of clients. The focus will be on earlier and more personalized contact with people applying for benefits, more timely follow-up with clients receiving benefits, and more proactive support to clients preparing to return to work or in their transition to retirement.

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<sup>7</sup> This document is available on the TBS Website at the following address:  
[http://www.tbs-sct.gc.ca/res\\_can/siglist\\_e.html](http://www.tbs-sct.gc.ca/res_can/siglist_e.html)



We intend to pilot a series of service improvement initiatives in 2001-2002. For example, we will work with a private long-term disability insurance provider on joint screening of applicants and improved client referrals. We intend to establish links between CPP and Employment Insurance Sickness Benefits to provide seamless service and adopt early client contact approach in all regions by March 2002. We will also pilot the early release of case submissions related to Review Tribunal hearings, help older clients prepare for transition to retirement benefits and improve the availability of comprehensive information related to returning to work.

To assess the results of these client-centred service delivery improvements, we will use a comprehensive evaluation framework. It will measure outcomes, monitor performance and identify best practices for our business processes. We expect the framework to show more clients receiving appropriate, timely service, beneficiaries making smoother life transitions and more beneficiaries attempting to return to work and being successful. The improvements should also reduce the number of appeals and complaints. They should result in better linkages with other disability programs.

One area of major attention will be support for the best possible adjudication of CPP Disability applications. Adjudication is a very complex process, requiring medical expertise, good judgement and a broad understanding of the nature of disability and work in the context of the CPP legislation. In order to support adjudication, we will update our policies and procedures to reflect current jurisprudence, the contemporary realities of persons with disabilities, and ensure a balance between the spirit and intent of the legislation.

Supporting CPP Disability clients in returning to work is a fundamental program priority, but too many CPP Disability beneficiaries are unaware of the current work incentives and fear the loss of benefits if they try to work. Therefore, we will add to our communications efforts and introduce new measures. In addition to a three-month work trial and being allowed to volunteer or participate in school or training, the new incentives will reassure clients that they can earn up to a specific amount without having to report it to CPP and provide them with an extended period of time to adjust to working. These changes should improve the success rate of the roughly 2,300 CPP Disability clients who attempt to return to work in a typical year.

As we make improvements and introduce change, we are committed to improving understanding by applicants and beneficiaries of our benefits. We will communicate more regularly with clients who receive Disability benefits, beginning with a yearly newsletter on benefit changes. This will be complemented by improved information products (e.g., plain language application kits and letters), outreach activities and strategic partnerships.

## Employment Insurance Income Benefits

### *Our Key Results:*

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

*Sustainable and effective program management and service delivery.*



The Employment Insurance (EI) Income Benefits program promotes individual well-being, economic stability and a flexible labour market by providing temporary income support to unemployed workers who qualify for Employment Insurance Income Benefits (EIIB) under the *Employment Insurance Act*.

In 2001-2002, we expect to process about 2.5 million applications for Employment Insurance benefits and issue 20 million EI payments. We will make 60% of those payments by direct deposit to client bank accounts. We expect to complete 10 million client transactions through the use of telephone technologies instead of traditional paper and mail processes and we will conduct approximately 1 million investigations into possible EI misuse and abuse. We expect to answer close to 40 million enquiries on EI claims and activities and process 1.5 million applications for Social Insurance Numbers. We will also administer 114,000 Government Annuities contracts for Canadians and about 37,000 applications for premium reductions related to Employer Wage Loss Insurance sickness plans.

About 8,000 HRDC employees across the country in Human Resource Centres of Canada (HRCCs) and call centres will help to deliver the EI Income Benefits program in 2001-2002.

### **GROSS SPENDING**

Funding (millions of dollars)	Forecast		Planned Spending	
	2000-2001	2001-2002	2002-2003	2003-2004
Gross Operating Expenditures	522.4	513.9	505.2	505.2
EI Part I – Income Benefits	9,522.0	10,095.2	10,666.3	10,781.8
Government Annuities and Civil Service Insurance payments	69.4	65.8	65.8	65.8
Consolidated Total for EIIB	10,113.8	10,674.9	11,237.3	11,352.8
Full Time Equivalents	7,615	7,596	7,522	7,522

## Operating Environment and Challenges

Canada has enjoyed very strong job growth in recent years. Even so, addressing the needs of unemployed Canadians remains a government priority with three principal factors influencing our EIIB operational planning. The first is the need to apply our lessons learned to date about the impacts of the new Employment Insurance program since it began in 1996 and 1997 and to respond to related Government of Canada commitments.

In general, the EI reforms are having the desired impacts. 1999 Statistics Canada data indicated that about 80% of people who had worked in insurable employment would meet the qualifying conditions for EI benefits whether they lost their job or quit with a valid reason. The remainder had typically not worked enough hours to qualify. Even so, the Government has recognized some areas for adjustment in the *EI Act*.

The second factor in our operating environment is the need for continued improvement in services to Canadians. Consistent with HRDC commitments and the Government's goals in *Results for Canadians*, the EI program represents a high profile opportunity for improving Government of Canada services to Canadians. HRDC strategies for improved services also reflect the third factor in our planning environment – the best possible use of public funds. This has always been an important driver for measures to combat abuse and misuse of EI funds as well as our continued focus on streamlining operations and improving efficiencies.

These factors, other Government commitments and our ongoing program responsibilities have helped us to define our priorities for 2001-2002.

## Implementing EI Legislative Changes

The Government has introduced legislative amendments to the *EI Act* as Bill C-2. Bill C-2 includes changes to eliminate the intensity rule, adjust the benefit repayment provisions and change the qualifying conditions for parents who re-enter the labour force after an extended period at home with their children. We will provide the necessary support during Parliamentary review of the bill and, if passed, we will implement the operational and administrative changes necessary to make the adjustment to the new provisions as efficiently as possible for our clients.

## Improving our Service to Canadians

EI Income Benefits are an important Government of Canada service to Canadians. Improving that service has been an ongoing commitment that will centre on some specific areas for action during 2001-2002. These will be influenced by our work to achieve the goals set out in *Results for Canadians*.

One is our determination to bring about more timely service and more accurate payments. We will address observations made by the Auditor General about our former Speed of Payment indicator. To take a more client-centered approach, we will expand

our Speed of Payment indicator to include people who applied for benefits but were not found to be entitled to them. We intend to introduce a measure that assesses our ability to provide payment within 28 days of when an individual's benefit period is to begin or, in the case of a client who is not entitled to benefits, to send the decision to the client within 28 days of the date the benefit period would have commenced. While we have routinely exceeded the 90% target for the existing Speed of Payment indicator, we may find that this new measure will require us to change how we manage our workload. Nonetheless, we will still strive to meet our 90% target.

A second aspect of our commitment to quality service in 2001-2002 will be to increase the current 94% accuracy in claims processing. We have already put in place a quality management initiative across the country that focuses on EI claims monitoring and providing advice and guidance to staff. We plan to implement a more comprehensive quality improvement strategy that will lead to intensive monitoring of EI claims in all HRCCs. This will provide EI staff with feedback on the quality of their work. It will identify training priorities for staff and corrective measures that can be taken with employers and workers as well as our staff.

A third element in improved services will be increased use of the Internet for EI Income Benefits services consistent with the Government On-Line and Service Improvement commitments re-iterated in the January 30, 2001 Speech from the Throne. During 2001-2002, we will build our capacity to provide information about the EI program via the Internet. We will also work toward offering effective, secure claimant and employer services over the Internet by 2004.

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*"The Government will continue to work toward putting its service on-line by 2004, to better connect with citizens."*

[2001 Speech from the Throne]

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## **Building Understanding and Awareness of EI Requirements**

Important changes to Employment Insurance over the past few years have not always been clearly understood by many people who use the program, despite HRDC information campaigns. As a result, too many people make choices, especially choices to leave jobs, without recognizing the impacts on their EI eligibility.

The *EI Act* does allow for people to leave their jobs in certain types of situations without affecting their EI eligibility for collecting benefits (for example, where harassment, discrimination or dangerous working conditions exist). Of those not potentially eligible for EI benefits, approximately 13% occur as a result of clients voluntarily leaving their employment for reasons outside of the areas defined by legislation. We would like to reduce that percentage by providing more information to people who are considering quitting jobs. Through our local offices, our website and other communication activities, we hope that fewer people will quit jobs and find that they have no access to EI Income Benefits. We expect that this communication strategy will be complemented by work we may need to do to inform Canadians about other changes to EI, should the Parliament pass Bill C-2.

## Improving the Management of Public Funds

The overall commitment to ensure the best possible management and accountability in HRDC will apply to our EI Income Benefits activities as well.

For example, we intend to update our management systems to increase our focus on accountability for results, especially in the area of client service. In 2001-2002 we will establish a clear set of key objectives for the EI Program at our national, regional and local levels. These objectives will help us to highlight specific initiatives such as the implementation of a national training strategy for staff to improve quality (fact-finding, rationales of decisions, file information, etc); the development, implementation and promotion of information/tools to enhance client awareness of the EI program and improved access to services. Having well defined objectives will also allow us to assess our ability to successfully meet these objectives.

We will introduce a more comprehensive performance measurement system for the EI Program, featuring a more balanced approach to internal program management. It will go beyond existing key performance indicators that largely centre on timeliness of paying benefits, hearing appeals or answering phone enquiries to indicators of service quality, efficiency and cost effectiveness such as accuracy, productivity and administrative costs for specific activities. We will also be seeking more feedback on the services we provide through client surveys.

We will continue our important efforts to prevent, deter and detect fraud and abuse. As part of this, we will continue focusing on prevention activities such as group information sessions to EI recipients. These sessions advise clients of their rights and obligations while on claim. They also inform clients of the re-employment services that are available at their local Human Resource Centre or in their local community. In addition, an employer information component of group information sessions will be implemented to increase employers' awareness of their rules and responsibilities with respect to the EI Program.

Consistent with our commitments to the Auditor General and to Parliament, improved management of the Social Insurance Number (SIN) system will continue to be an EI priority. In particular, we will continue to improve the integrity of the SIN Program and the Social Insurance Registry. This will include improvements to the quality and number of SIN investigations through a new staff training course on the conduct of SIN investigations and new programs to detect SIN abuse. Those should improve the results of the approximately 5,000 investigations into SIN-related cases that we anticipate. Because many of the concerns about SIN privacy and administration relate to how Canadians use their SINs, we will increase public awareness on the SIN. This will include new brochures for employers and the general public on how they can protect against the inappropriate use of Social Insurance Numbers.

## Human Resources Investment

### *Our Key Results:*

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

*Sustainable and effective program management and service delivery.*



The 2001 Speech from the Throne makes clear the Government's firm belief that the quality of life of all Canadians is improved when all citizens have full opportunities, matched by the right skills and supports, to contribute fully to their lives and communities – economically and socially. HRDC's Human Resources Investment (HRI) programs and services are designed to help Canada become more innovative and inclusive.

HRI programming addresses social and economic priorities. It reaches Canadians of all ages and at all stages in life. It also reaches out to groups with distinct needs such as Aboriginal people, youth at risk, Canadians with disabilities and homeless people.

Through HRI programming, HRDC helps to develop Canada's human resources and the capacity of Canadians to participate more fully in the workplace and the community. This, in turn, improves the quality of Canadians' lives, promotes productivity and reduces the need for government intervention and income support.

HRI activities are extremely diverse. They include a range of information, co-ordination and advisory services. These are grants and contributions as well as loan and statutory programs. We also support access to lifelong learning and skills development, social development activities, employment and job creation opportunities. HRDC provides some of these directly, while delivering others through partnerships with provinces, territories and municipalities, the private and voluntary sectors, Aboriginal, sectoral and community-based organizations.<sup>8</sup>

HRI directly assists more than 3.2 million Canadians each year. We estimate that information about our programs and services will be accessed over 31 million times through our websites, interactive kiosks at Human Resource Centres and other community locations and through our many publications during 2001-2002.

About 4,000 HRDC employees help to deliver Human Resources Investment programs and services and provide related information to Canadians.

<sup>8</sup> See [page 117](#) for a more complete listing of partners.

**GROSS SPENDING**

Funding (millions of dollars)	Forecast	Planned Spending		
	2000-2001	2001-2002	2002-2003	2003-2004
Gross Operating Expenditures	549.3	577.5	542.7	530.7
Non-Statutory Grants & Contributions	929.3	1,059.5	1,085.0	952.9
Statutory Transfer Payments	1,222.0	1,143.6	1,083.3	1,070.1
Total Gross Expenditures	2,700.6	2,780.6	2,711.0	2,553.7
EI Part II – Employment Benefits and Support Measures <sup>a</sup>	2,061.0	2,151.8	2,179.7	2,183.2
Loans disbursed under the <i>Canada Student Financial Assistance Act</i>	1,800.0	1,900.0	2,000.0	2,500.0
Consolidated Total for HRI	6,561.6	6,832.4	6,890.7	7,236.9
Full Time Equivalents <sup>b</sup>	3,833	3,885	3,398	3,186

- a. For a breakdown of EI Part II by province and territory for 2001-2002, see Supplementary Information section, Employment Insurance Part II – 2001-2002 Expenditure Plan, on p. 113.
- b. The decrease in FTEs is mainly due to the approval of temporary resources. These resources support the implementation of a Six-Point Action Plan to strengthen HRDC's Grants and Contributions.

## Operating Environment and Challenges

Our Human Resources Investment activities exist in an extremely active operating environment and we have restructured how we organize our HRI work in order to better align ourselves to that environment.

2001-2002 will mark the first full year under the new structure for these programs which divided the old Human Resources Investment Branch into three new groups: one dealing with programs delivered largely from HRDC headquarters; one dealing with programs delivered through local and regional HRDC offices; and a third group responsible for activities related to homelessness.

For 2001-2002, as in the preceding year, the overriding operating challenge for HRI activities will be a focus on improved program management and administration. We will continue to respond to this challenge through continued implementation of the Six-Point Action Plan on Grants and Contributions. This Action Plan has remedied the administrative shortcomings found in our 1999 internal audit.<sup>9</sup> We are also proceeding with a comprehensive Program Management Initiative to ensure our programs have clear objectives, effective design and implementation, comprehensive performance measures, results-based accountability frameworks, and appropriate audit and evaluation frameworks. We are committed to sustaining and extending the progress that we have made so far. We are currently working to address the concerns that the Privacy Commissioner raised in his annual report.

The 2001 Speech from the Throne also highlighted the importance of working with all partners to meet the needs of Canadians, and this is a key premise of our HRI activities.

<sup>9</sup> See <http://www.hrdc-drhc.gc.ca/dept/reports>

For example, programming in areas such as meeting the needs of children, improving Canadians' access to the skills needed for an innovative economy, supporting the strengths of Aboriginal communities, and addressing the issues of homelessness rely on partnerships with provinces, territories, the voluntary sector and/or the private sector. We are committed to upholding the principles of the Social Union Framework Agreement and working collaboratively. All activities have to be managed in ways consistent with Canada's Social Union Framework Agreement, and with decisions of the First Ministers, the Ministerial Council on Social Policy Renewal, the Forum of Labour Market Ministers, Ministers Responsible for Social Services and the Council of Ministers of Education.

## **Inclusion in the Workplace and the Community**

HRDC is responsible for much of the Government of Canada agenda set out in the 2001 Speech from the Throne that is designed to ensure that all Canadians are fully included in the workplace and community. That agenda is one that reaches out to youth, Aboriginal people, people with disabilities and others facing barriers to full participation in the life of this country. That inclusion is jeopardized when, for example, unemployment among youth, Aboriginal people, and persons with disabilities are close to double or more the national average. The number of Aboriginal people with low income is four times the national average. Some 54% of persons with disabilities earn less than \$15,000, while 52% are unemployed and 27% are on social assistance or workers' compensation.

In response, we have made it a priority to help give all Canadians the ability and opportunity to participate fully in society. Our emphasis is on Canadians who often face the most barriers to such participation.

### **➤ Giving Children a Good Start in Life**

Promoting workplace and social inclusion begins with our children. The federal, provincial and territorial governments place a very high priority on giving Canada's children the best start possible in life. In September 2000, First Ministers (except from Quebec) announced the Early Childhood Development Initiative as part of their shared commitment to this goal. The Speech from the Throne built on that agreement when the Government signalled its encouragement for a new national project, "[...] to ensure that no Canadian child suffers the debilitating effects of poverty."

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*"Securing a good start in life for children is the only way to ensure that they are ready to learn, to seize opportunity as adults, and to contribute to the building of their country."*

[2001 Speech from the Throne]

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We will support these commitments through the development work we do in the area of policies and benefits that support significant measures such as the National Child Benefit. We will also support the Early Childhood Development Initiative by funding related research — for example, what works well in childcare, child welfare, and child development. We will support innovations by provinces and territories that help parents overcome poverty.



We will play an important overall role by building the capacity of agencies working on early childhood issues. We will complement it through investments under the Aboriginal Human Resources Development Strategy to support 7,800 First Nations and Inuit childcare spaces at a program fund budget of \$41 million annually.

### ➤ **Creating Opportunities for Canadians with Disabilities<sup>10</sup>**

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

[2001 Speech from the Throne]

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Persons with disabilities form another group who face barriers to full participation in the community and workplace. HRDC has the lead responsibility for the Federal Disability Agenda within the Government of Canada. We deliver many key initiatives.

One such initiative is the Opportunities Fund, which assists persons with disabilities to prepare for, find and keep employment. We expect the program will assist almost 3,000 Canadians with disabilities each year and improve their employability at a cost of \$30 million per year. Of those assisted, we expect more than 1,200 will find employment each year.

In addition to other ongoing programs and services such as the Employability Assistance for People with Disabilities (EAPD) initiative, in 2001-2002 we will respond to Speech from the Throne commitments by laying the groundwork for future policy and program innovations. This will include developing an accountability framework for disability efforts and improved reporting on disability. We intend to update and expand knowledge on Canadians with disabilities, including a 2001 update of the 1991 Health and Activity Limitations Survey.

We will also pursue a series of policy and program priorities with a range of partners, especially the provinces and the disability community itself. We want to determine how to improve access to disability supports and we want to move towards a labour market strategy for people with disabilities as called for in the Speech from the Throne. We also want to determine how to address gaps in programs and services.

### ➤ **Building Partnerships to Address Homelessness**

Announced in December 1999, the Government of Canada's homelessness initiative is a three year commitment to support community-based responses to homelessness. It involves partnerships with communities, other levels of government, the voluntary and private sectors to develop appropriate approaches to address the full spectrum of needs from crisis intervention, to long-term assistance and to prevention. It emphasizes a continuum of supports approach (i.e., an integrated response to the multiple needs of homeless individuals for shelter, health and social services, housing and employment).

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<sup>10</sup> Employment Benefits and Support Measures (EBSMs) are also available to individuals who may be from a designated group (women, persons with disabilities, Aboriginal people and visible minorities). The usage of these benefits and measures by these groups is reported in the Monitoring and Assessment report. For the 2000 report, see <http://www.hrdc-drhc.gc.ca/ae-ei/loi-law/2000/sum00.shtml>

Based on international best practices, this approach assists homeless people to make the transition from the streets to a more secure, stable life.

During 2001-2002, the initiative will implement many of the priorities that participating communities identified in the plans they developed in the first year of the initiative. Efforts to build and expand partnerships both within the community as well as with other federal departments, other levels of government and national and regional organizations, will continue. By enhancing these partnerships, communities will be better able to access the services and resources they need to create community-based solutions to homelessness. Progress on partnership building will be pursued through the efforts of city facilitators at a local level, and through increased communication of the needs of the homeless and gaps in community services. In addition, we will work horizontally with other federal departments to better link existing programs to the homelessness initiative. We will encourage departments to utilize community continuum of supports approaches as a vehicle for new programs in order to reduce the fragmentation of service delivery.

### ➤ **Expanding Opportunities for Aboriginal People**

Given the well-documented challenges facing Aboriginal people, we implemented the Aboriginal Human Resources Development Strategy (AHRDS) in 1999-2000 to integrate Aboriginal programming, including labour market programs and programs for youth, Aboriginal people living in urban areas, persons with disabilities and childcare for First Nations and Inuit. It is a five year, \$1.6 billion investment and a major element in the government's broader Aboriginal Agenda.

During 2001-2002, AHRDS programs and services are expected to reach 30,000 Aboriginal people of all ages, regardless of status or location. With a portion of the programming aimed at employment, we estimate that 200 people will return to school and 7,000 will become employed or self-employed after AHRDS programs and services. This should result in \$6.5 million in unpaid EI benefits and savings to social assistance for the year.

### ➤ **Creating Opportunities for Young Canadians**

The Government of Canada is committed to creating opportunities for young Canadians. In addition to our work described later under "Attachment to and Re-integration into the Labour Market" and "An Educated, Skilled and Prepared Workforce", Canada's Youth Employment Strategy (YES) will also continue to work toward fulfilling this commitment.

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*"Youth at risk are among the most likely to drop out of school or to have difficulty in making the transition from school to work. The Government will work with its partners to ensure support for youth who particularly need help staying in school or getting their first job."*

[2001 Speech from the Throne]

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HRDC delivers YES in co-operation with 13 federal government departments and agencies and through private and voluntary sector partnerships, communities and other governments. The goal of YES is to improve the employability of youth by helping them get the information, knowledge, skills and work experience they need to make career

choices, pursue learning and prepare for and participate in the world of work. In 2001-2002, HRDC, in co-operation with other government departments, will be conducting an evaluation of the YES to help determine the effectiveness of the strategy.

For HRDC, YES involves three work experience components: Youth Service Canada (YSC), Youth Internship Canada (YIC) and Student Summer Job Action (SSJA). YES will continue to increase its focus on youth at risk by continuing to fund YSC projects and providing Youth at Risk funding while exploring the possibility of increasing other program activities targeted specifically at youth at risk. HRDC's youth at risk activities, including YSC, are expected to provide 10,500 youth with work experience, of whom 1,500 will return to school and another 6,300 will become employed or self-employed each year at a program fund budget of \$105.7 million. The individual results of YIC and SSJA are discussed on [page 33](#) and [page 36](#), respectively. In total, all of HRDC's YES components are expected to help over 70,500 youth gain work experience annually at a program fund budget of \$270.3 million. Of these youth, we estimate that more than 48,000 will return to school and over 13,300 will become employed or self-employed.

### ➤ **Working to Support and Enhance Official Language Minority Communities**

The Government of Canada's commitment to promoting full inclusion in the life of the country is reflected in its obligations under the *Official Languages Act* to enhance the vitality of the English and French linguistic minority communities in Canada, to support and assist their development and to foster the full recognition and use of both English and French in Canadian society.

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*"Canada's linguistic duality is fundamental to our Canadian identity and is a key element of our vibrant society. The protection and promotion of our two official languages is a priority of the Government – from coast to coast. The Government reaffirms its commitment to support sustainable official language minority communities [...]."*

[2001 Speech from the Throne]

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During 2001-2002, much of our work in support of this commitment will take place through our Secretariat for Official Language Minority Communities. Our goal is to ensure that initiatives for job creation, community capacity building, rural development, and integration of youth in economic development are sensitive to the needs of official language minority communities.

## **Attachment to and Re-integration into the Labour Market**

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*"Canada's youth are optimistic, technologically savvy, globally connected and the most highly educated generation in our history. The Government will continue to help young Canadians contribute to their country, gain employment, and apply their business and creative skills."*

[2001 Speech from the Throne]

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HRDC has always been committed to enabling Canadians to manage labour market transitions and to prepare for, find and maintain employment. We are responsible for programs that address the labour market needs of all Canadians. We place a particular emphasis on high-unemployment communities and the needs of specific groups such as youth,

Canadians with disabilities and Aboriginal people. For instance, Youth Internship Canada expects 9,200 participants each year, of whom 7,000 will become employed and 700 will return to school at a program fund budget of \$73 million.

As in all other areas of our work, we will continue to expand our ability to assess the impacts of our labour market activities during 2001-2002. In addition to the existing key measures for this strategic priority, we will be working on the development of a new methodology to measure the impact of Employment Benefits and Support Measures (EBSMs) over a one to three year period.<sup>11</sup>

### ➤ **Helping People Through Labour Market Programs and Services**

The EBSMs are funded under Part II of the *EI Act* and are a major element in the Government of Canada's labour market strategy.<sup>12</sup> Through Labour Market Development Agreements (LMDAs), seven provincial and territorial governments have assumed control of these EBSMs and related funding. They are fully accountable for their results. We estimate those LMDAs will be responsible for 41.5% (\$893 million) of EI Part II program spending in 2001-2002.<sup>13</sup> HRDC co-manages another five agreements with provinces and territories. LMDAs also usually involve partnerships with community groups. These LMDAs, through local level flexibility, will ensure that Canadians continue to receive relevant and timely labour market programming that will enable them to re-enter the labour market.

Including the results of EBSMs, we and our provincial, territorial and other delivery partners expect to assist about 179,000 EI-funded clients to become employed or self-employed during 2001-2002, and to provide service to 240,000 EI clients more generally. We expect to assist 177,000 clients to find or create jobs and to provide service to 242,000 EI clients during 2002-2003, followed by targets of 177,000 and 245,000 for 2003-2004. In each of these three years, we expect to realize more than \$764 million in unpaid benefits as a result of EI claimants returning to work before the end of their benefit period. Ninety-five percent of HRI clients, paid through HRDC's system, will receive their first cheque within 28 days of qualifying for benefits.<sup>14</sup>

### ➤ **Ensuring the Access of Skilled Working People to Employment**

Our emphasis on labour market issues extends to key federal-provincial-territorial commitments. Improved labour mobility across Canada is a Social Union Framework Agreement priority that we will help to further in many ways. One will be by improving the effectiveness of the Interprovincial Standards (Red Seal) program through keeping standards and qualifying exams current for the 44 skilled trades that use these common standards. We are also supporting work on a computerized databank of questions for these exams to be operational in early 2002.

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<sup>11</sup> Employment Benefits and Support Measures (EBSMs) – active measure designed to help Canadians to prepare to re-enter the job market.

<sup>12</sup> For further information, see Supplementary Information section, Employment Insurance Part II – 2001-2002 Expenditure Plan, on p. 113.

<sup>13</sup> Includes \$250 million for Pan-Canadian programs and services.

<sup>14</sup> Excluding Quebec as it delivers its own EBSM benefits.

Labour mobility will also be improved as 19 self-regulated professions (e.g., physicians, teachers, land surveyors, pharmacists) continue to work to remove interprovincial barriers to labour market mobility by July 1, 2001 in compliance with Chapter 7 of the Agreement on Internal Trade and the deadline established under the Social Union Framework Agreement. We will continue to support these efforts by providing advisory, organizational, financial and logistical support to occupational regulatory bodies and associations.

Through the Foreign Worker program, we work with Citizenship and Immigration Canada to assess the impact of temporary foreign workers entry into Canada. We assist employers to meet their human resource needs by facilitating the entry of highly qualified workers in areas where labour shortages occur, while ensuring the development of a strong domestic labour market. This activity supports industry in adjusting to global market competition and fosters the transfer of skills from foreign workers to Canadians during temporary work assignments. By the end of 2001-2002, we will work to develop measures of the net economic benefit (through direct job creation and transfer of skills) on labour markets created by the annual arrival of approximately 50,000 temporary foreign workers. We will also work closely with Industry Canada and Citizenship and Immigration Canada to assess the impact of the program on the international competitiveness of industries that bring in these workers.

We are working with provinces to test new ways to help workers between the ages of 55 and 64 to remain employed or to re-integrate into the labour force after a job loss. Through the Older Workers Pilot Projects Initiative, we have signed agreements with Quebec, Newfoundland and Labrador, the Northwest Territories and Yukon under which those government design and deliver projects. At the conclusion of the agreements, evaluations will take place to learn what works best in helping older workers remain in the labour force.

On June 22, 2000, the federal government announced that the Canada Jobs Fund was being closed down with associated funding being redirected to the federal government's regional economic development agencies. In 2001-2002, we will continue to monitor active agreements and will meet our financial commitments as the program winds down.

## An Educated, Skilled and Prepared Workforce

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*"Building a skilled work force must be a national effort. The Government of Canada will work with provinces and territories and with non-governmental organizations to ensure that all Canadians, young and old, can achieve their learning goals. Canada must see at least one million more adults pursue learning opportunities during the next five years."*

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[2001 Speech from the Throne]

Although Canada leads the world in terms of its percentage of working age adults with some post-secondary education, 48% of adult Canadians still lack the required literacy levels for a knowledge based economy and 37% of youth do not meet the standards for a typical entry level position.

Recognizing that basic skill demands will only continue to rise, the Government of Canada made support for learning and skills a priority in the 2001 Speech from the Throne. Much of the responsibility for action and partnerships in this area rests with HRDC.

Our HRI activities play an integral role in the national effort to build a skilled workforce and ensure all Canadians meet their learning goals. HRDC will have a lead role in exploring the use of Registered Individual Learning Accounts to make it easier for Canadians to finance their learning. We will also be involved in improving loans to part-time students, developing a national initiative to ensure higher adult literacy and skills development, and improving the processes for recognizing the foreign credentials of new Canadians.

We will continue to support other innovations. Through the Office of Learning Technologies, we will continue to stimulate the development and use of innovative learning technologies to help adults to upgrade and develop new skills, and work with educational institutions, small and medium enterprises and communities to ensure that all Canadians have access to lifelong learning opportunities.

CanLearn Interactive will continue to establish itself as Canada's leading online resource for learning information products and services. CanLearn Interactive, in partnership with provincial and territorial governments, NGOs and national learning organizations, will assist more than 1.5 million users a year in the selection and financing of their learning goals.

The International Academic Mobility initiative is working towards implementing a strategy that will contribute to achieving the commitment Canada made at the April 2000 G-8 Education Ministers' meeting to increase the number of students studying abroad by 10,000, reaching 2% of post secondary education students by 2010.

### ➤ **Assistance to Today's and Tomorrow's Students**

Until 2000, the Canada Student Loans Program (CSLP) provided loans to students through agreements with participating financial institutions. As the financial institutions were unwilling to continue this arrangement, HRDC introduced a redesigned CSLP on August 1, 2000.<sup>15</sup>

Elements of the redesigned CSLP include: direct financing of the loans by the Government of Canada as opposed to the financial institutions; the Government of Canada owning the assets and assuming all portfolio risk for loans issued after August 1, 2000; and the procurement of Service Providers to administer and manage the Student Loans instead of the financial institutions. CSLP still involves collaboration with the student assistance programs of most provinces and territories and we are committed to reaching agreements with those governments to streamline and improve the process.

The objectives of the directly financed CSLP are to maintain the Government's commitment to accessibility to post-secondary education for Canadians; to make the loan experience a positive one for students; and ensure performance, integrity, and

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<sup>15</sup> For the detailed report on Canada Student Loans Program, see Supplementary Information section, Consolidated Report on Canada Student Loans, on p. 87.

accountability of the loan portfolio. To that end, the contract with Service Providers includes a series of incentives to ensure that they meet the Program's objectives. Through regular measurement against these benchmarks, HRDC's expectation is that the Canada Student Loans portfolio will provide a framework that will demonstrate improved accountability to both student loan borrowers and Canadian taxpayers.

Over the last three years, the Government has put in place a strategy to build on Canada's advantage as the country with the most highly educated workforce in the world. As part of this strategy, the Canada Education Savings Grant (CESG) program promotes and improves access to education by encouraging families to save for children's education through Registered Education Savings Plans (RESPs). The Government of Canada encourages savings in RESPs through matching grants (up to \$400 per child, per year) under the CESG program. It is estimated that savings in Registered Education Savings Plans for 2001-2002 will be \$2.5 billion at a cost of \$499 million in CESGs.

The Student Summer Job Action (SSJA) work experience component of Youth Employment Strategy (YES) is another HRI program that addresses the needs of students. We anticipate that during each year 50,800 students in the SSJA component of YES will get meaningful work experience at a program fund budget of \$91.6 million. This will also help them to secure financial means to pursue their studies and we estimate that 45,800 of these students will return to school.

### ➤ Addressing Other Human Resource Priorities

There are other initiatives that address learning needs and complement HRI programs. For example, we expect more than 144,000 interventions each year at a program fund budget of \$800 million in the Skills Development component of the EBSMs.

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*"Canada will only realize its full potential by investing aggressively in the skills and talents of its people."*

[2001 Speech from the Throne]

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Sectoral partnerships will continue to build on and support business-labour collaboration to address shared human resource priorities. Sector Councils are vehicles for industry action and investment focused on skills issues facing the employed workforce in many parts of the economy. For example, many are expected to continue their partnerships with education and training institutions to develop skills standards and

more relevant curricula. Some will pursue internship and mentorship programs to facilitate movement into and within industries. One increasing area of attention is an accelerated adoption of processes that give credit to workers for previous learning and for skill development on the job. Some sector councils are expected to explore distance learning delivery so that workplaces can also be places of structured learning.

One of the HRDC's major contributions to analysis of working life in Canada is our support for skills analysis and research. During 2001-2002, we will help to build the Extended Occupational Network. This program of ongoing occupational research and consultation will provide links to research done elsewhere in HRDC, the sector councils, provinces, and academia. It will link our many skills databases and descriptions to make it easier to facilitate the transfer of skills between jobs and industries and to capture emerging trends better.

## Community, Private and Voluntary Sector Capacity to Promote Human Development

The goal of this priority is to help build capacity in Canadian communities and organizations, in a way that is self-sustaining and to develop strong voluntary and private sectors so that Canadians can become more self-reliant. We are developing ways to report on our work on building community, private and voluntary sector capacity.

HRDC fully recognizes the importance of partnerships with all sectors of society. Our HRI activities all involve partnerships and over the past few years we have expanded our efforts to support community partners in building their capacities to work effectively with us.

Support for local communities is a keystone of the homelessness initiative because they are best placed to devise effective strategies to both prevent and reduce homelessness. In 2001-2002, under the Supporting Communities Partnership Initiative, we expect to build on the progress seen to date in building community partnerships that are diverse and inclusive. By working with communities as well as with organizations and governments, HRDC will seek to create new opportunities for broader and deeper partnerships to better address the needs of homeless people.

As part of its agenda to improve and enhance the quality of life for all Canadians, in June 2000 the government launched a five-year Voluntary Sector Initiative, "Partnering with the Voluntary Sector for the Benefit of Canadians".<sup>16</sup> HRDC is playing a key role in this venture and is an active participant in all aspects of the Initiative, such as the development of a Joint Accord with the Voluntary Sector, a review of the Voluntary Sector's capacity requirements, and the National Survey of Giving, Volunteering and Participating. A priority for this year will be activities associated with the International Year of Volunteers 2001.

A specific example of increasing community capacity is the Community Learning Networks initiative, which is part of the Government's Connecting Canadians strategy. These Networks will enable community groups to use new technologies to participate in lifelong learning programs that improve employment opportunities. Our goal is to grow from 120 community learning networks in 2000-2001 to 300 in 2002-2003.

The sector councils described earlier are a primary example of how we support the private sector as it builds its own capacity to promote human development. We intend to add to our existing work by supporting expanded private sector capacity to anticipate, respond to and assess human resources and skills development issues through sector partnerships. We will support industry-led studies to examine human resource trends, challenges and opportunities as well as the establishment of sectoral partnerships to implement and test a range of skills development initiatives.

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<sup>16</sup> See: <http://www.hc-sc.gc.ca/hppb/voluntarysector/>



### ➤ Investing in Knowledge, Technology, Information and Infrastructure

One element of community capacity building and achieving the Government's commitments to connecting Canadians is by providing access to information and services, including through new technologies, that develop awareness of, and help Canadians make more informed decisions about work, learning and other socio-economic issues. While much of this is discussed in relation to our activities in support of the Government On-line (GOL) initiative elsewhere in this report, there are some specific initiatives that are relevant to our HRI commitments.

One is our lead role for two E-clusters in the Government of Canada site; the Jobs, Workers, Training and Careers cluster in the Canadian gateway and the Human Resources/Employment cluster in the Canadian Business gateway. We are also developing the concept for a Youth E-Cluster in collaboration with twenty other federal departments and agencies.

In an effort to increase the accessibility and awareness of labour market information, we will launch an improved website for local labour market information as part of the Jobs, Workers, Training and Careers electronic cluster. The site will foster increased interactivity with clients. We will also put in place feedback mechanisms.

We will also launch a new Job Posting service which will allow employers to enter job advertisements directly to the Job Bank via the Internet and an enhanced labour exchange service that combines the popular Job Bank and the Electronic Labour Exchange.

Labour market information (LMI) is one of our major information services to Canadians. To make our LMI more accessible to Canadians, we will be moving forward on a number of projects. One will be to create Front Line Information Worker positions to provide in-person assistance to LMI users. Another will be to clarify and implement an accountability framework for LMI at the national and local levels to ensure that we are investing our resources most effectively.

The Forum of Labour Market Ministers has agreed to a three year LMI action plan. Federal, provincial and territorial governments will work together to create a more coherent, relevant, individualized, accessible and co-ordinated approach to the development and delivery of labour market information at the local, provincial and national levels. We will contribute significantly to all aspects of the action plan. It calls for: improvements in the areas of research and data development; improvements in the quality of LMI products (e.g., websites, publications, and other media); improvements in the dissemination of this information to end users both through skills development of staff who provide assistance in the use of LMI products and through the development of tools such as search engines that help users identify the best available materials for their LMI related needs; and finally, the development and implementation of standards and guidelines for data development, information product development and information service delivery.

## Effective Management

The most fundamental of our strategic priorities is our commitment to sustain and promote the effective management of our programs and of our organization.

In accordance with the Six-Point Action Plan that was established in early 2000, we acted decisively to strengthen our administration of grants and contributions programs. In the last year, we have:

- ◆ provided clear direction and training to staff on documentation and procedures;
- ◆ reviewed all our active files to ensure compliance with program requirements;
- ◆ reviewed all the files that were examined in the 1999 internal audit;
- ◆ started implementation of a quality assurance process to detect and correct errors at the earliest possible moment;
- ◆ established a national performance tracking directorate; and
- ◆ implemented new Treasury Board policy on transfer payments (which include grant and contribution payments).

We are also undertaking the Program Management Initiative to ensure our grants and contributions are managed on a lifecycle basis; that is from their policy conception and program design through to implementation, monitoring and evaluation. The initiative has two main components: the first is to enhance performance measures to improve understanding of the programs effectiveness while the second will focus on the policy rationale to ensure continued relevancy of the programs.

That commitment to measuring results will extend to our contribution to the Homelessness Initiative. For example, we intend to explore ways to assess the performance of communities in leveraging funds and resources to complement Government of Canada funds.

In his October 2000 Report, the Auditor General noted that “[...] HRDC is making good progress in meeting the commitments made in the Six-Point Action Plan and other plans formulated to correct identified problems.” In 2001-2002, we will continue to build on what we have already accomplished and to publish reports on our progress against the commitments in the Six-Point Action Plan.<sup>17</sup> Key commitments are summarized in the Sound Departmental Management section of this Report on [page 46](#).

Another of our HRI commitments stems from concerns raised by the Privacy Commissioner in his 2000 report to Parliament on the use of the Social Insurance Number to track the experience of individuals with HRDC programs. We will work to ensure that the privacy concerns are addressed while remaining able to monitor program result, and assess overall program effectiveness.

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<sup>17</sup> These reports can be found at <http://www.hrdc-drhc.gc.ca/dept/reports>

Our commitment to sustaining and promoting effective management extends beyond program management. In 2001-2002, we will develop a human resource strategy for our HRI operations to support our commitment to becoming a workplace of choice. We will conduct organizational assessments on a pilot basis and use the results to focus our efforts related to leadership, planning, employees, processes, clients, and suppliers. And we will continue to embed modern comptrollership and management principles in our planning and management processes.

**Labour**



***Our Key Results:***

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

***Sustainable and effective program management and service delivery.***

The Labour Program is responsible for promoting fairness, equality, health, safety, cooperation and productivity in workplaces across Canada. Under the authority of the *Canada Labour Code*, the *Employment Equity Act* and other federal laws, we strive to promote and sustain stable industrial relations and safe, equitable and productive workplaces.

Our primary focus is on industries and workplaces that are under federal jurisdiction. These include air transportation, longshoring, grain handling, telecommunications, banking and international and interprovincial road and rail transportation. We play a broader role by collecting and disseminating labour and workplace information and by fostering constructive labour-management relations. We encourage and support international labour cooperation.

More than one million Canadians work in approximately 40,000 work sites regulated by federal labour laws. Over 700 HRDC employees provide, or directly support, Labour Program activities.

**GROSS SPENDING**

Funding (millions of dollars)	Forecast 2000-2001	Planned Spending		
		2001-2002	2002-2003	2003-2004
Gross Operating Expenditures	55.5	55.9	56.0	55.0
Non-statutory Transfer Payments	2.9	3.3	3.9	3.9
Workers' Compensation Payments*	97.3	97.1	95.1	93.2
Consolidated Total for Labour	155.7	156.3	155.0	152.1
Full Time Equivalents	721	740	739	726

\* The Labour Program recovers compensation claim costs and associated administrative fees from crown corporations, and other government departments and agencies. The recoveries are to be netted against these payments and are expected to be as follows: 2000-2001 – \$47.3 million; 2001-2002 – \$51.5 million; 2002-2003 – \$53.1 million; and 2003-2004 – \$54.7 million.

## Operating Environment and Challenges

The workload of HRDC's Labour Program is largely defined by legislated obligations to workers, employers and unions and affected by a constantly evolving range of social, economic and other issues. Those issues influence requests for Labour Program services. They, along with best practices in labour administration, are influencing our ongoing work to support change in federal labour laws, and to address workplace issues through policies, programs and services. Added to this is our increasing attention to international labour initiatives.

## Meeting our Responsibilities Under Canada's Labour Laws through Quality Service and the Efficient Use of Resources

Our services in the labour field are guided by an ongoing process of updating legislation and in delivering the services required under that legislation through strategies that increasingly emphasize prevention and the early resolution of problems.

### ➤ Legislative Changes

Over the past few years, we have been working with employers and workers under federal jurisdiction towards a more modern legislative and operating framework, designed to encourage employers, unions and workers to take greater responsibility for resolving common concerns. In 2001-2002, this means a particular emphasis on promoting awareness of the amendments that Parliament passed to Part II (Occupational Safety and Health) of the *Canada Labour Code*.

We will be engaged in consultations and reviews on much of our other legislation. This will include support for consultation on Part III of the *Code* covering labour standards, with our goal being employer-union consensus on possible legislative changes. It will also mean preparation for the five-year legislated review of the *Employment Equity Act*. The independent review will assess the relevance, delivery and results of the Act. It will also focus on the effectiveness of the Act in promoting, supporting and enhancing equity in workplaces under federal jurisdiction.

We expect to contribute to the review of the *Canadian Human Rights Act*, because of our involvement in addressing the Act's equal pay provisions in workplaces under federal jurisdiction. Should the Government decide to amend the *Government Employees' Compensation Act*, which governs compensation for workplace injuries for federal workers and some other groups, we will support that process, as well.

### ➤ **Increase our Delivery of Preventative Services**

As resources permit, we are introducing preventative services that help to strengthen workplace relationships and minimize the number of situations that may lead to formal complaints under legislation. These proactive services already appear to increase voluntary compliance with legislation through increased awareness of rights and obligations. They complement the preventative value of events such as North American Occupational Safety and Health Week and Fire Prevention Week.

One such high profile activity is the provision of comprehensive Preventive Mediation services through the Federal Mediation and Conciliation Service. These will continue to complement the statutory services provided under the *Canada Labour Code*. Preventive Mediation services help workplace parties to resolve potential issues at an early stage. They can be customized and include workshops on negotiation skills, committee effectiveness, relationship by objectives, joint problem solving and facilitation.

Although previously expected progress had to be delayed due to operational priorities, we will consider national implementation of initiatives, such as the use of alternative dispute resolution (ADR) as another preventative service.

## **Fostering a More Harmonious, Safe and Equitable Environment in Canadian Workplaces that Reflects the Interests of All Workplace Parties Affected by the Legislation**

Although federal labour law covers only approximately 8% of Canadian workers, our Labour Program has much greater influence over workplace issues. This is partly because federal labour law governs industries that affect all Canadians. It is also because we play a growing national and international policy leadership role, reinforced through our partnerships with provincial and territorial labour departments and with other organizations outside of government and in international settings.

### ➤ **Develop Policy Initiatives that Reflect the Changing Nature of Work and Other Priorities**

Our Labour Program contributes to overall government policy development on issues related to family life, ensuring commitments to lifelong learning and achieving a more equitable society. During 2001-2002, this will result in some important contributions to government policy development. One is research and promotion of ways that workplaces can support workers with family/community responsibilities. For example, we will continue to research and communicate information on workplace practices that support workers' needs for balance between work and other life responsibilities. This should influence policies and programs across the government. We will also promote information sharing and best practices through federal/provincial/territorial labour forums.

We will promote and facilitate partnerships between business and labour to adopt a continuous learning workplace culture and address the skill needs of workers and employers.

We will actively seek the most effective ways to implement the *Employment Equity Act*, the Federal Contractors Program (FCP), and the equal pay provisions of the *Canadian Human Rights Act* in order to improve fairness and equity in the workplace. We will increase compliance activity with the FCP to 150 reviews for 2001-2002 and further our efforts to enable employers to complete their annual Employment Equity reports electronically.

We will continue our active involvement in specific efforts to address labour issues raised in Aboriginal self-government and treaty negotiations.

### ➤ **Develop More Information Products, Services and Tools that Meet Canadian Workplace Needs**

We offer information on workplace issues that is respected and used by workplace partners, the industrial relations community and other governments.

In the Spring of 2001, we will introduce an expanded analysis of our major Canadian collective agreements database which reflects changes to the content of current collective agreements. We will also introduce the analysis of a sample of collective agreements with smaller bargaining units which is more representative of both the industrial and regional composition of the Canadian economy. We will continue to provide the industrial relations community with greater access to collective agreements by making these available on the Internet.

We will continue to work in collaboration with Statistics Canada, the Canadian Human Rights Commission and the Treasury Board Secretariat, in order to develop reliable and accurate data and information on all four designated groups under the *Employment Equity Act* (women, persons with disabilities, visible minorities and Aboriginal peoples).

### ➤ **Strengthen Partnerships on Workplace Issues**

Many of our policy goals are achieved through partnerships with other governments, employer organizations and unions, among others. We will expand these partnerships through new or enhanced initiatives such as work with central labour organizations and with research organizations related to issues of health and wellness, inclusion, sustainable development in employment, changing employment relationships, and lifelong learning.

We will also work closely with the Treasury Board Secretariat to help “separate employers” build their capacity to implement employment equity. Separate employers are a portion of the Public Service of Canada as mentioned in Part II of the *Public Service Staff Relations Act* (e.g., Canada Customs and Revenue Agency and the Office of the Auditor General of Canada).

We will collaborate with the Treasury Board and Public Works and Government Services Canada, through the Treasury Board Advisory Committee on Contracts (TBACC), in order to update and revise the Treasury Board policy on contracting. This policy applies to all agencies and departments which let federal government contracts for goods and services. Through this partnership, we anticipate that all contracting departments will adopt a more active role in promoting employment equity among organizations that do business with the federal government.

These initiatives will build on existing partnerships with provincial authorities and employer/employee groups and the activities assisted by our ongoing Labour-Management Partnerships Program (LMPP). LMPP provides funds for projects that bring labour and management together to work on critical workplace issues or processes. It aims to achieve improved relationships, translating into reduced grievances, improved productivity, improved worker morale, permanent implementation of pilot initiatives and other benefits.

## **Participating in International Initiatives to Foster Cooperation and Promote Respect for Core Labour Standards**

Cooperative international efforts are becoming more important to address social and labour issues in the context of increased globalization and economic integration. These efforts are directed at setting and monitoring international labour standards, implementing labour cooperation agreements and ensuring that labour issues are addressed in the context of free trade negotiations. This work is pursued as an expression of Canadian values and interests. In addition to ongoing activities, 2001-2002 will see us doing new or expanded work in three areas.

First, as part of Canada's overall growing presence in the Americas, this country will host the 12<sup>th</sup> Inter-American Conference of Ministers of Labour during the Fall of 2001. Ministers will address the social dimension of globalization, the modernization of labour ministries and emerging labour issues in the Hemisphere.

Second, we will work with the Department of Foreign Affairs and International Trade and in consultation with other partners, on labour issues relevant to initiatives such as negotiations toward a Free Trade Area of the Americas and toward bilateral free trade agreements with Costa Rica and other countries.

Third, we will continue our work with the International Labour Organization (ILO)<sup>18</sup> and international partners to implement the ILO Worst Forms of Child Labour Convention which aims at the global elimination of exploitative child labour practices.

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*34 Ministers of Labour of the Hemisphere will meet in Ottawa in 2001.*

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<sup>18</sup> International Labour Organization (ILO) website is: <http://www.ilo.org>



## Sound Departmental Management

*Our Key Result:*

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



Human Resources Development Canada (HRDC) depends on a range of corporate services to reach many departmental goals. These services include policy development and co-ordination, communications, computer systems and technology supports. They also include financial, administrative and human resource functions.

Some major initiatives and responsibilities in these areas will help us to reach the objectives for accountability, effectiveness and service that we and Canadians expect during 2001-2002. They ensure the best use of the resources entrusted to us by Canadians and Parliament, the most responsive, accessible service possible and a workplace climate that will enable us to attract, keep and invest in the highly-skilled staff who make it possible for us to achieve our goals.

### **Action Plan on Grants and Contributions**

In January 2000, the Minister of HRDC set out the Six-Point Action Plan on Grants and Contributions, almost all of which has been fully undertaken and integrated within management practices of business lines involved in the delivery of grants and contributions programs. However three commitments remain that HRDC will undertake or continue work on during 2001-2002. We will:

- ♦ continue to report on achievements related to improvements in our administration of grants and contributions programs;
- ♦ report to the Standing Committee in June on our progress in balancing service and control; and
- ♦ review the terms and conditions of all our grants and contributions programs and revise them as necessary. This will position us to report to Treasury Board on the results of that work by the end of 2002, consistent with government commitments.

## Modernization of Comptrollership

HRDC recognizes the importance of improving the quality of its management and delivery of programs and services. As a pilot department in the government-wide Modernization of Comptrollership initiative since 1998, HRDC has taken concrete steps to improve management practices.

In 1999, an assessment took place of our progress on Modern Comptrollership. During 2001-2002, we will build on the many actions taken in response to that assessment and before then. For example, we will continue to help HRDC managers, corporate specialists and staff understand and apply modern comptrollership principles through special group discussions, case studies and strategic planning exercises. Participants will discuss how they can work together to apply in practice the concepts of risk management, values and ethics, performance information and resource management.

Consistent with original plans, we will report on all our actions and results under the Modernization of Comptrollership initiative by September 2001. However, we will do so knowing that some aspects of the HRDC action plan to modernize comptrollership will be implemented after that time. Examples include implementation of fully integrated financial and performance management information systems and adoption of a comprehensive risk management framework. Recognizing the interest in how well HRDC manages public resources, we intend to redesign our Modern Comptrollership external website. The result will be more information for Members of Parliament, staff in other government departments and the general public.<sup>19</sup>

## Recovery of Monies Owed to the Crown

HRDC manages a \$2.7 billion portfolio of accounts receivable, mostly from our Canada Student Loans (74% of portfolio), Employment Insurance (22%) and Income Security Programs (3%). Overpayments constitute a very small percentage of total program benefits.

In addition to our efforts to meet the planned results noted on [page 17](#), HRDC recovery staff are conducting other activities that will enhance our overall performance. These are linked to our implementation of a Departmental Accounts Receivable Strategy (DARS) that is making HRDC collection activities more efficient and effective, improving results and ensuring fair, consistent and equitable treatment of debtors. As part of our plan, we will:

- ◆ incorporate Employment Insurance overpayment accounts into our DARS, completing an initiative that was deferred due to Year 2000 and Financial Information Strategy systems priorities;
- ◆ recover more funds from the personal income tax refunds of debtors and from payments that would otherwise come to them from other HRDC programs, by expanding the selection criteria and including more programs in the set-off process;

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<sup>19</sup> See: <http://www.hrdc-drhc.gc.ca/dept/mmpa/mesg.shtml>

- ◆ foster more partnerships and expand information sharing with other government departments and agencies;
- ◆ assume greater responsibility for agreed deduction from benefits to ensure consistent treatment of clients; and,
- ◆ explore cost-effective ways of increasing recoveries.

## Ensuring Modern, Quality Service



**Our Service Commitment**

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

Because of the importance and profile of HRDC's services to Canadians and communities, our department takes improving services to citizens seriously. We have already expanded the ways we provide services, invested in improving their quality and updated our Service Delivery Policy. It sets out four principles:

- ◆ Access for all Canadians – through a combination of electronic (Internet, kiosks, e-mail), telephone, fax, mail and in-person services.
- ◆ Demonstrable service excellence – with highest quality, simple interactions, affordable service at the first point of contact with citizens.

- ◆ Interactive relationships with citizens and communities – drawing on contact with them to align our services and delivery with their needs/preferences.
- ◆ A sustainable federal presence – to underline the federal contribution to the lives of Canadians and their communities, both through our services and those that partners deliver on our behalf.

During 2001-2002, we will be deeply involved in two major government-wide service priorities that will involve efforts across HRDC.

### ➤ Government On-Line

In the 2001 Speech from the Throne, the Government reaffirmed its commitment to work towards providing all services on-line by the year 2004. HRDC will be an important contributor to meeting this commitment. We already have a network of more than 100 Internet sites at the national, regional and local levels, plus an extensive Intranet network for our employees. We are also involved in many partnership websites across Canada. In fact, our main website (<http://www.hrdc-drhc.gc.ca>) consistently ranks in the top 10 of all Internet sites visited by Canadians.

By appointing a Government On-Line (GOL) Executive Co-ordinator and establishing a small team, we have already put a management office in place for our GOL initiatives and activities. As funding permits, we will act on plans that we have already developed for projected efforts to move key services on-line by 2004. The work to date has already started to “cluster” services and programs into groupings that reflect the interests and views of clients. We anticipate that this will also translate into better integration of client access to our programs through changes to the delivery of telephone, kiosk and in-person services.

As noted in more detail in the service line sections of this Report, the expected major program and service focuses for HRDC on-line initiatives during 2001-2002 are: Employment Insurance Records of Employment; employer services and information; Employment Insurance applications; an integrated jobs site; and a cluster devoted to youth programs and services. The experience that we gain through these activities to help guide our future on-line development work.

➤ **Service Improvement Initiative**

Because of the reach and impact of HRDC programs and services, and consistent with commitments that the government made in *Results for Canadians*, we are a lead department in the Government-wide Service Improvement Initiative. As part of this, we will conduct a survey of client satisfaction during 2001-2002. The results will give us a baseline to measure improvement across our four major service lines. We will use the findings to identify client expectations and priorities, develop improvement plans, set annual client satisfaction targets and modify our service standards. The service improvement plans and client satisfaction targets will then become part of the ongoing departmental performance management system.

## Creating a Workplace of Choice

Our 2001-2002 strategy to build a workplace of choice will extend our previous efforts. For example, we will continue to act on our departmental Recruitment and Retention Strategy. We will pay special attention to increasing our workplace representation of designated groups, attracting and developing new talent and ensuring the retention and transfer of knowledge and skills of experienced HRDC employees. We will update our existing Leadership Profile to reflect the competencies that HRDC leaders are expected to need in the future and will implement a succession management approach to ensure that we are actively developing our future leaders.

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*“To assist the Government in fulfilling its responsibilities, Canada must have a public service distinguished by excellence and equipped with the skills for a knowledge economy and society.”*

[2001 Speech from the Throne]

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As part of our commitment to being a workplace of choice, HRDC is committed to being a learning organization and to creating a strong, effective and accountable workplace and workforce. This will require us to invest in developing and implementing a modern approach to performance management over the next few years. To support these and related efforts, we will clarify the accountability of all leaders for implementing our workplace strategies.

## 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.

HRDC is responsible for the stewardship of four such accounts:

- ◆ the Employment Insurance (EI) Account;
- ◆ the Canada Pension Plan (CPP);
- ◆ 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 CPP is a SPA but is not consolidated as part of the Government of Canada financial statements. It is under joint control of the Government and participating provinces. As administrator, the Government's authority to spend is limited to the balance in the Plan.

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

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

# 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. A surplus in the Account generates interest at a rate established by the Minister of Finance, which is currently set at 90% of the three-month Treasury Bill rate. Whenever the Account is in a deficit position, the Minister of Finance, when requested by the Canada Employment Insurance Commission, may authorize advances to the Account. As established by the Minister of Finance, advances are repayable with interest at the comparable Crown Corporation lending rates.

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 1999, 13.6 million people contributed to the Program and 2.4 million received benefits.

Employment Insurance provides:

- ♦ **Income Benefits** under Part I of the *EI Act* as a temporary income replacement to claimants while they look for work. EI also provides three 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; and sickness benefits, payable to claimants who are too ill to work.
- ♦ **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.

## Financial Summary

The main financial changes expected in 2001-2002 over 2000-2001 are:

- ♦ Benefits are expected to reach \$12.247 billion, an increase of \$664 million or 5.7%. This increase is mainly due to:
  - higher level of maternity, sickness and parental benefit payments resulting from a lowering of the entrance requirement from 700 hours of work to 600 hours; and

## EMPLOYMENT INSURANCE ACCOUNT

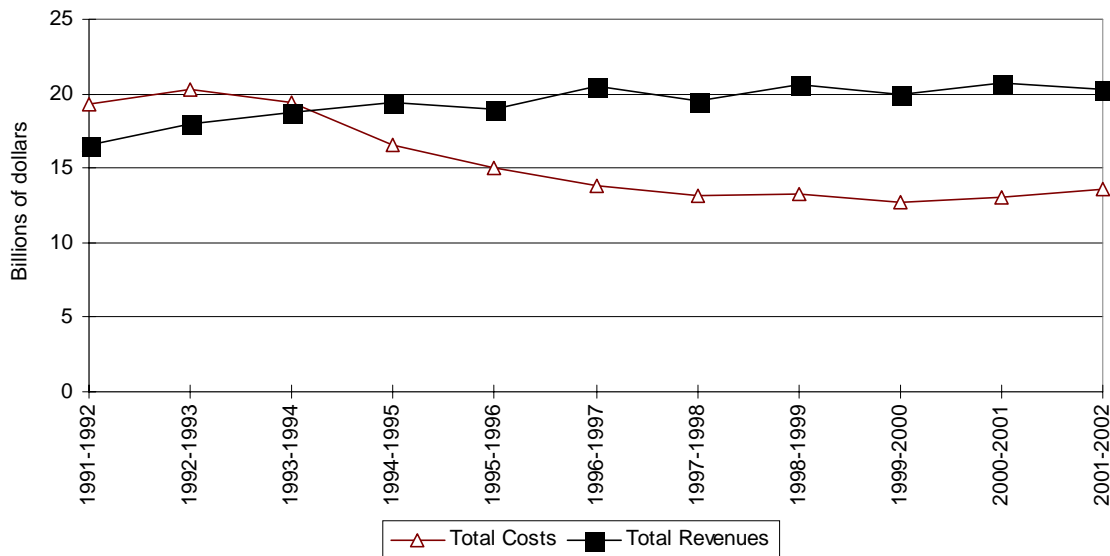
- an increase in the duration of parental benefits from 10 to 35 weeks for biological and adoptive parents.
- ◆ Premium revenue is expected to drop to \$18.464 billion, a decrease of \$539 million. Although the annual maximum insurable earnings of \$39,000 will remain the same as in 2000-2001, the overall reduction in premium revenues reflects the net impact of a reduction in premium rates and a rise in premium revenue due to rising employment and earnings.

The EI Account is expected to have a surplus of \$6.9 billion, which would bring the cumulative surplus balance to \$42.8 billion by March 31, 2002.

The financial impacts of the proposed amendments to the *Employment Insurance Act* tabled in Parliament (Bill C-2) are not reflected in this document.

The following figures summarize trends in total costs and revenues of the EI Account from 1991-1992 to 2001-2002 and the status of the EI Account between 1998-1999 and 2001-2002.

### EI ACCOUNT – COSTS AND REVENUES TREND



**EI ACCOUNT – SUMMARY**

(millions of dollars)	Actual		Forecast	Planned
	1998-1999	1999-2000	2000-2001	Spending 2001-2002
<b>Expenditures</b>				
Benefits	11,834	11,280	11,583	12,247
Administrative Costs	1,360	1,406	1,417	1,283
Doubtful Accounts	45	56	55	60
<b>Total Costs</b>	<b>13,239</b>	<b>12,742</b>	<b>13,055</b>	<b>13,590</b>
<b>Revenues</b>				
Premium Revenue	19,728	18,825	19,003	18,464
Penalties	79	74	74	80
Interest	764	1,068	1,629	2,019
<b>Total Revenues</b>	<b>20,571</b>	<b>19,967</b>	<b>20,706</b>	<b>20,563</b>
<b>Surplus</b>				
Current Year	7,332	7,225	7,651	6,973
Cumulative	20,977	28,202	35,853	42,826

Note: The EI premiums reported in the summary financial statements of the Government of Canada include the penalties collected but exclude the premium contributions made by the Government of Canada as an employer. They are recorded on a cash basis. For EI Benefits, they reflect the amount of transfers to persons, which includes the provision for doubtful accounts and are recorded on an accrual basis.

## Benefit Payments

Benefits in 2001-2002 are expected to reach \$12.247 billion, consisting of \$10.095 billion for Income Benefits and \$2.152 billion for Employment Benefits and Support Measures.

## Income Benefits

Major aspects of EI Income Benefits include:

### ➤ Amount of Work Required to Qualify for Income Benefits

- ↪ Most claimants require 420 to 700 hours of work during their qualifying period, regardless of whether from full-time or part-time work. 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 12 months period, 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.



↪ Claims for sickness, maternity or parental benefits now require a minimum of 600 hours of work instead of 700 hours of work.

### ➤ **Determining the Benefit Rate and Entitlement**

↪ Claimants 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 their last 26 weeks of work. 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.

↪ The benefit rate can be reduced to as low as 50% depending on the number of weeks of regular benefits received on or after June 30, 1996.

↪ Claimants with a combined net 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.

↪ The maximum weekly benefit rate remains at \$413.00 in 2001. In subsequent years, the maximum weekly benefit rate will be 55% of the maximum yearly insurable earnings divided by 52. The maximum yearly insurable earnings will remain at \$39,000 for the year 2001. The 1996 *Employment Insurance Act* froze the level of maximum insurable earnings at this level for four years and provided that setting the level would then become the yearly responsibility of the Canada Employment Insurance Commission. The maximum insurable earnings is the income level up to which EI premiums are paid and also determine the maximum weekly benefits paid.

## **Special Benefits**

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. However, a maximum of 50 weeks of combined maternity, parental and sickness benefits are available.

## **Work Sharing**

Claimants may receive benefits while on work-sharing agreements. These agreements between HRDC, employees and employers attempt to avoid temporary layoffs by using EI benefits as partial income replacement.

### 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. As with a regular EI claim, a fisher's benefit rate may be reduced, depending on the number of weeks of benefits received on or after June 30, 1996.

### Benefit Repayments

When the net annual income of an EI claimant exceeds 1.25 times the annual maximum insurable earnings ("the repayment threshold"), he or she is required to repay 30% ("the repayment rate") of the benefits received that make up the excess.

A claimant for Regular or Fishers' benefits may face a lower repayment threshold and a higher repayment rate depending on the number of weeks of benefits received on or after June 30, 1996.

### EI INCOME BENEFITS – EXPENDITURES

	Actual		Forecast	Planned
	1998-1999	1999-2000	2000-2001	Spending 2001-2002
(millions of dollars)				
<b>Income Benefits</b>				
Regular	8,195	7,543	7,678	7,581
Sickness	474	530	582	642
Maternity	705	723	743	818
Parental	449	464	490	1,023
Adoption	7	7	7	7
Fishing	227	232	247	260
Work Sharing	16	10	11	20
Benefit Repayments	(141)	(209)	(236)	(256)
<b>Total Income Benefits</b>	<b>9,932</b>	<b>9,300</b>	<b>9,522</b>	<b>10,095</b>

### FACTORS AFFECTING INCOME BENEFITS

	Actual		Forecast	Planned	% change
	1998-1999	1999-2000	2000-2001	Spending 2001-2002	
Income Benefits (\$ million)	9,932	9,300	9,522	10,095	6%
Average Monthly Beneficiaries (000)	737	684	678	697	3%
Benefit Rate (\$/week)	260	265	273	281	3%

## Employment Benefits and Support Measures

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

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

The total planned spending for Employment Benefits and Support Measures in 2001-2002 is set at \$2.2 billion or 0.62% of the total estimated insurable earnings of \$356.7 billion. This is below the 0.8% ceiling set under Section 78 of the *EI Act*.

The 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 \$893 million for 2001-2002.

### EMPLOYMENT BENEFITS AND SUPPORT MEASURES

(millions of dollars)	Actual		Forecast	Planned
	1998-1999	1999-2000	2000-2001	Spending* 2001-2002
Job Creation Partnerships	135	73	64	
Skill Development	630	381	400	
Self-Employment	108	84	88	
Targeted Wage Subsidies	62	60	44	
Employment Assistance	238	251	277	
Labour Market Partnerships	262	285	282	
Research & Innovation	11	10	15	
<b>Total HRDC Programs</b>	<b>1,446</b>	<b>1,144</b>	<b>1,170</b>	<b>1,259</b>
Transfers to Provinces and Territories	457	836	891	893
<b>Total</b>	<b>1,903</b>	<b>1,980</b>	<b>2,061</b>	<b>2,152</b>

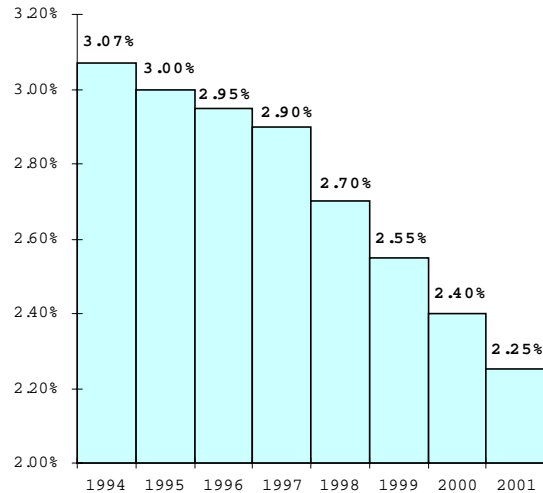
\* Breakdown by component is not available, as spending will be guided by local labour market needs. Breakdown by provinces/territories is provided in the EI Part II – 2001-2002 Expenditure Plan, see [page 113](#).

## Premiums

**Premium Rate-Setting:** Section 66 of the *EI Act* requires that the Canada Employment Insurance Commission shall, with the approval of the Governor-in-Council on the recommendation of the Minister of Human Resources Development and the Minister of Finance, set the premium rate each year. In setting the rate, the Commission will consider, to the extent possible, that revenue is enough to cover the amounts authorized to be charged to the EI Account and to maintain rate stability over a business cycle.

**Premium Rate:** As indicated in the chart, the premium rate has been gradually reduced from 3.07% of insurable earnings in 1994. The Commission has set the rate to 2.25% for employees (effective January 1, 2001) of insurable earnings, while the employers' portion is 1.4 times the employee rate (3.15%). For planning purposes, a premium rate at 2.20% is used to forecast premiums for the first three months of 2002.

**EMPLOYEE PREMIUM RATE TREND  
(% OF INSURABLE EARNINGS)**



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

### Premium Refund:

- ◆ Workers with annual earnings of \$2,000 or less can receive a refund of their EI premiums through the income tax system.
- ◆ Premiums are paid on all insurable earnings from the first dollar earned to the current yearly maximum insurable earnings of \$39,000. EI premiums are refunded to employees for the amount of premium deducted from their insurable earnings in excess of the maximum yearly insurable earnings. This situation often arises when a person works for several employers, and the aggregate insurable earning exceeds \$39,000.
- ◆ The government has given employers premium holidays for hiring additional workers in the past few years. In 1999 and 2000, employers were allowed to stop paying the employer share of premiums when they reach the 1998 level of youth payroll, or they could claim a rebate when filing their tax forms.

## EMPLOYMENT INSURANCE ACCOUNT

### FACTORS AFFECTING PREMIUM REVENUE

	Actual		Forecast 2000-2001	Planned Revenue		% change
	1998-1999	1999-2000		2001-2002	2001-2002	
<b>Fiscal Year Factors</b>						
Premium Revenue (\$ million)	19,728	18,825	19,003	18,464	(3%)	
Total Insurable Earnings (\$ million)	316,702	329,496	345,606	356,705	3%	
	1998	1999	2000	2001		2002
<b>Calendar Year Factors</b>						
Employee Premium Rate*						
(% of insurable earnings)	2.70%	2.55%	2.40%	2.25%	(6%)	2.20%
Maximum Insurable Earnings (\$)	39,000	39,000	39,000	39,000	0%	39,000
Premium Reduction (\$ million)	(506)	(506)	(520)	(540)		(558)
Premium Refunds (\$ million)						
Employee	(158)	(160)	(152)	(150)		(145)
Employer (New Hires/Youth Hires)	(125)	(177)	(175)	(45)		-

\* The employers' portion is 1.4 times the employee rate.

Notes:

1. For planning purpose, it is assumed that in 2002 the premium rate and the yearly maximum insurable earnings will be \$2.20 and \$39,000 respectively. In addition, the \$45 million in Premium Refunds for employers under the New Hires/Youth Hires in 2001-2002 are to cover residual costs.
2. The premium rate reduction from \$2.40 to \$2.25 for the calendar year 2001 represents a saving of \$1.2 billion for employers and employees. The decrease of \$539 million between the 2000-01 forecast and the planned revenue for 2001-02 represents the net impact of the reduction in the premium rate and a rise in premium revenue due to rising employment and earnings.

## 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 Development is responsible for reporting on the EI Program to Parliament. However, the Canada Customs and Revenue Agency (CCRA), which collects premiums and benefit repayments and provides decisions on insurability under the Act, shares the administration of the Program. HRDC, CCRA, Treasury Board Secretariat and the Department of Justice Canada supply other 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 can be charged to the EI Account.

### ADMINISTRATIVE COSTS

(millions of dollars)	Actual		Forecast	Planned
	1998-1999	1999-2000	2000-2001	Spending 2001-2002
Federal	1,252	1,316	1,328	1,183
Provincial	114	95	94	105
Recovery	(6)	(5)	(5)	(5)
<b>Total</b>	<b>1,360</b>	<b>1,406</b>	<b>1,417</b>	<b>1,283</b>

The \$1,283 million in EI administrative costs represents the initial requirements for 2001-2002, which are \$134 million less than those forecast for 2000-2001. This variance is mainly due to:

- ♦ a one-time increase of \$88 million in 2000-2001 to maintain the integrity of the department's systems and related essential infrastructures; and
- ♦ additional operating resources of \$18 million in 2000-2001 resulting from amendments to the *EI Act* and Regulations intended for parental and sickness benefits.

# Canada Pension Plan

## Description

The Canada Pension Plan (CPP) is a federal/provincial program for compulsory and contributory social insurance. It operates in all parts of Canada, except for Quebec, which has a comparable program. The Government of Canada administers the Plan under joint control with the participating provinces. As administrator, the Government's authority to spend is limited to the balance of the Account.

The CPP provides benefits to contributors and their families. It covers employed and self-employed persons between the ages of 18 and 70 who earn at least a minimum amount during a calendar year. Approximately 12.5 million Canadians contribute annually to the Plan and approximately 3.7 million people are expected to receive benefits during 2001-2002.

CPP offers retirement, disability, survivor and death benefits. In 2001-2002, about 497,000 CPP recipients are expected to qualify for more than one of these benefits. Benefit levels increase each January to reflect increases in the Consumer Price Index.

The Plan and its resources are now divided among three components:

- ♦ The CPP Account, which was established in the Accounts of Canada to record the contributions, interest, pensions and benefits, and administration expenditures of the Plan. It is maintained at a level to meet anticipated benefit payments and administrative charges for the next three-month period.
- ♦ The CPP Investment Fund, which was authorized in the Accounts of Canada to record investments in the securities of the provinces, territories and Canada.
- ♦ The Canada Pension Plan Investment Board, which was established by a 1997 act of Parliament and created in 1998 to help the CPP achieve steady-state funding by earning investment returns on funds transferred from the CPP Account.<sup>20</sup>

The CPP is entirely financed through mandatory contributions from employees, employers and self-employed persons, as well as through earnings on the investments of the CPP Investment Fund and the CPP Investment Board. Disbursements include benefit payments and administrative expenditures.

Until the end of 1997, cash on hand in excess of the three-month operating requirement was invested entirely in provincial, territorial and federal government bonds. When these bonds matured, funds not required for payment of pensions and benefits were re-invested in new bonds.

Starting in 1998, a maturing provincial or territorial bond may be re-invested in a new bond only once for a term of 20 years if both the issuer of that bond asks to do so and the operating balance is sufficient to pay current pensions and benefits. The federal Department of Finance administers the bond portfolio. Excess funds that are not reinvested are transferred to the CPP Investment Board. The Board is mandated to

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<sup>20</sup> Information about the Canada Pension Plan Investment Board can be found at: <http://www.cppib.ca>

invest these funds in a manner to increase the long-term value of the CPP assets through prudent participation in capital markets. The Board is accountable to the public and governments through regular reports. It is subject to investment rules similar to other pension funds in Canada.

In 1998, after extensive public debate, the federal and provincial governments made changes to the CPP so that it could meet the demands of the coming years. The most important reforms involved funding arrangements – increasing CPP contribution rates and diversifying the investment of CPP funds – and changing the way some benefits are calculated. The strategy is proving successful; the latest actuarial report on the CPP confirms that the scheduled increase in the contribution rate is expected to be sufficient to sustain the Plan in the face of an ageing population.

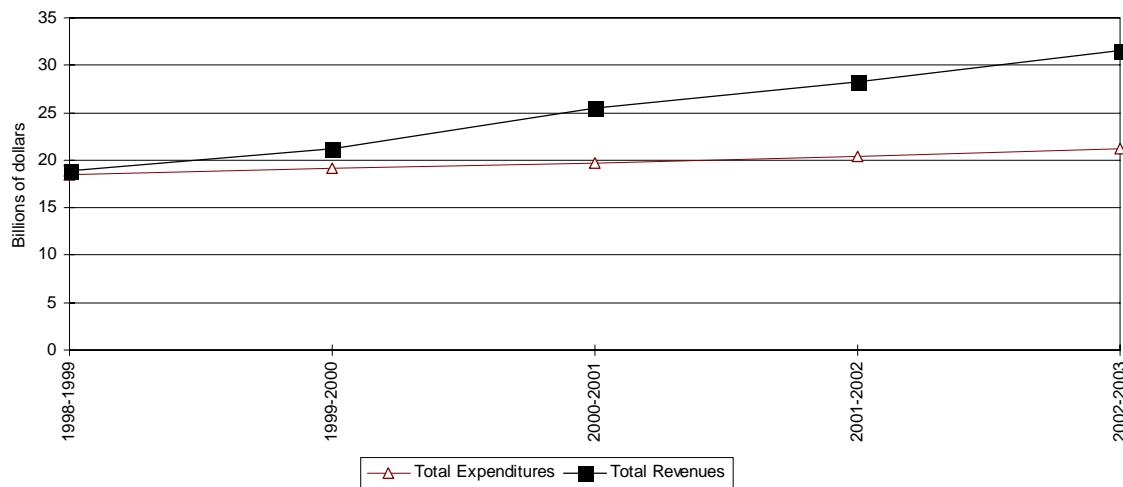
## Financial Summary

Benefit payments are expected to reach \$20.0 billion in 2001-2002, an increase of \$693 million or 3.6% over 2000-2001. This increase reflects forecasts of client population and average benefit payment. In 2001-2002, it is expected that there will be a net increase in client population of 2.7% and a net increase in average benefit payments of 0.9%.

The CPP is expected to have a surplus of \$7.9 billion, which would bring the cumulative balance to \$55.0 billion by March 31, 2002. At present, the CPP has a fund equal to about two years of benefits and this is expected to grow to about four or five years of benefits over the next two decades.

The following figures summarize trends in total revenues and expenditures of the CPP from 1998-1999 to 2002-2003 and its status between 1998-1999 and 2002-2003.

### CPP – REVENUES AND EXPENDITURES TREND



CPP – Revenues and expenditures trend is presented for fiscal years 1998-1999 to 2002-2003. Records for prior years were prepared on a modified cash basis of accounting, while records have been prepared on an accrual basis since 1998-1999.



**CPP – REVENUES AND EXPENDITURES<sup>21</sup>**

(millions of dollars)	Actual		Forecast	Planned	
	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003
<b>Revenue</b>					
Contributions	14,924	17,037	21,162	23,929	27,166
Interest	3,891	4,238	4,351	4,363	4,372
<b>Total Revenue</b>	<b>18,815</b>	<b>21,275</b>	<b>25,513</b>	<b>28,292</b>	<b>31,538</b>
<b>Expenditures</b>					
Benefit payments	18,203	18,799	19,352	20,045	20,943
Administrative expenses	304	315	340	326	329
<b>Total Expenditures</b>	<b>18,507</b>	<b>19,114</b>	<b>19,692</b>	<b>20,371</b>	<b>21,272</b>
<b>Increase</b>	<b>308</b>	<b>2,161</b>	<b>5,821</b>	<b>7,921</b>	<b>10,266</b>

**CPP – BALANCE OF FUNDS**

(millions of dollars)	Actual		Forecast	Planned	
	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003
<b>Year-end Balances</b>	39,100	41,261	47,082	55,003	65,269
Represented by:					
Investment Fund	30,833	30,299	29,603	29,333	28,742
Transfers to Investment Board	12	1,932	8,010	15,203	24,593
Accumulated net income					
from Investment Board's operation:	0	460	1,100	2,000	3,100
CPP Account	6,066	6,261	6,327	6,395	6,737
Receivables, net of liabilities	2,189	2,309	2,042	2,072	2,097
<b>CPP Total</b>	<b>39,100</b>	<b>41,261</b>	<b>47,082</b>	<b>55,003</b>	<b>65,269</b>
<b>Increase</b>	<b>308</b>	<b>2,161</b>	<b>5,821</b>	<b>7,921</b>	<b>10,266</b>

## Benefit Payments

**Retirement Pensions:** Contributors may begin receiving Canada Pension Plan retirement pensions as early as age 60 or delay receipt until age 70 on an actuarially adjusted basis. Applicants who are between 60 and 65 must have stopped working or earn below a specified level when they begin to receive the retirement pension. Contributors over age 65 need not have stopped working to qualify.

Pensions are adjusted by 0.5% for each month between the date the pension begins and the month of the contributor's 65th birthday. Those contributors who begin receiving a retirement pension at age 60 will receive 70% of the usual amount that would be payable at age 65, while those who delay receiving a pension until age 70 will receive 130% of the amount payable at age 65.

<sup>21</sup> More information relating to 1999-2000 is reported in the CPP financial statements which can be found in the 2000 *Public Accounts of Canada*, Volume 1, Section 6, at <http://www.pwgsc.gc.ca/recgen/text/pubacc-e.html>

Spouses or common law partners who are both at least 60 years of age and who have both applied for their CPP retirement pensions, can share their pensions. The retirement benefits earned during the period of cohabitation are divided equally between the two spouses or common law partners as long as they remain together.

**Disability Benefits:** Disability benefits are payable to contributors who meet the minimum contributory requirements and whose disability prevents them from working regularly at any job in a substantially gainful manner and will do so for a prolonged period.

**Surviving Spouse or Common Law Partner's Benefits:** A contributor's surviving legal or common-law partner may be eligible for a monthly pension if the contributor has contributed for a minimum period and, if at the time of the contributor's death, the spouse or common law partner was at least 35 years old or was under age 35 and either had dependent children or was disabled. Payments continue in the event that the surviving spouse or common law partner remarries.

**Children's Benefits:** Monthly benefits are payable on behalf of the children of contributors who receive CPP disability benefits or who die. The amount is a flat rate and is payable until the child reaches age 18, or up to age 25 if he or she attends school or university full-time.

**Death Benefits:** A lump-sum benefit is payable to the estate of the deceased contributor provided the minimum contributory requirements have been met.

## Determining the Benefit Rate

CPP benefits are largely related to earnings. They are largely based on career-average earnings, which tend to be higher for each group of new beneficiaries.

Benefits such as children's benefits are not based on earnings. Instead, they are a fixed amount. Disability and survivor benefits contain a fixed-rate or flat-rate portion in addition to an earnings-related portion. The Plan has a ceiling on earnings that changes every year. This ceiling limits the amount of benefits people receive, as well as the amount of contributions that must be paid into the Plan.

**CPP BENEFIT PAYMENTS BY CATEGORY AND TYPE**

(millions of dollars)	Actual		Forecast	Planned Spending	
	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003
<b>Retirement pensions</b>	12,379	12,902	13,407	13,972	14,689
Disability benefits					
Disability pensions	2,585	2,559	2,492	2,512	2,564
Benefits to children of disabled contributors	249	245	239	240	243
<b>Disability benefits total</b>	<b>2,834</b>	<b>2,804</b>	<b>2,731</b>	<b>2,752</b>	<b>2,807</b>
Survivor benefits					
Surviving spouse or common law partner's benefits	2,563	2,669	2,780	2,874	2,989
Orphans' benefits	202	202	202	206	211
Death benefits	225	222	232	241	247
<b>Survivor benefits total</b>	<b>2,990</b>	<b>3,093</b>	<b>3,214</b>	<b>3,321</b>	<b>3,447</b>
<b>TOTAL</b>	<b>18,203</b>	<b>18,799</b>	<b>19,352</b>	<b>20,045</b>	<b>20,943</b>

**Revenues**

**Contributions:** Contributions to the Plan are compulsory. They are based on employee and self-employed earnings between a minimum level (the Year's Basic Exemption) and a maximum (the Year's Maximum Pensionable Earnings). The contribution rates are set out in the schedule of contribution rates changes. This schedule is subject to review and extension by federal and provincial finance ministers every three years.

**Interest Income:** Interest is earned on the investments and the CPP Account.

The CPP Account earns interest on its average daily operating balance. The interest paid on these funds is calculated by averaging the unweighted average yields at tender on three-month Treasury Bills during the month the interest is paid, less one-eighth of one percent.

The interest rate on the securities held by the Investment Fund is determined by the Minister of Finance based on the average yield to maturity of all outstanding Government of Canada obligations with terms of 20 years or more.

## Administrative Costs

Human Resources Development Canada, the Department of Finance, the Canada Customs and Revenue Agency (formerly Revenue Canada), Public Works and Government Services Canada, the CPP Investment Board and the Office of the Superintendent of Financial Institutions supply services that support management and delivery of the CPP and its funds.

Costs incurred by departments in administering the Program are recoverable from the CPP based on the costing principles approved by Treasury Board. Essentially, those principles are that the costs must be incurred because of CPP responsibilities and be traceable.

Administrative expenses for 2001-2002 are estimated at \$326.0 million. This represents a decrease of 4.1% from the forecast for 2000-2001.

### CPP – ADMINISTRATIVE EXPENSES BY DEPARTMENT

(millions of dollars)	Actual		Forecast	Planned Spending	
	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003
<b>Human Resources Development Canada</b>					
Plan administration, operations, records, and accommodation	183.5	211.5	217.3	206.9	206.9
<b>EI Account</b> - Refunding of EI Account in relation to assignment of Social Insurance numbers and maintenance of the central index	1.4	1.6	1.6	1.6	1.6
<b>Treasury Board Secretariat</b>					
Insurance premiums and recoverable contributions to the Employee Benefit Plan	26.5	28.2	29.0	28.2	28.1
<b>Public Works and Government Services</b>					
Cheque issue, EDP services	14.6	14.1	13.0	11.5	11.5
<b>Canada Customs and Revenue Agency</b>					
Collection of contributions	75.8	58.2	77.6	76.4	79.2
<b>Office of the Superintendent of Financial Institutions</b>					
Actuarial services	1.0	1.2	1.1	1.1	1.1
<b>Canada Pension Plan Investment Board</b>	1.1	N/A	N/A	N/A	N/A
<b>Finance</b>					
Investment services	0.5	0.3	0.4	0.4	0.4
<b>TOTAL</b>	<b>304.4</b>	<b>315.1</b>	<b>340.0</b>	<b>326.0</b>	<b>328.9</b>

N/A – not applicable

## Long-Term Forecast

The CPP legislation requires a schedule of contribution rates with a review every three years by the federal and provincial finance ministers. The review determines whether any adjustments to the schedule are necessary. The adjustments are implemented through legislation or agreement among finance ministers, or automatically under a formula that ensures that the plan will have a reserve equal to approximately two years worth of benefits. Amendments to the rate schedule or the automatic regulation require the approval of at least two thirds of the provinces with at least two thirds of the population of all the provinces.

The following table shows the forecast of revenues and expenditures affecting the Canada Pension Plan for the period between the fiscal year 2003-2004 and 2012-2013 based on the Office of the Superintendent of Financial Institutions' CPP Seventeenth Actuarial Report as at December 31, 1997.<sup>22</sup> The Assets/Expenditures Ratio reflects the size of the year-end assets relative to the expenditures.

### FORECAST OF REVENUES AND EXPENDITURES

Fiscal Year	Contribution	Contributions	Investment		Year-end Account	Year-end
	Rate		Income	Expenditures		Assets/ Expenditures
	%		\$ millions			ratio
2003-2004	9.90	28,631	4,453	23,308	64,906	2.62
2004-2005	9.90	30,436	5,014	24,750	75,606	2.87
2005-2006	9.90	32,339	5,613	26,318	87,240	3.11
2006-2007	9.90	34,337	6,325	28,011	99,891	3.35
2007-2008	9.90	36,424	7,121	29,855	113,582	3.56
2008-2009	9.90	38,607	8,003	31,855	128,337	3.77
2009-2010	9.90	40,923	8,958	33,998	144,220	3.97
2010-2011	9.90	43,245	9,989	36,277	161,176	4.16
2011-2012	9.90	45,471	11,071	38,697	179,022	4.33
2012-2013	9.90	47,818	12,242	41,287	197,795	4.49

<sup>22</sup> The Seventeenth Actuarial Report can be found at <http://www.osfi-bsif.gc.ca/eng/office/actuarialreports/pdf/cpp17re2.pdf>

## 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 or surplus charged or 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 consist 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, 2000, there were 7,707 outstanding deferred annuities, the last of which will come into payment around the year 2030.

### GOVERNMENT ANNUITIES ACCOUNT -- RECEIPTS AND DISBURSEMENTS

(millions of dollars)	Actual		Forecast	Planned
	1998-1999	1999-2000	2000-2001	Spending 2001-2002
<b>Actuarial Liabilities --</b>				
<b>Balance at beginning of year</b>	<b>623.9</b>	<b>585.8</b>	<b>546.1</b>	<b>508.6</b>
Income	41.0	38.4	35.8	33.3
Payments and other Charges	76.0	72.4	68.8	65.2
Excess of payments and other charges over income for the year	35.1	33.9	33.0	31.9
Actuarial Surplus	3.0	5.8	4.5	4.4
<b>Actuarial Liabilities --</b>				
<b>Balance at end of the year</b>	<b>585.8</b>	<b>546.1</b>	<b>508.6</b>	<b>472.3</b>

## Civil Service Insurance Fund

This account was established by the *Civil Service Insurance Act*, introduced to enable the Minister of Finance to contract with a person appointed to a permanent position in any branch of 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, 2000 were 2,106 and the average age of the policy holders was 82.2 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 premiums refund.

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

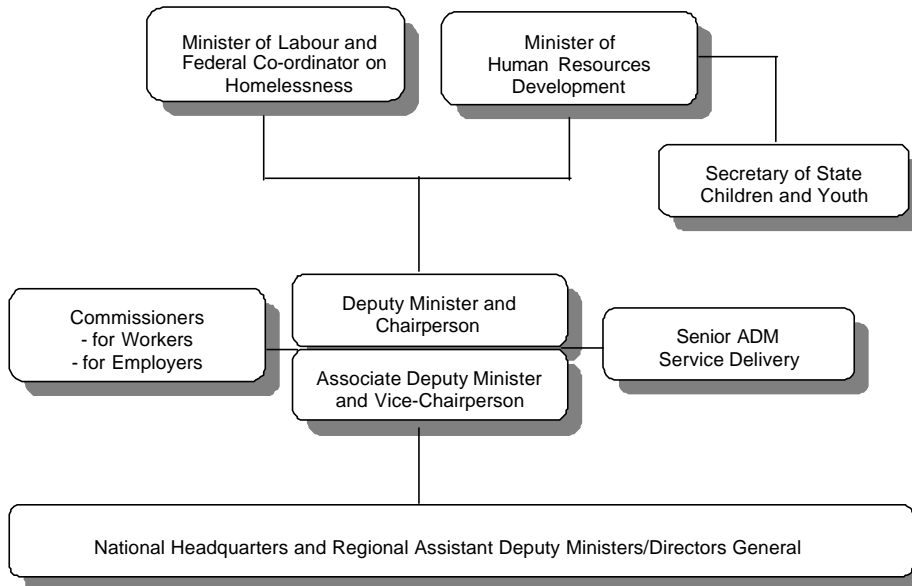
### CIVIL SERVICE INSURANCE FUND -- RECEIPTS AND DISBURSEMENTS

(millions of dollars)	Actual		Forecast 2000-2001	Planned Spending 2001-2002
	1998-1999	1999-2000		
<b>Opening Balance</b>	<b>8.9</b>	<b>8.6</b>	<b>8.2</b>	<b>7.8</b>
Receipts and other Credits	0.3	0.2	0.2	0.2
Payments and other charges	0.6	0.6	0.6	0.6
Excess of payments and other charges over income for the year	0.3	0.4	0.4	0.4
<b>Closing Balance</b>	<b>8.6</b>	<b>8.2</b>	<b>7.8</b>	<b>7.4</b>

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FIGURE 1: ORGANIZATIONAL STRUCTURE AND DEPARTMENTAL FORECAST AND PLANNED SPENDING FOR THE ESTIMATES YEAR



Service Lines	Forecast* 2000-2001		Planned Spending			
	FTEs	millions (\$)	2001-2002*		2002-2003	
			FTEs	millions (\$)	FTEs	millions (\$)
<b>Budgetary</b>						
Income Security	3,587	24,564.4	3,479	25,460.3	3,455	26,273.7
EI Income Benefits	7,615	522.4	7,596	513.9	7,522	505.2
Human Resources Investment	3,833	2,700.6	3,885	2,780.6	3,398	2,711.0
Labour	721	155.7	740	156.3	739	155.0
Service Delivery Support	3,511	426.3	2,832	278.2	2,729	272.1
Corporate Services	2,897	417.7	2,806	366.9	2,643	355.9
<b>Gross Budgetary</b>	22,164	28,787.1	21,338	29,556.2	20,486	30,272.9
Respendable revenue		(1,527.6)		(1,375.5)		(1,342.1)
<b>Net Budgetary</b>		27,259.5		28,180.7		28,930.8
<b>Non-Budgetary</b>						
Loans disbursed under <i>Canada Student Financial Assistance Act</i>		1,800.0		1,900.0		2,000.0
<b>Specified Purpose Accounts</b>						
Employment Insurance		13,055.1		13,589.9		14,150.6
Canada Pension Plan		19,691.9		20,371.4		21,271.4
Other Specified Purpose Accounts		69.4		65.8		65.8
Departmental Employee Benefit Plan recoverable from EI Account and CPP		(134.5)		(133.1)		(128.7)
<b>Total HRDC</b>	22,164	61,741.4	21,338	63,974.7	20,486	66,289.9

\* The net budgetary increase of \$921.2M between the planning spending 2001-2002 and the forecast 2000-2001 is mainly due to statutory transfer payments. See figure 4 for additional information.

FIGURE 2: NET COST OF PROGRAM FOR THE ESTIMATES YEAR

(millions of dollars)	Forecast	Planned Spending	
	2000-2001	2001-2002	2002-2003
<b>Budgetary Main Estimates</b>	28,787.1	<b>29,531.3</b>	30,117.8
Less: Respendable revenue	(1,527.6)	<b>(1,375.5)</b>	(1,342.1)
<b>Total Main Estimates</b>	27,259.5	<b>28,155.7</b>	28,775.7
Adjustments to Planned Spending	0.0	<b>25.1</b>	155.1
	27,259.5	<b>28,180.8</b>	28,930.8
<b>Non-Budgetary Main Estimates</b>	1,800.0	<b>1,900.0</b>	2,000.0
<b>Net Planned Spending</b>	29,059.5	<b>30,080.8</b>	30,930.8
<b>Specified Purpose Accounts</b>			
Employment Insurance	13,055.1	<b>13,589.9</b>	14,150.6
Canada Pension Plan	19,691.9	<b>20,371.4</b>	21,271.4
Other Specified Purpose Accounts	69.4	<b>65.8</b>	65.8
Departmental Employee Benefit Plan recoverable from EI Account and CPP	(134.5)	<b>(133.1)</b>	(128.7)
<b>Total HRDC Consolidated</b>	61,741.4	<b>63,974.7</b>	66,289.9
<b>Less: Non-respendable Revenues*</b>			
Student Loans recovery	101.0	92.5	97.8
Set-offs of income tax refunds	29.0	29.0	29.0
Others	1.2	1.1	1.1
	131.2	122.6	127.9
<b>Plus: Services Received without Charge</b>			
Contributions covering employer's share of employee's insurance premiums and costs paid by Treasury Board Secretariat	19.2	18.5	17.4
Salary and associated costs of legal services provided by Justice Canada	2.9	3.1	3.3
	22.1	21.6	20.7
<b>Total Net Departmental Cost</b>	61,632.4	63,873.8	66,182.6
Full Time Equivalents	22,164	21,338	20,486

\* Excludes recoveries associated with the Employee Benefit Plan recoverable from EI Account and CPP.

FIGURE 3: DEPARTMENTAL RESOURCES BY SERVICE LINE - BUDGETARY

	FTEs	Operating	Voted Grants and Contributions*	Subtotal: Gross Expenditures	Statutory Grants and Contributions	Total Gross Expenditures	Less: Revenue Credited to the Vote	Net Planned Spending
<i>(millions of dollars)</i>								
<b>Service Lines</b>								
Income Security	3,587	285.4	-	285.4	24,279.0	24,564.4	(167.0)	24,397.5
	<b>3,479</b>	<b>279.3</b>	-	<b>279.3</b>	<b>25,181.0</b>	<b>25,460.3</b>	<b>(168.3)</b>	<b>25,292.0</b>
	3,455	278.6	-	278.6	25,995.0	26,273.6	(168.1)	26,105.6
El Income Benefits	7,615	522.4	-	522.4	-	522.4	(460.6)	61.8
	<b>7,596</b>	<b>513.9</b>	-	<b>513.9</b>	-	<b>513.9</b>	<b>(451.4)</b>	<b>62.6</b>
	7,522	505.2	-	505.2	-	505.2	(443.2)	62.0
Human Resources	3,833	549.3	929.3	1,478.6	1,222.0	2,700.6	(274.1)	2,426.5
Investment	<b>3,885</b>	<b>577.5</b>	<b>1,059.5</b>	<b>1,637.0</b>	<b>1,143.6</b>	<b>2,780.6</b>	<b>(270.3)</b>	<b>2,510.3</b>
	3,398	542.8	1,085.0	1,627.7	1,083.3	2,711.0	(253.7)	2,457.3
Labour	721	152.9	2.9	155.7	0.0	155.7	(47.3)	108.5
	<b>740</b>	<b>153.0</b>	<b>3.3</b>	<b>156.3</b>	<b>0.0</b>	<b>156.3</b>	<b>(51.5)</b>	<b>104.8</b>
	739	151.1	3.9	155.0	0.0	155.0	(53.1)	101.9
Service Delivery	3,511	426.3	-	426.3	-	426.3	(317.4)	108.9
Support	<b>2,832</b>	<b>278.2</b>	-	<b>278.2</b>	-	<b>278.2</b>	<b>(191.8)</b>	<b>86.4</b>
	2,729	272.1	-	272.1	-	272.1	(187.2)	85.0
Corporate Services	2,897	417.7	-	417.7	-	417.7	(261.4)	156.3
	<b>2,806</b>	<b>366.9</b>	-	<b>366.9</b>	-	<b>366.9</b>	<b>(242.2)</b>	<b>124.8</b>
	2,643	355.9	-	355.9	-	355.9	(236.9)	119.0
<b>Total</b>	22,164	2,353.9	932.2	3,286.1	25,501.0	28,787.1	(1,527.6)	27,259.5
	<b>21,338</b>	<b>2,168.9</b>	<b>1,062.8</b>	<b>3,231.7</b>	<b>26,324.6</b>	<b>29,556.3</b>	<b>(1,375.5)</b>	<b>28,180.8</b>
	20,486	2,105.7	1,088.8	3,194.6	27,078.3	30,272.9	(1,342.1)	28,930.8

<b>Legend:</b>	
<b>For each Service Lines...</b>	
First line	Forecast 2000-2001
Second line	<b>Planned Spending 2001-2002</b>
Third line	Planned Spending 2002-2003

\* Excludes Employment benefits and support measures authorized under Part II of the Employment Insurance Act.

FIGURE 4: SUMMARY OF TRANSFER PAYMENTS

(millions of dollars)	Forecast	Planned Spending		
	2000-2001	2001-2002	2002-2003	2003-2004
<b>Income Security</b>				
(S) Old Age Security	18,784.0	<b>19,533.0</b>	20,209.0	20,897.0
(S) Guaranteed Income Supplement	5,092.0	<b>5,236.0</b>	5,366.0	5,499.0
(S) Allowance payments	403.0	<b>412.0</b>	420.0	429.0
	<u>24,279.0</u>	<u><b>25,181.0</b></u>	<u>25,995.0</u>	<u>26,825.0</u>
<b>Human Resources Investment</b>				
(S) Canada Education Savings Grant	435.0	<b>499.0</b>	560.0	623.0
(S) Canada Study Grants	70.0	<b>120.1</b>	120.1	120.1
(S) Labour Adjustment Benefits	2.0	<b>0.7</b>	0.2	0.0
(S) Direct financing arrangement under the <i>Canada Student Financial Assistance Act</i>	61.8	<b>84.9</b>	115.1	149.3
(S) Interest payments under the <i>Canada Student Loans Act</i>	1.4	<b>1.3</b>	1.1	1.0
(S) Liabilities under the <i>Canada Student Loans Act</i>	95.0	<b>92.7</b>	64.6	47.0
(S) Interest payments and liabilities under the <i>Canada Student Financial Assistance Act</i>	556.9	<b>344.9</b>	222.2	129.7
Grants and Contributions	929.3	<b>1,059.5</b>	1,085.0	952.9
	<u>2,151.3</u>	<u><b>2,203.1</b></u>	<u>2,168.3</u>	<u>2,023.0</u>
<b>Labour</b>				
Grants, Contributions and Statutory Payments	2.9	<b>3.3</b>	3.9	3.9
<b>Total Transfer Payments</b>	<u>26,433.2</u>	<u><b>27,387.4</b></u>	<u>28,167.1</u>	<u>28,851.9</u>

**FIGURE 5: SOURCE OF RESPONDABLE AND NON-RESPONDABLE REVENUES**

(millions of dollars)	Forecast	Planned Spending		
	2000-2001	2001-2002	2002-2003	2003-2004
<b>Respondable Revenues</b>				
Income Security	167.0	168.3	168.1	162.9
EI Income Benefits	460.6	451.4	443.2	443.2
Human Resources Investment	274.1	270.3	253.7	253.7
Labour	47.3	51.5	53.1	54.7
Services Delivery Support	317.4	191.8	187.2	186.4
Corporate Services	261.4	242.2	236.9	235.4
<b>Total Respondable Revenues</b>	<b>1,527.6</b>	<b>1,375.5</b>	<b>1,342.1</b>	<b>1,336.3</b>
<b>Non-Respondable Revenues</b>				
Income Security - Recovery of Employee Benefit costs (EBP)	17.9	17.8	17.6	17.6
EI Income Benefits - Recovery of EBP	54.8	56.4	55.8	55.8
Human Resources Investment				
Student loan recovery	101.0	92.5	97.8	109.9
Set-offs of income tax refunds	29.0	29.0	29.0	29.0
Recovery of EBP	19.5	21.1	19.1	19.1
Others	0.1	0.0	0.0	0.0
	149.6	142.6	145.9	158.0
Labour - Service Fees	1.1	1.1	1.1	1.1
Services Delivery Support - Recovery of EBP	23.7	18.4	17.8	17.6
Corporate Services - Recovery of EBP	18.5	19.4	18.5	18.4
<b>Total Non-Respondable Revenues</b>	<b>265.7</b>	<b>255.7</b>	<b>256.6</b>	<b>268.5</b>

**FIGURE 6: LOANS – NON-BUDGETARY**

(millions of dollars)	Forecast	Planned Spending		
	2000-2001	2001-2002	2002-2003	2003-2004
<b>Human Resources Investment</b>				
Loans disbursed under the Canada Student Financial Assistance Act	1,800.0	1,900.0	2,000.0	2,500.0
<b>Total</b>	<b>1,800.0</b>	<b>1,900.0</b>	<b>2,000.0</b>	<b>2,500.0</b>

## Details on Transfer Payments

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

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

Planned Spending figures reflect estimated program costs and exclude operating resources necessary to deliver the program.

### NON-STATUTORY TRANSFER PAYMENTS BY SERVICE LINE (2001-2002 PLANNED SPENDING: \$1,062.8 MILLION (M))

Associated Programs (Terms and Conditions)	For more details, see Fact Sheet #
<b>Human Resources Investment</b>	
<b>Grants</b>	
<i>Grants to individuals, organizations and corporations to assist individuals to improve their employability and to promote employment opportunities by assisting local entrepreneurial development</i> (Planned: \$8.2M)	
Youth Employment Initiatives	Fact Sheet 2
<i>Grants to voluntary sectors, professional organizations, universities and post-secondary institutions and to provincial and territorial governments for literacy</i> (Planned: \$28.2M)	
National Literacy Secretariat	Fact Sheet 3
<i>Grants to non-profit organizations for activities eligible for support through the Social Development Partnerships Program</i> (Planned: \$7.0M)	
Social Development Partnerships Program	Fact Sheet 4

**Associated Programs (Terms and Conditions)**

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

**Contributions**

*Payments to provinces, territories, municipalities, other public bodies, organizations, groups, communities, employers and individuals for the provision of training and/or work experience, the mobilization of community resources, and human resource planning and adjustment measures necessary for the efficient functioning of the Canadian labour market (Planned: \$606.8M)*

Opportunities Fund for Persons with Disabilities	Fact Sheet 1
Youth Employment Initiatives	Fact Sheet 2
Social Development Partnerships Program	Fact Sheet 4
Aboriginal Human Resources Development Strategy	Fact Sheet 5
Canada Jobs Fund	Fact Sheet 6
Older Workers Pilot Projects	Fact Sheet 9

*Employability Assistance for People with Disabilities — Payments to provincial and territorial governments, in accordance with bilateral agreements, for the provision of a range of measures to enhance the economic participation of working age adults with disabilities in the labour market by helping them to prepare for, attain and retain employment (Planned: \$192.0M)*

Canadian-Provincial-Territorial Employability Assistance for People with Disabilities	Fact Sheet 7
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*Contributions to organizations, provinces, territories, municipalities, post-secondary institutions and individuals to encourage and support initiatives which will contribute to the development of a more results-oriented, accessible, relevant and accountable learning system (Planned: \$3.4M)*

*Contributions to non-profit organizations, community groups, educational institutions, professional associations, provincial/territorial government departments, and local, regional or national First Nations and Inuit non-profit organizations to support child care initiatives (Planned: \$46.2M)*

Aboriginal Human Resources Development Strategy	Fact Sheet 5
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*Contributions to organizations, provinces, territories, municipalities, post-secondary institutions and individuals to encourage and support initiatives with respect to the development, application, use and diffusion of new learning and training technologies (Office of Learning Technology) (Planned: \$2.8M)*

*Homelessness - Contributions to provinces, territories, municipalities, other public bodies, organizations, community groups, employers and individuals to support activities to help alleviate and prevent homelessness across Canada (Planned: \$165.0M)*

Homelessness (Supporting Communities Partnership Initiatives, Youth: Homelessness, Urban Aboriginal Strategy: Homelessness)	Fact Sheet 8
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**Associated Programs (Terms and Conditions)**

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

**Labour**

**Grants**

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

*Fire Prevention Canada* (Planned: \$0.0M)

*To support activities which contribute to Occupational Safety and Health  
program objectives* (Planned: \$0.0M)

*To support standards-writing associations* (Planned: \$0.0M)

**Contributions**

*Labour-management partnerships program* (Planned: \$1.6M)

*Labour commission* (Planned: \$1.6M)

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**FACT SHEET # 1: OPPORTUNITIES FUND FOR PERSONS WITH  
DISABILITIES  
(2001-2002 PLANNED SPENDING: \$23.8M)**

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Objectives	To assist persons with disabilities in preparing for, obtaining and keeping employment or becoming self-employed, thereby increasing their economic participation and independence.
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The objective will be achieved by working in partnership with non-government organizations representing persons with disabilities, the private sector and provincial governments in using innovative approaches that demonstrate best practices to promoting the economic integration of persons with disabilities.

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Expected Results and Outcomes	Approximately 3,000 persons with disabilities will be assisted yearly, of whom 1,200 will find work.
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Milestones for Achievements:

- |                        |  |
|------------------------|--|
| → Renewal Date         | March 31, 2002                                       |
| → Evaluation performed | 1998: Formative Evaluation                           |
| → Evaluation scheduled | 2000: Summative Evaluation (to be completed in 2001) |
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**FACT SHEET # 2: YOUTH EMPLOYMENT INITIATIVES\***  
**(2001-2002 PLANNED SPENDING: \$270.3M)**

Objective	To assist youth in preparing for, obtaining and maintaining employment, and in making a successful transition into the labour market, thereby resulting in increased employment.
Expected Results and Outcomes	<p>Assist 70,500 youth to obtain work experience, of whom 13,300 are expected to find work and 48,000 are expected to return to school.</p> <p>Of those returning to school, it is estimated that 45,800 will be students who return to school after summer employment and 2,200 will be participants in Youth Service Canada, Youth Internship Canada and Youth-at-Risk projects.</p> <p>Additional youth at risk activities to enhance their future participation in the labour market.</p>
Milestones for Achievements:	
→ Renewal Date	March 31, 2005
→ Evaluations performed	<p>2000-2001:</p> <ul style="list-style-type: none"> <li>- Youth Service Canada Evaluation (Longitudinal Study)</li> <li>- Summative Evaluation of HRDC's Youth Internship Programs under the Youth Employment Strategy (YES)</li> <li>- YES Interdepartmental Evaluation Phase I</li> </ul> <p>1998-1999:</p> <ul style="list-style-type: none"> <li>- Youth Service Canada Summative Evaluation</li> <li>- YES: A Formative Evaluation of Youth Internship Canada and other HRDC Youth Initiatives</li> <li>- Interdepartmental Evaluation of YES</li> </ul> <p>1997: Summer Career Placements Summative Evaluation</p>
→ Evaluations scheduled	<p>2001-2002:</p> <ul style="list-style-type: none"> <li>- YES Interdepartmental Evaluation Phase II and III (Consolidates YES with other federal youth programs)</li> <li>- Youth Internship Program Evaluation Phase II and III</li> </ul>

\* Include Youth-at-Risk funding and three work experience components, namely Youth Internship Canada, Youth Service Canada and Student Summer Job Action.

**FACT SHEET # 3: NATIONAL LITERACY SECRETARIAT  
(2001-2002 PLANNED SPENDING: \$28.2M)**

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Objectives	<p>Provides financial (and technical) assistance for activities which meet at least one of the following objectives:</p> <ul style="list-style-type: none"><li>a) Enable increased understanding of literacy issues through promotion and public awareness;</li><li>b) Foster coordination and information sharing among literacy-related organizations;</li><li>c) Enhance outreach measures and access activities for community and workplace literacy programming;</li><li>d) Support the development and exchange of learning materials methods and programs;</li><li>e) Stimulate applied research and development initiatives which address the needs of literacy practice and practitioners;</li><li>f) Encourage innovative developments and solutions in literacy programming through community, labour or private sector demonstration projects;</li><li>g) Develop the capacity of major organizations and institutions involved in literacy to represent and advocate for literacy.</li></ul>
Expected Results and Outcomes	<ul style="list-style-type: none"><li>- Partner strengthening and support</li><li>- Production of relevant and effective learning materials</li><li>- Improved public awareness</li><li>- Production of relevant, high quality research</li><li>- Strengthened coordination and information sharing</li><li>- Improved access to literacy services for Canadians in need</li></ul>
Milestones for Achievements:	
→ Renewal Date	March 31, 2005
→ Evaluation performed	1995: Formative Evaluation
→ Evaluation scheduled	2002-2003: Evaluation of National Literacy Secretariat programs

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**FACT SHEET # 4: SOCIAL DEVELOPMENT PARTNERSHIPS PROGRAM  
(2001-2002 PLANNED SPENDING: \$16.0M)**

Objectives	<p>A research and development program that supports activities of the social non-profit sector in line with HRDC's mandate. These activities identify, develop, and promote nationally significant best practices and models of service delivery and build community capacity to meet the social development needs and aspirations of populations who are or may be at risk.</p> <p>These objectives will be achieved through a review and accountability framework, in partnership with the voluntary sector.</p>
Expected Results and Outcomes	<p>Qualitative results in the following areas:</p> <ul style="list-style-type: none"> <li>➤ Increased research from a national perspective on key issues, models and practices in social development;</li> <li>➤ Increased capacity in the voluntary sector;</li> <li>➤ Increased opportunity for Canadians to become involved in their communities through voluntary organizations; and</li> <li>➤ Increased community support and reduced barriers for Canadians with intellectual and/or physical disabilities.</li> </ul>
Milestones for Achievements:	
→ Renewal Date	March 31, 2003
→ Evaluation performed	None to date
→ Evaluation scheduled	2001: Formative Evaluation

**FACT SHEET # 5: ABORIGINAL HUMAN RESOURCES DEVELOPMENT  
STRATEGY  
(2001-2002 PLANNED SPENDING: \$235M)**

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Objectives	To support Aboriginal organizations to develop and implement labour market, youth and child care programs that are designed to address the local and regional needs of Aboriginal people. This programming will: a) Assist Aboriginal individuals to prepare for, obtain and maintain employment, thereby resulting in savings to income support programs; b) Assist Aboriginal youth (a person normally from 15 to 30 years of age) in preparing for, obtaining and maintaining employment and in making a successful transition into the labour market, thereby resulting in increased employment; and c) Increase the supply of quality child care services in First Nations and Inuit communities, thereby raising the availability of distinct and diverse services in these communities to a level comparable to that of the general population.
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Expected Results and Outcomes*	Assist 30,000 Aboriginal clients, of whom 7,000 are expected to find and keep work or become self-employed.
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Milestones for Achievements:

→ Renewal Date	March 31, 2004
→ Evaluation performed	None to date
→ Evaluations scheduled	- Evaluation Framework Planning scheduled for April 2001 - Evaluation to include primarily summative elements with minor formative explorations - Report on the effectiveness of the entire strategy by September 30, 2002.

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

**FACT SHEET # 6: CANADA JOBS FUND (CJF)**  
**(2001-2002 PLANNED SPENDING: \$31.5M) (SEE NOTE)**

Objectives	<p>To create long term sustainable jobs for individuals in high unemployment areas and to strengthen the capacity of communities to become self-reliant.</p> <p>The objective will be achieved by working in collaboration with partners such as the provinces/territories, regional economic development agencies, other federal government departments, community partners and the private sector in a manner that respects local and regional priorities.</p>
Expected Results and Outcomes	<p>On June 22, 2000, the Minister announced that CJF was being closed down, with associated funding redirected to the federal government's regional economic development agencies.</p> <p>In 2001-2002, no project proposals will be approved, however, active agreements carried-over from the previous year will continue to be monitored and all existing financial commitments will be met. All CJF agreements will end by March 31, 2002.</p>
Milestones for Achievements:	
→ Renewal Date	Program to end on March 31, 2002
→ Evaluation performed	None
→ Evaluation scheduled	None

Note: Net of Funds to be redirected to the regional economic development agencies. In addition, this amount does not include \$10M in operating resources required for the wind down of CJF.

**FACT SHEET # 7: CANADIAN-PROVINCIAL-TERRITORIAL  
EMPLOYABILITY ASSISTANCE FOR PEOPLE WITH  
DISABILITIES (EAPD)  
(2001-2002 PLANNED SPENDING: \$192M)**

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Objective	To provide funding to provinces and territories for a range of measures to enhance the economic participation of working age adults with disabilities in the labour market by helping them prepare for, attain, and retain employment.
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Expected Results and Outcomes	The key outcome commitment is to help people with disabilities prepare for, attain and retain employment. EAPD emphasizes accountability and the federal/provincial governments jointly developed the results indicators. Data on outcomes will be available in Spring 2001 with the first provincial EAPD annual reports; the first EAPD National Annual report is to be published in Fall 2001.
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Milestones for Achievements:

- |                         |  |
|-------------------------|--|
| → Renewal Date          | April 1 <sup>st</sup> , 2003   |
| → Evaluations performed | 1999-2000: Evaluability Assessment<br>2000-2001: Initial work on Longitudinal Study, Promising Practices, and bilateral evaluation activities  |
| → Evaluations scheduled | 2001-2002: Longitudinal Survey, Promising Practices, and bilateral evaluation activities<br>2002-2003: Longitudinal Survey, Promising Practices, and bilateral evaluation activities |
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**FACT SHEET # 8: HOMELESSNESS (SUPPORTING COMMUNITIES PARTNERSHIP INITIATIVE, YOUTH: HOMELESSNESS, URBAN ABORIGINAL STRATEGY: HOMELESSNESS) (2001-2002 PLANNED SPENDING: \$165M)**

Objectives	<ol style="list-style-type: none"> <li>1. To ensure that no individuals are involuntarily on the street by ensuring that sufficient shelters and adequate support systems are available.</li> <li>2. To reduce significantly the number of individuals requiring emergency shelters and transition and supportive housing (through, for example, health services, low cost housing, discharge planning, early intervention, prevention initiatives).</li> <li>3. To help individuals move from homelessness through to self-sufficiency, where possible.</li> <li>4. To help communities strengthen their capacity to address the needs of their homeless population.</li> <li>5. To improve the social, health and economic well-being of people who are homeless.</li> </ol>
Expected Results and Outcomes	<p><b>RESULTS</b></p> <ul style="list-style-type: none"> <li>➤ Strengthened capacity within communities to address their homeless problem.</li> <li>➤ Enhanced levels of service in areas of greatest need within communities.</li> <li>➤ New or enhanced partnerships within communities, between communities and government and between federal government departments.</li> <li>➤ Increased knowledge of the homeless problem, innovative solutions and effective strategies.</li> </ul> <p><b>OUTCOMES</b></p> <ul style="list-style-type: none"> <li>➤ Community consensus on priority areas for action on homelessness.</li> <li>➤ New or enhanced initiatives targeted to the homeless population.</li> <li>➤ Better coordination among funding partners and community groups.</li> <li>➤ Federal/Provincial/Territorial consultation process.</li> <li>➤ Mechanisms to collect quantitative and qualitative information on the homeless population.</li> </ul>
Milestones for Achievements:	<ul style="list-style-type: none"> <li>→ Renewal Date                      Program to end on March 31, 2003</li> <li>→ Audits Performed                November 2000 – March 2001: Audit to assess the effectiveness of the program management structure, management processes and associated management controls.</li> <li>→ Audits Scheduled                July – October 2001: Audit to assess all systems of delivery, control and payment related to the contribution program and all operations and processes related to it.</li> <li>→ Evaluation performed            None</li> <li>→ Evaluations scheduled        2001-2002 and 2002-2003: Formative evaluation, case studies and community studies.</li> </ul>



**FACT SHEET # 9: OLDER WORKERS PILOT PROJECTS  
(2001-2002 PLANNED SPENDING: \$13.1M)**

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Objectives	To support innovative pilot projects designed to re-integrate displaced older workers into sustainable employment, or maintain in employment older workers threatened with displacement.  This objective supports HRDC's human resources investment priorities aimed at helping clientele with particular labour market needs and issues, broadening partnerships to enhance and integrate programming and focusing on prevention.
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Expected Results and Outcomes	These projects will provide both levels of government with a better understanding of what works for this particular client group and how HRDC might wish to proceed cooperatively in advancing eventual policies and programs for older workers.
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Milestones for Achievements:

- |                        |  |
|------------------------|--|
| → Renewal Date         | Program to end on March 31, 2003   |
| → Evaluation performed | Older Workers Pilot Projects are in the early stages of development. No evaluation has been carried out yet. |
| → Evaluation scheduled | Evaluations will be carried out at the end of each agreement.  |
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# Consolidated Report on Canada Student Loans

## Change in Program Delivery

On August 1, 2000, the Government of Canada introduced direct government-financed student loans. This has meant significant changes to the administration and financing of federal student assistance. To help explain these changes and their impacts on the Canada Student Loans Program (CSLP), Human Resources Development Canada has prepared the following information and financial figures.

CSLP assists students in need by providing them with access to funds to meet the costs of post-secondary education they may not otherwise have. This assistance is primarily in the form of loans. It also includes fully subsidized interest on the loans while students are in full-time studies, targeted grants and repayment assistance measures. CSLP is not intended to meet all the costs of education but rather to supplement funds available to students from their own earnings, their families, and other student awards. From the inception of the program in 1964 to March 31, 1999, 3.8 million full-time students negotiated \$16.7 billion in loans.

The CSLP derives its authority from *Canada Student Loans Act* and the *Canada Student Financial Assistance Act*. Payments made under the authority of these two Acts, in any fiscal year, depend on a variety of factors, including the number of students seeking assistance, their assessed financial need and interest rates. These factors, in turn, are influenced by such factors as: university, college and private training institution enrolment; tuition fee levels; the cost of living; and the general economic climate.

From 1964, when the program began, until July 31, 1995, the government fully guaranteed loans issued to students by private lenders. The government reimbursed the private lenders for any loans that went into default; lenders claimed any amount not repaid in full, and attempted to recover these amounts.

On August 1, 1995, the government replaced the guaranteed loan program with a risk-shared loan program. It entered into five-year agreements with nine private lenders paying them a risk premium of 5% of the value of loans they issued to students from August 1, 1995 to July 31, 2000. In return, the lenders assumed all risks associated with non-repayment of these loans. On March 9, 2000, the private lenders announced they would not renew contracts to provide risk-shared loans. As a result, the government introduced the directly financed loan regime (Direct Loans) to be administered by third party service providers.

Under the guaranteed and risk-shared loan programs, private lenders financed the loans from their own funds and the government paid the interest on the loans while the student was in full-time studies. All expenses associated with the above two programs were charged to the CSLP account in the year they occurred. This will continue until these loans are repaid or otherwise retired. Under the Direct Loan program, the government finances loans from its own resources and the loans will continue to be interest free to the student while they are in full-time studies. However, unlike the guaranteed and

risk-shared loans, not all expenses associated with the Direct Loans will be charged to the CSLP account. Due to the creation of a loan debt directly to the Crown and government financing and accounting practices, the nature of revenues and expenses has changed as well as the method by which they are charged to the accounts of Canada.

These consolidated financial figures are provided to clarify the changes associated with the introduction of Direct Loans and the new accounting treatment of revenues and expenses. Figure 1 groups all revenues and expenditures for the three types of loan regimes (guaranteed, risk-shared, direct loans) together. Figure 2 and 3 present the same information as the first but separates between a) guaranteed and risk-shared and b) direct loan programs. The following notes provide further explanation of key items and the impacts of changes to the program.

### Reporting Entity

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

### Basis of Accounting

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

### Specific Accounting Policies

#### ➤ Revenues

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

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

↪ Recoveries on Guaranteed Loans – The government reimburses the private lenders for any loans issued prior to August 1, 1995 that go into default (i.e., lenders claim any amount of principal and interest not repaid in full, after which HRDC will attempt to recover these amounts). The amounts in the figures represent the recovery of principal and interest on these defaulted guaranteed loans.

### ➤ **Canada Study Grants**

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

### ➤ **Interest Borrowing Expense**

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

### ➤ **Collection Costs**

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

### ➤ **Interim Arrangements**

In order to ensure uninterrupted delivery of federal student financial assistance during 2000-2001, interim arrangements were put in place until the Direct Loans program could be fully implemented. Interim contracts were entered into with the former risk-shared loan lenders to disburse full-time Direct Loans on the government's behalf. The contract ended February 28, 2001 at which time the government reimbursed the lenders for the total loan principal that those lenders had advanced. These contracts called for remuneration in the form of transaction fees and the interest on funds advanced on behalf of the government. Another contract was entered into with Canada Post for the delivery of part-time Direct Loans. The Interest Cost to Financial Institutions (Interim) and Transition fees to Financial Institutions (Interim) items identify the cost of these interim arrangements.

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

### ➤ **Service Bureau Costs**

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

### ➤ **Risk Premium**

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

### ➤ **Put-back**

Put-back represents another aspect of remuneration that was offered to lending institutions in the Risk-Shared program. Under this provision, the government agreed to purchase 3% of the average monthly balance of the lender(s) outstanding risk-shared student loans in repayment that were in default of payment for at least twelve months. The amount paid was set at 5% of the value of the loans in question.

### ➤ **Administrative Fees to Provinces and Territories**

Pursuant to the *Canada Student Financial Assistance Act* (CSFA Act), the government has entered into arrangements with participating provinces and Yukon to facilitate the administration of the CSLP. The provinces and Yukon administer the application and assessment activities associated with federal student assistance and in return they are paid a fee. Fees to provinces are calculated on the basis of a basic operating cost and a per-student component. In addition, funds are available to fund joint federal-provincial initiatives.

➤ **In-Study Interest Subsidy**

A central feature of federal student assistance is that student borrowers are not required to pay the interest on their student loans as long as they are in study.

Under the guaranteed and risk-shared programs the government paid the interest to the lending institutions on behalf of the student. Under Direct Loans the government forgoes any interest on the loans while the student remains in studies. Because of this change in practice no interest subsidy item for Direct Loans appears in the financial figures. The following table presents the continuing benefit of this subsidy to student borrowers.

**IN STUDY INTEREST SUBSIDY BY FISCAL YEARS**

Loan Type (millions of dollars)	Actual		Forecast	Planned Spending		
	1998-1999	1999-2000		2000-2001	2001-2002	2002-2003
Guarantee & Risk-Shared Interim Arrangement	210.2	204.0	164.2 61.8	84.8	30.3	3.6
Direct Loans				127.4	182.5	228.6
<b>Total</b>	210.2	204.0	226.0	212.2	212.8	232.2

➤ **Interest Relief**

Assistance may be provided to cover loan interest for borrowers who have difficulty repaying their loans. This program is available for a maximum lifetime benefit of up to 30 months on full-time loans. The shift from Guaranteed and Risk Shared Loans to Direct Loans did not alter interest relief for loans in distress from the borrower's perspective, however, the method of recording associated costs changed. For loans issued prior to August 1, 2000, CSLP compensates lending institutions for lost interest equal to the amount of loans under interest relief. For loans issued after August 1, 2000, the loans of borrowers receiving interest relief will not accrue interest. This is similar to the In-Study Interest Subsidy. The following table presents the continuing benefit of interest relief to student borrowers.

**IN STUDY INTEREST RELIEF BY FISCAL YEARS**

Loan Type (millions of dollars)	Actual		Forecast	Planned Spending		
	1998-1999	1999-2000		2000-2001	2001-2002	2002-2003
Guarantee & Risk-Shared	58.5	82.6	94.9	88.3	66.9	42.6
Direct Loans			0.0	3.0	9.6	16.5
<b>Total</b>	58.5	82.6	94.9	91.3	76.5	59.1

➤ **Debt Reduction in Repayment**

In the 1998 federal budget, Debt Reduction in Repayment (DRR) was introduced to assist borrowers in severe financial hardship. DRR is a federal repayment assistance program through which the Government of Canada reduces a qualifying student's outstanding Canada Student Loans principal to an affordable amount after all other interest relief measures are exhausted. For loans issued prior to August 1, 2000, CSLP pays the lending institutions the amount of student debt principal reduced by the Government of Canada under DRR. For loans issued after August 1, 2000, the Government of Canada forgives a portion of the loan principal. Because a student borrower cannot be eligible for DRR until they have exhausted Interest Relief (5 years), an expense line associated with Direct Loans for DRR does not appear in the attached financial figures.

➤ **Claims Paid**

From the beginning of the program in 1964 up to July 31, 1995, the government fully guaranteed loans issued to students by private lenders. The government reimburses private lenders for any of these loans that go into default (i.e., lenders claim any amount of principal and interest not repaid in full, after which HRDC will attempt to recover these amounts). This item represents the costs associated with this loan guarantee. Claims Paid also includes loans forgiven. The government pays the lending institution the full amount of the unpaid principal plus accrued interest in the event of the death of the borrower or if the borrower becomes permanently disabled and cannot repay the loan without undue hardship.

➤ **Bad Debt Expense**

Under Direct Loans, the government now owns the loans issued to students and must record them as assets. As a result, Generally Accepted Accounting Principles (GAAP) 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 down the road. The expense item is calculated as a percentage of the value of loans issued in a year based on historical information. The provision pertains only to the Direct Loans portfolio. This expense item is incorporated into the Department of Finance's general financing operations. The amount presented here is the cost attributed to the CSLP.

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

Payments to non-participating provinces are transfers to provinces and territories that choose not to participate in the CSLP. In return, these provinces and territories are entitled to alternative payments to assist in paying the cost of operating a similar program. Payments are calculated in accordance with the formula set out in section 14 of the *Canada Student Financial Assistance Act* based on net program cost for the preceding loan year.

## Commitments

As at March 31, 2001 the Department had the following commitments for Interim Arrangements with Lending Institutions contracts: \$85.9 million for the year 2000 and for Service Provider contracts: \$210.0 million for the year 2001.

## Measurement Uncertainty

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

## Reporting

The Canada Student Loans Program plans to provide regular information on CSLP expenditures and costs. Among the avenues to be used are three major publications: the Report on Plans and Priorities (RPP), the Departmental Performance Report (DPR), and CSLP Annual Report. The RPP is issued in the spring of each year that provides forecasts for the upcoming and future fiscal years, the DPR is issued in the fall of each year and provides expenditure information for past years including the most recent completed fiscal year.



FIGURE 1: CONSOLIDATED CANADA STUDENT LOANS PROGRAM – COMBINED PROGRAMS

(millions of dollars)	Actual		Forecast	Planned Spending		
	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004
<b>Revenues</b>						
Interest earned on Direct Loans	0.0	0.0	0.1	28.4	69.5	118.1
Recoveries on Guaranteed Loans	188.8	154.5	130.0	120.0	115.0	110.0
<b>Total Revenue</b>	<b>188.8</b>	<b>154.5</b>	<b>130.1</b>	<b>148.4</b>	<b>184.5</b>	<b>228.1</b>
<b>Expenses</b>						
<i>Transfer Payments</i>						
Canada Study Grants	108.8	103.0	120.1	120.1	120.1	120.1
<b>Total Transfer Payments</b>	<b>108.8</b>	<b>103.0</b>	<b>120.1</b>	<b>120.1</b>	<b>120.1</b>	<b>120.1</b>
<i>Loan Administration</i>						
Interest Borrowing Expenses (Class A & B)	0.0	0.0	0.1	149.2	253.1	362.2
Collection Costs	24.9	19.3	14.9	15.4	18.8	24.2
<i>Interim Arrangements</i>						
Interest Costs to Financial Institutions	0.0	0.0	61.8	0.0	0.0	0.0
Transaction Fees to Financial Institutions	0.0	0.0	24.1	0.0	0.0	0.0
Service Bureau Costs	0.0	0.0	2.9	36.1	47.1	56.3
Risk Premium	75.5	81.8	84.5	57.6	38.9	19.1
Put-Back	0.5	1.6	2.1	3.5	3.5	3.5
Administration Fees to Provinces and Territories	9.5	9.1	14.5	14.9	16.9	18.6
<b>Total Loan Administration Expenses</b>	<b>110.4</b>	<b>111.7</b>	<b>204.9</b>	<b>276.7</b>	<b>378.2</b>	<b>483.9</b>
<i>Cost of Government Support</i>						
<i>Benefits Provided to Students</i>						
In-Study Interest Subsidy	210.2	204.0	164.2	84.8	30.3	3.6
Interest Relief	58.5	82.6	94.9	91.3	76.5	59.1
Debt Reduction in Repayment	0.0	0.6	44.0	44.0	44.0	44.0
Claim Payments	160.5	80.0	80.0	50.0	27.5	15.1
Bad Debt Expense	0.0	0.0	185.4	200.6	212.7	259.7
<b>Total Cost of Government Support Expenses</b>	<b>429.3</b>	<b>367.2</b>	<b>568.5</b>	<b>470.7</b>	<b>390.9</b>	<b>381.5</b>
<b>Total Expenses</b>	<b>648.5</b>	<b>581.9</b>	<b>893.4</b>	<b>867.5</b>	<b>889.3</b>	<b>985.5</b>
<b>Net Statutory Operating Results</b>	<b>459.7</b>	<b>427.4</b>	<b>763.3</b>	<b>719.1</b>	<b>704.8</b>	<b>757.4</b>
Payment to Non-Participating Provinces	160.9	126.1	138.3	195.6	191.9	199.1
<b>Final Statutory Operating Results</b>	<b>620.5</b>	<b>553.4</b>	<b>901.6</b>	<b>914.7</b>	<b>896.7</b>	<b>956.5</b>

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

(millions of dollars)	Actual		Forecast	Planned Spending		
	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004
<b>Revenues</b>						
Recoveries on Guaranteed Loans	188.8	154.5	130.0	120.0	115.0	110.0
<b>Total Revenue</b>	<b>188.8</b>	<b>154.5</b>	<b>130.0</b>	<b>120.0</b>	<b>115.0</b>	<b>110.0</b>
<b>Expenses</b>						
<i>Transfer Payments</i>						
Canada Study Grants	108.8	103.0	0.0	0.0	0.0	0.0
<b>Total Transfer Payments</b>	<b>108.8</b>	<b>103.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<i>Loan Administration</i>						
Collection Costs	24.9	19.3	14.9	13.4	12.6	11.7
Risk Premium	75.5	81.8	84.5	57.6	38.9	19.1
Put-Back	0.5	1.6	2.1	3.5	3.5	3.5
Administration Fees to Provinces and Territories	9.5	9.1	14.5	0.0	0.0	0.0
<b>Total Loan Administration Expenses</b>	<b>110.4</b>	<b>111.7</b>	<b>116.0</b>	<b>74.5</b>	<b>55.0</b>	<b>34.3</b>
<i>Cost of Government Support</i>						
<i>Benefits Provided to Students</i>						
In-Study Interest Subsidy	210.2	204.0	164.2	84.8	30.3	3.6
Interest Relief	58.5	82.6	94.9	88.3	66.9	42.6
Debt Reduction in Repayment	0.0	0.6	44.0	44.0	44.0	44.0
Claim Payments	160.5	80.0	80.0	50.0	27.5	15.1
<b>Total Cost of Government Support Expenses</b>	<b>429.3</b>	<b>367.2</b>	<b>383.1</b>	<b>267.1</b>	<b>168.7</b>	<b>105.3</b>
<b>Total Expenses</b>	<b>648.5</b>	<b>581.9</b>	<b>499.1</b>	<b>341.6</b>	<b>223.7</b>	<b>139.6</b>
<b>Net Statutory Operating Results</b>	<b>459.7</b>	<b>427.4</b>	<b>369.1</b>	<b>221.6</b>	<b>108.7</b>	<b>29.6</b>
Payment to Non-Participating Provinces	160.9	126.1	138.3	110.7	76.8	49.8
<b>Final Statutory Operating Results</b>	<b>620.5</b>	<b>553.4</b>	<b>507.4</b>	<b>332.3</b>	<b>185.5</b>	<b>79.4</b>

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

(millions of dollars)	Actual		Forecast	Planned Spending		
	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004
<b>Revenues</b>						
Interest earned on loans	0.0	0.0	0.1	28.4	69.5	118.1
<b>Total Revenue</b>	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>	<b>28.4</b>	<b>69.5</b>	<b>118.1</b>
<b>Expenses</b>						
<i>Transfer Payments</i>						
Canada Study Grants	0.0	0.0	120.1	120.1	120.1	120.1
<b>Total Transfer Payments</b>	<b>0.0</b>	<b>0.0</b>	<b>120.1</b>	<b>120.1</b>	<b>120.1</b>	<b>120.1</b>
<i>Loan Administration</i>						
Interest Borrowing Expenses (Class A & B)	0.0	0.0	0.1	149.2	253.1	362.2
Collection Costs	0.0	0.0	0.0	2.0	6.2	12.5
<i>Interim Arrangements</i>						
Interest Costs to Financial Institutions	0.0	0.0	61.8	0.0	0.0	0.0
Transaction Fees to Financial Institutions	0.0	0.0	24.1	0.0	0.0	0.0
Service Bureau Costs	0.0	0.0	2.9	36.1	47.1	56.3
Administration Fees to Provinces and Territories	0.0	0.0	0.0	14.9	16.9	18.6
<b>Total Loan Administration Expenses</b>	<b>0.0</b>	<b>0.0</b>	<b>88.9</b>	<b>202.2</b>	<b>323.2</b>	<b>449.6</b>
<i>Cost of Government Support</i>						
<i>Benefits Provided to Students</i>						
Interest Relief	0.0	0.0	0.0	3.0	9.6	16.5
Bad Debt Expense	0.0	0.0	185.4	200.6	212.7	259.7
<b>Total Cost of Government Support Expenses</b>	<b>0.0</b>	<b>0.0</b>	<b>185.4</b>	<b>203.6</b>	<b>222.2</b>	<b>276.2</b>
<b>Total Expenses</b>	<b>0.0</b>	<b>0.0</b>	<b>394.3</b>	<b>525.9</b>	<b>665.6</b>	<b>845.9</b>
<b>Net Statutory Operating Results</b>	<b>0.0</b>	<b>0.0</b>	<b>394.2</b>	<b>497.5</b>	<b>596.1</b>	<b>727.8</b>
Payment to Non-Participating Provinces	0.0	0.0	0.0	84.9	115.1	149.3
<b>Final Statutory Operating Results</b>	<b>0.0</b>	<b>0.0</b>	<b>394.2</b>	<b>582.4</b>	<b>711.2</b>	<b>877.1</b>

## Regulatory Initiatives

### INCOME SECURITY

Legislation and Regulations	Expected Impact
<p><i>Old Age Security (OAS) Regulations.</i> Amendment required in order to ensure that low-income pensioners benefit from the “option provision”. The “option provision” is intended to buffer low-income pensioners from the financial impact of decreased revenues due to ceasing of employment, self-employment or ceasing of a business or when their pension income is reduced.</p>	<ul style="list-style-type: none"> <li>• The <i>OAS Regulations</i> do not allow pensioners receiving payments from specific government assistance programs, such as Fisheries Restructuring and Adjustment Measures, Plant Workers’ Adjustments Program and other similar programs, to benefit from the “option provision” when they turn 65 years of age. The <i>OAS Regulations</i> will be amended to include government assistance programs under the definition of “pension income”. Through this regulatory change, low-income pensioners may be entitled to the Guaranteed Income Supplement (GIS) and experience less financial hardship. The GIS is an income-tested benefit payable to seniors who have little or no income.</li> </ul>
<p><i>Canada Pension Plan (CPP) Regulations and Old Age Security (OAS) Regulations.</i> Amendments required in light of proposals made by the Standing Joint Committee for the Scrutiny of Regulations. These amendments are non-substantive and are related strictly to wording changes.</p>	<ul style="list-style-type: none"> <li>• These technical amendments are required to respond to the Committee’s concerns.</li> </ul>

### EMPLOYMENT INSURANCE INCOME BENEFITS

Legislation and Regulations	Expected Impact
<p>Regulations for charging of interest</p>	<ul style="list-style-type: none"> <li>• In 1997 the EI Commission approved the draft Regulations and Program design developed to introduce the charging of interest on EI debt.</li> <li>• The charging of interest is linked to Departmental Accounts Receivable System (DARS).</li> <li>• In order to implement DARS, some amendments to the previously agreed draft Regulations for charging of interest are required.</li> </ul>
<p>Minor amendments to the <i>Employment Insurance (EI) Regulations</i></p>	<ul style="list-style-type: none"> <li>• HRDC will make minor changes to the <i>EI Regulations</i>.</li> <li>• This will involve only non-controversial changes that would clarify current regulations or create a greater consistency between the English and French texts.</li> </ul>
<p>Modernization: Amendment to the Regulations</p>	<ul style="list-style-type: none"> <li>• The <i>Employment Insurance (EI) Regulations</i> will be amended in order to provide comparable benefits to same-sex common law partners as are presently accessible by opposite-sex common law partners.</li> <li>• Same-sex couples will be paid EI benefits for adoption and will be allowed to share them as are opposite-sex couples now.</li> <li>• Limited benefits outside Canada will be provided to accompany a member of a claimant’s immediate family for medical treatment outside Canada.</li> </ul>

**HUMAN RESOURCES INVESTMENT – NATIONALLY DELIVERED PROGRAMS**

Legislation and Regulations	Expected Impact
<p>Restrictions on Financial Assistance: A commitment was made by the Canada Student Loans Program to examine subsection 15(1) of the <i>Canada Student Financial Assistance Regulations</i> and explore the possibility of amendment.</p> <p>While the <i>Canada Student Financial Assistance Regulations</i> do not define default, per se, section 15 provides for situations where a borrower or applicant may be denied further financial assistance. Once the Minister is informed that a circumstance listed under section 15 has occurred, the Minister is obligated to terminate or deny additional financial assistance. Financial assistance in this context includes new loans and repayment assistance such as Interest Relief or Debt Reduction in Repayment.</p>	<ul style="list-style-type: none"> <li>• The Canada Student Loans Program will be examining the conditions upon which individuals would be able to qualify for debt management measures.</li> </ul>
<p>Credit Screening: Canada Student Loans Program wishes to amend the <i>Canada Student Financial Assistance Regulations</i> to make credit screening mandatory before issuance of a certificate of eligibility.</p>	<ul style="list-style-type: none"> <li>• This change will give Canada Student Loans Program and provincial authorities the ability to co-ordinate policy in pursuit of mandatory credit screening regulations.</li> </ul>
<p>Modernizing Benefits: Amendments to the <i>Canada Student Loans Regulations</i> and <i>Canada Student Financial Assistance Regulations</i> provide for equal treatment of common-law, same-sex partners.</p>	<ul style="list-style-type: none"> <li>• Modernizing Benefits will result in the equal treatment of opposite sex and same-sex common law partners under the Canada Student Loans Program.</li> </ul>
<p>Debt Reduction in Repayment: Amendments to the <i>Canada Student Financial Assistance Regulations</i> and <i>Canada Student Loans Regulations</i> to improve the Debt Reduction in Repayment measure to make it more effective.</p>	<ul style="list-style-type: none"> <li>• Improvement to the Debt Reduction in Repayment measure will increase its availability to student loan borrowers facing financial hardship and remove the 50% cap on assistance.</li> </ul>
<p>Six and Four Month Rule for Full-time Student Loans: It is necessary to amend the <i>Canada Student Financial Assistance Regulations</i> to eliminate the four month grace period allowed as an additional window of time for students to provide their confirmation of enrolment after they have recommenced studies.</p>	<ul style="list-style-type: none"> <li>• The proposed regulatory amendment will provide, as in the pre-1995 regulations, for only a six-month interest free period upon completion of studies. Students will be required to provide their confirmation of enrolment within the six-month period or their loan will be consolidated. Specifically, paragraphs 6(1)(e) and 7(1)(e) of the <i>Canada Student Financial Assistance Regulations</i> must be revised. This change will bring the Canada Student Loans Program in line with provincial loan programs in this respect.</li> </ul>

**LABOUR**

Legislation and Regulations	Expected Impact
<i>Canada Labour Code: Repeal of the Country Elevator Agents and Managers Hours of Work Regulations, 1979</i>	<ul style="list-style-type: none"> <li>The repeal of the regulations will allow the application of the general hours of work provisions under Part III of the <i>Canada Labour Code</i> to country elevator agents and managers who work throughout the four Canadian western provinces.</li> </ul>
<i>Canada Labour Code: Modernization: Amendments to the Canada Labour Standards Regulations. In order to ensure equal treatment under the law for common-law opposite-sex and common-law same-sex partners, the regulations will be amended in order to provide comparable benefits to same-sex common-law partners as are presently accessible by opposite-sex common-law partners.</i>	<ul style="list-style-type: none"> <li>Same-sex common-law partners will be entitled to three days bereavement leave following the death of a member of their immediate family in the same manner as opposite-sex common-law partners.</li> </ul>
<i>Coal Mines (Cape Breton Development Corporation) Occupational Safety and Health Regulations</i>	<ul style="list-style-type: none"> <li>These Regulations are currently being prepared for publication in the <i>Canada Gazette</i> Part I. They are expected to lessen the potential of hazards associated with a wide range of occupational injuries and illnesses, thus improving the health and safety in the coal mines in Cape Breton.</li> </ul>
<i>Canada Labour Code – Canada Occupational Safety and Health Regulations (Part V) – Boilers and Pressure Vessels.</i> Amendments to these Regulations are in process.	<ul style="list-style-type: none"> <li>This will bring the existing regulation up to date and is part of our ongoing commitment to regularly review and update our regulations.</li> </ul>
<i>Canada Labour Code Part II – Canada Occupational Safety and Health Regulations (Part XII) – Fall Protection - Vehicles.</i> Amendments to these Regulations are in process.	<ul style="list-style-type: none"> <li>This amendment is being developed as a result of several fatal accidents and the necessity to improve workplace safety.</li> </ul>
<i>Canada Labour Code Part II – Canada Occupational Safety and Health Regulations.</i> Violence in the Workplace: Regulations are being developed as a result of the recent amendments to Part II.	<ul style="list-style-type: none"> <li>The working group is still meeting and working towards developing the Regulation.</li> </ul>
<i>Canada Labour Code Part II – Canada Occupational Safety and Health Regulations.</i> Prevention Program Regulations are being developed as a result of the recent amendments to Part II.	<ul style="list-style-type: none"> <li>The working group is still meeting and working towards developing the Regulation.</li> </ul>

<b>Legislation and Regulations</b>	<b>Expected Impact</b>
<p><i>Canada Labour Code Part II – Aviation Occupational Safety and Health Regulations.</i></p> <p>Working in concert with a Transport Canada sponsored working group to amend the existing regulations.</p>	<ul style="list-style-type: none"> <li>• This will bring the existing regulation up to date and is part of our ongoing commitment to regularly review and update our regulations.</li> </ul>
<p><i>Canada Labour Code Part II – On board Trains Occupational Safety and Health Regulations.</i></p> <p>Working in concert with a Transport Canada sponsored working group to amend the existing regulations.</p>	<ul style="list-style-type: none"> <li>• This will bring the existing regulation up to date and is part of our ongoing commitment to regularly review and update our regulations.</li> </ul>
<p><i>Canada Labour Code Part II – Marine Occupational Safety and Health Regulations.</i></p> <p>Working in concert with a Transport Canada sponsored working group to amend the existing regulations.</p>	<ul style="list-style-type: none"> <li>• This will bring the existing regulation up to date and is part of our ongoing commitment to regularly review and update our regulations.</li> </ul>
<p><i>Canada Labour Code Part II – Oil and Gas Occupational Safety and Health Regulations</i></p>	<ul style="list-style-type: none"> <li>• A comprehensive review of this regulation has been undertaken. A draft is being finalized in concert with the National Energy Board.</li> </ul>

## Sustainable Development Strategy

Human Resources Development Canada's (HRDC) second Sustainable Development Strategy (SDS-II) sets objectives and targets to ensure that the department has the tools it needs to move forward on a path to sustainable development; to green its internal operations; to work in partnership with other departments to build a better understanding of Sustainable Development (SD) for social policy; and to build sustainable development into HRDC's "corporate culture". Goals, objectives and targets are set for the SDS-II period (2001-2003).

### Goal 1: Strengthen HRDC's capacity to move forward on a path to sustainable development (SD)

<b>Objective 1.1:</b> To enhance HRDC's Environmental Management System (EMS) and to implement it across HRDC depending on availability of resources	
Target	Description
1.1.1	To complete and operationalize the EMS to the greatest extent possible by September 30, 2003.
1.1.2	To capture the key EMS data required for relevant HRDC sites by March 31, 2003.

### Goal 2: Green HRDC's internal operations

<b>Objective 2.1:</b> To increase the amount of green procurement	
Target	Description
2.1.1	Increase the total amount (measured in dollar value) of green products and services purchased by: <ul style="list-style-type: none"> <li>➤ 5% by March 31, 2002</li> <li>➤ 7% by March 31, 2003</li> </ul>
2.1.2	Increase the total amount (measured in dollar value) of products and services purchased from Aboriginal businesses to: <ul style="list-style-type: none"> <li>➤ 1.75% of all purchases by March 31, 2001</li> </ul> Note: Percentages for 2002 and 2003 to be set by Treasury Board.
2.1.3	Conduct a pilot study to assess the feasibility of tracking number of overnight stays in Green Leaf hotels by March 31, 2002
<b>Objective 2.2:</b> To reduce the amount of waste sent for disposal	
Target	Description
2.2.1	Implement programs for source reduction and materials reuse that can be adopted in all regions. Programs are to reach: <ul style="list-style-type: none"> <li>➤ 25% of personnel by March 31, 2002</li> <li>➤ 50% of personnel by March 31, 2003</li> </ul>



<b>Target</b>	<b>Description</b>
<b>2.2.2</b>	Reduce the amount of waste sent to landfill for disposal by 50% (over 1988 baseline levels*) in: <ul style="list-style-type: none"> <li>➤ NHQ by March 31, 2001</li> <li>➤ All Regions by March 31, 2002</li> </ul> * 1988 Baseline levels are 190kg/occupant.
<b>Objective 2.3:</b> To increase water and energy conservation in HRDC buildings	
<b>Target</b>	<b>Description</b>
<b>2.3.1</b>	Ensure that water and energy conservation awareness is integrated into the general environmental awareness program. The target is to reach: <ul style="list-style-type: none"> <li>➤ 10% of personnel by March 31, 2002</li> <li>➤ 35% of personnel by March 31, 2003</li> </ul>
<b>Objective 2.4:</b> To reduce the environmental impact of our fleet	
<b>Target</b>	<b>Description</b>
<b>2.4.1</b>	Evaluate all HRDC vehicles to determine which ones can be feasibly converted to alternative fuels. <ul style="list-style-type: none"> <li>➤ 25% of current vehicles to be evaluated by March 31, 2002</li> <li>➤ 50% of current vehicles to be evaluated by March 31, 2003</li> </ul>
<b>2.4.2</b>	Develop a program to ensure that fleet vehicle users are maintaining vehicles in an environmentally sound manner by March 31, 2002.
<b>2.4.3</b>	Evaluate new vehicle purchases according to <i>Alternative Fuels Act</i> . <ul style="list-style-type: none"> <li>➤ 75% of new vehicle purchases by March 31, 2001</li> </ul> Note: Percentages for 2002 and 2003 will be set once conformance with the 2001 target has been assessed and/or requirement of the Alternative Fuels Act changes.

**Goal 3: Participate with other departments to gain a better understanding of the social policy dimensions of SD and their policy implications, and to build a knowledge base in various SD-related issues of interest to HRDC**

<b>Objective 3.1:</b> Participate with other federal departments in exploring and developing coordinated approaches to horizontal SD themes of interest to HRDC identified in the SDS-II process	
<b>Target</b>	<b>Description</b>
<b>3.1.1</b>	Social and Cultural Dimensions of Sustainable Development <ul style="list-style-type: none"> <li>➤ Through the Social and Cultural Sustainable Development Working Group (SCSD), further explore various aspects of the social and cultural dimensions of SD and their policy implications over the SDS-II period (2001-2003).</li> <li>➤ Sponsor with other SCSD members a workshop with interested participants to discuss the social and cultural dimensions of SD and the potential research and policy implications for federal departments by December 31, 2002.</li> <li>➤ Participate with SCSD members in specific departmental research projects intended to investigate various aspects of the social and cultural dimensions of SD over the SDS-II period (2001-2003).</li> </ul>

<b>Target</b>	<b>Description</b>
<b>3.1.2</b>	<p>Sustainable Communities</p> <ul style="list-style-type: none"> <li>➤ Participate with interested departments in collaborative activities to promote and support a more co-ordinated federal approach to fostering sustainable communities (SCs) and addressing issues relating to this theme.</li> <li>➤ Explore the potential for closer linkages between HRDC's Community Capacity Building (CCB) activities and tools and various inter-departmental activities relating to SCs.</li> <li>➤ Within HRDC's CCB activities, promote closer linkages between the process of community capacity building and an integrated approach to SD at the community level.</li> </ul>
<b>3.1.3</b>	<p>SD and Healthy Canadians</p> <ul style="list-style-type: none"> <li>➤ Support and contribute to Health Canada's focus on SD and Healthy Canadians, and especially with respect to child-related health and well-being.</li> <li>➤ In collaboration with Health Canada, explore the development of possible activities to promote healthy workplaces in areas of federal jurisdiction.</li> </ul>
<b>3.1.4</b>	<p>Knowledge &amp; Information for SD and the Northern SDS</p> <ul style="list-style-type: none"> <li>➤ Provide social policy perspectives to inter-departmental working group established to guide development of SD indicators and reporting system.</li> <li>➤ Support Indian and Northern Affairs (DIAND) in the development and delivery of SD-related initiatives affecting Canada's Aboriginal Peoples through its departmental and Northern SDS.</li> </ul>
<b>Objective 3.2:</b> To begin building a better understanding of SD-related issues of particular interest to HRDC and their implications for social policy and HRDC's policies and programs	
<b>Target</b>	<b>Description</b>
<b>3.2.1</b>	Explore the labour market and social adjustment issues related to the Kyoto Protocol and other possible interventions over the longer term to ameliorate climate change/global warming and produce research study by March 31, 2002.
<b>3.2.2</b>	<ul style="list-style-type: none"> <li>➤ Investigate the concept of "green employment", its broad implications for social policy, and ways in which its growth could be promoted or enhanced over the longer term and produce research study by October 31, 2002.</li> <li>➤ From a program perspective, review by December 31, 2002 ways in which HRDC's existing programs might foster the development and growth of "green employment" in Canada.</li> </ul>
<b>3.2.3</b>	Assess by November 30, 2002 overall SD-related knowledge/skill needs in the economy over the medium term and how these might be better incorporated into HRDC's sectoral human resources programs and strategies.
<b>3.2.4</b>	Explore ways in which HRDC could better promote and foster the shift to SD in Canada over the longer term.
<b>Objective 3.3:</b> To identify potential policy and/or program initiatives HRDC could incorporate as part of our next SDS (i.e. SDS-III)	
<b>Target</b>	<b>Description</b>
<b>3.3.1</b>	By June 1, 2003 assess potential policy and program initiatives HRDC could incorporate as part of our next SDS (2004-2006) based on a better understanding of federal horizontal SD themes and capacity for integrated decision-making within HRDC.

**Goal 4: Build sustainable development into HRDC’s corporate culture**

<b>Objective 4.1:</b> To enhance greater awareness of SD within HRDC	
<b>Target</b>	<b>Description</b>
<b>4.1.1</b>	Provide all employees* with general awareness material that will ensure an understanding of the EMS and the SDS, increase integration of Sustainable Development into decisions, and instill a sense of environmental responsibility. The target will be to reach: <ul style="list-style-type: none"> <li>➤ 10% of personnel by March 31, 2002</li> <li>➤ 35% of personnel by March 31, 2003</li> </ul> <p>* Specific awareness material will be aimed at senior management, administration, policy/program and general staff.</p>
<b>4.1.2</b>	Provide all employees* with climate change awareness material that will communicate how employees can reduce greenhouse gas emissions. The target will be to reach: <ul style="list-style-type: none"> <li>➤ 10% of personnel by March 31, 2002</li> </ul> <p>* Specific awareness material will be aimed at senior management, administration, policy/program and general staff.</p>
<b>4.1.3</b>	Ensure that there is at least one voluntary green representative at each site. <ul style="list-style-type: none"> <li>➤ 25% of sites to have a green representative by March 31, 2002</li> <li>➤ 50% of sites to have a green representative by March 31, 2003</li> </ul>

More detailed information on HRDC’s Sustainable Development Strategy is available on <http://www.hrdc-drhc.gc.ca/dept/sds/sds.shtml>

## Collective Initiatives

Different governments in Canada are co-operating to achieve results for Canadians. Collective initiatives and related results are undertaken and achieved through public policies that involve more than one jurisdiction, department/agency or partner in working towards shared objectives.

### AGREEMENTS ON EMPLOYABILITY ASSISTANCE FOR PEOPLE WITH DISABILITIES BETWEEN

Canada-British Columbia	Canada-Alberta
Canada-Saskatchewan	Canada-Manitoba
Canada-Ontario	Canada-Quebec
Canada-New Brunswick	Canada-Nova Scotia
Canada-Prince Edward Island	Canada-Newfoundland

### AGREEMENTS ON LABOUR MARKET DEVELOPMENT BETWEEN

Canada-Northwest Territories	Canada-Nunavut
Canada-Yukon	Canada-British Columbia
Canada-Alberta	Canada-Saskatchewan
Canada-Manitoba	Canada-Quebec
Canada-New Brunswick	Canada-Nova Scotia Agreement on a Framework for Strategic Partnerships
Canada-Prince Edward Island	Canada-Newfoundland and Labrador

### OTHERS

National Child Benefit  
 CanLearn Interactive Website Initiative  
 Government of Canada Youth Employment Strategy  
 Interdepartmental Program Policy Forum on Youth  
 Bilateral Protocols on Youth  
 Homelessness  
 Understanding the Early Years  
 Aboriginal Human Resources Development Strategy  
 Temporary Foreign Worker Program  
 Voluntary Sector Initiative  
 International Year of Volunteers 2001  
 Older Workers Pilot Projects

The following tables provide detailed information on major objectives, partners involved and expected achievements for each of the Collective Initiatives. Unless otherwise mentioned resources identified are for 2001-2002. For additional details, please refer to [http://www.tbs-sct.gc.ca/rma/eppi-ibdrp/coll\\_res/coll\\_res\\_e.htm](http://www.tbs-sct.gc.ca/rma/eppi-ibdrp/coll_res/coll_res_e.htm)

## COLLECTIVE INITIATIVES

### AGREEMENTS ON EMPLOYABILITY ASSISTANCE FOR PEOPLE WITH DISABILITIES (EAPD) HRDC: \$192 MILLION IN PROGRAM RESOURCES\* ALL PROVINCES: \$192 MILLION

Major Objectives	Partners	Expected Achievements
<p>To provide funding to provinces for a range of measures which they provide to help working-age adults with disabilities to prepare for, obtain and maintain employment. Both federal and provincial governments agreed on results indicators to measure the short and medium-term results of programs cost-shared under the EAPD initiative.</p> <p>Partners also agreed to conduct evaluation activities to measure longer-term impact.</p>	<p><u>Leader:</u> HRDC</p> <p><u>Other Partners:</u> British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland</p>	<p>The number of results indicators agreed upon varies from one province to another.</p> <p>There are four results indicators that are common to all agreements:</p> <ul style="list-style-type: none"> <li>- Number of people actively participating in programs and services</li> <li>- Number of people successfully completing programs and services</li> <li>- Number of people employed as a result of a program</li> <li>- Number of people sustained in employment in the case of vocational crisis</li> </ul>

\* The Government of Canada contributes 50% of the eligible costs incurred by provinces for programs/services funded under the EAPD up to the amount of the federal allocation identified in the bilateral agreement.

### AGREEMENTS ON LABOUR MARKET DEVELOPMENT HRDC: \$ 1,419 MILLION IN PROGRAM RESOURCES\*

Major Objectives	Partners	Expected Achievements
<p>To help the unemployed in the provinces and territories find and keep employment</p>	<p><u>Leader:</u> HRDC</p> <p><u>Other Partners:</u> Strategic Partnership with Nova Scotia Labour Market Development Agreements with: Newfoundland and Labrador, Prince Edward Island, New Brunswick, Quebec, Manitoba, Saskatchewan, Alberta, British Columbia, Northwest Territories, Nunavut and Yukon</p>	<p>Number of active Employment Insurance (EI) claimants served</p> <p>Number of EI clients who receive assistance will become employed or self-employed</p> <p>Unpaid Benefits to the EI Account</p>

\* Expected achievements by Partner are not available at this time.

**NATIONAL CHILD BENEFIT  
HRDC (ESTIMATED): \$3.4 MILLION**

Major Objectives	Partners	Expected Achievements
To reduce child poverty and increase labour force attachment	<p><u>Leader:</u> HRDC</p> <p><u>Other Partners:</u> Finance Canada, Indian and Northern Affairs Canada, and Canada Customs and Revenue Agency</p>	<p>Help prevent and reduce the depth of child poverty</p> <p>Promote labour market attachment</p> <p>Increase harmonization and reduce overlap and duplication of federal, provincial and territorial programs</p>

**CANLEARN INTERACTIVE WEBSITE INITIATIVE  
HRDC (ESTIMATED): \$2.5 MILLION  
OTHER PARTNERS\***

Major Objectives	Partners	Expected Achievements
<p>To promote informed decision making by individual learners in the selection and financing of learning opportunities.</p> <p>To provide the means for Canadian learning organizations, information providers, and financial support agencies to work together in providing effective and efficient access to information and planning tools for learners.</p>	<p><u>Leader:</u> HRDC</p> <p><u>Other Partners:</u> Provincial and Territorial Governments, and more than 25 learning non-government organizations, and private sector product developers</p>	<p>Reach 1.5 million Canadians annually</p> <p>Increase awareness of financing issues and opportunities</p> <p>Opportunities for collaborative discussion among learning stakeholders</p>

\* The other partners contributed in kind by undertaking development of information and planning tools in-house.

## COLLECTIVE INITIATIVES

### GOVERNMENT OF CANADA YOUTH EMPLOYMENT STRATEGY (YES)

TOTAL FEDERAL ENVELOPE: \$155 MILLION

Major Objectives	Partners	Expected Achievements
<p>To assist youth in preparing for, obtaining and maintaining employment, and in making successful transitions into the labour market, thereby resulting in increased employment.</p> <p>To facilitate a horizontal approach and provide a vehicle to address issues within YES through the coordination of three interdepartmental committees (Operations, Communications, and Evaluation)</p>	<p><u>Leader:</u> HRDC</p> <p><u>YES Partners:</u> Thirteen departments and agencies*</p>	<p>Number of youth who find employment</p> <p>Number of youth who return to school</p> <p>Additional youth at-risk activities to increase their participation in the labour market</p>

\* YES Partners: Canadian Heritage, Parks Canada, Industry Canada, National Research Council Canada, Agriculture and Agri-Food Canada, Canada Food Inspection Agency, Fisheries and Oceans Canada, Environment Canada, Natural Resources Canada, Foreign Affairs and International Trade, Canadian International Development Agency, Indian and Northern Affairs Canada, Canada Mortgage and Housing Corporation.

### INTERDEPARTMENTAL PROGRAM POLICY FORUM ON YOUTH FUNDED INTERNALLY

Major Objectives	Partners	Expected Achievements
<p>To share information, improve horizontal collaboration and set priorities with federal departments and agencies on youth program-related policy matters. Particular focus will be given to issues facing at-risk youth and to the development and implementation of the Government On-Line (GOL) Youth E-Cluster.</p>	<p><u>Leader:</u> HRDC</p> <p><u>YES Partners:</u> Thirteen Departments and Agencies</p> <p><u>Other Partners:</u> (Seven Departments and Agencies): Department of Justice Canada, Solicitor General Canada, RCMP, National Crime Prevention Centre, Citizenship and Immigration Canada, Health Canada, Treasury Board of Canada Secretariat.</p>	<p>Increased interdepartmental collaboration and coordination, at the senior management level, on the development and implementation of policies on YES, youth-at-risk and the GOL Youth E-Cluster</p>

**BILATERAL PROTOCOLS ON YOUTH FUNDED INTERNALLY**

Major Objectives	Partners	Expected Achievements
<p>Develop and implement new partnerships to support the Forum of Labour Market Ministers (FLMM) <i>Four Point Agenda for Action</i> on Youth Employment:</p> <ul style="list-style-type: none"> <li>- Create opportunities for all youth to develop the skills and knowledge needed for work;</li> <li>- Increase work opportunities for youth;</li> <li>- Help youth respond to the changing nature of work.</li> <li>- Address the cultural and social barriers that may prevent youth from working.</li> </ul>	<p><u>Leader:</u> HRDC</p> <p><u>Other Partners:</u> Manitoba, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland</p>	<p>Work opportunities available to youth. Number of youth who are unemployed. Successful entrepreneurial activity by youth. Real earnings of youth. Percentage of secondary and post-secondary graduates in the youth population. Number of youth who indicate their training has been relevant to the jobs they have obtained. Percentage of youth training in trades, technologies and apprenticeable occupations. Access to locally relevant, timely labour market information and career-planning information by youth.</p>

**HOMELESSNESS  
HRDC: \$165 MILLION IN PROGRAM RESOURCES**

Major Objectives	Partners	Expected Achievements
<p>To alleviate homelessness</p>	<p>HRDC, Canada Mortgage and Housing, Public Works and Government Services Canada, provincial &amp; territorial governments, municipalities, voluntary organizations, non-profit organizations, labour organizations, private sector.</p>	<ul style="list-style-type: none"> <li>- To facilitate community capacity development to address the local needs of the homeless by:             <ul style="list-style-type: none"> <li>- Coordinating GOC efforts and resources</li> <li>- Fostering effective partnerships</li> <li>- Enhancing the diversity of tools and resources available</li> </ul> </li> <li>- To provide financial resources to effectively:             <ul style="list-style-type: none"> <li>- Address the immediate and multifaceted needs of the homeless</li> <li>- Reduce homelessness in Canada</li> </ul> </li> <li>- To support communication and research efforts to increase the awareness and understanding of homelessness in Canada</li> </ul>



## COLLECTIVE INITIATIVES

### UNDERSTANDING THE EARLY YEARS FUNDED INTERNALLY

Major Objectives	Partners	Expected Achievements
To increase knowledge about the development of children (0 to 6 years), monitor societal progress in improving child development and well being, and provide research results to support community strategies designed to meet the development needs of young children.	<p><u>Leader:</u> HRDC</p> <p><u>Other Partner:</u> Statistics Canada</p>	<p>Enhanced community capacity to use knowledge/research infrastructure and measurement tools to monitor early childhood development and develop community-based responses</p> <p>Increased national knowledge about the role of communities in improving outcomes for children and the "readiness to learn" of children country-wide to inform policy decisions</p> <p>Networks of expertise and collaboration among researchers and across communities</p>

### ABORIGINAL HUMAN RESOURCES DEVELOPMENT STRATEGY HRDC: \$326 MILLION IN PROGRAM RESOURCES\*

Major Objectives	Partners	Expected Achievements
To expand the employment opportunities of Aboriginal people across Canada	<p><u>Leader:</u> HRDC</p> <p><u>Other Partners:</u> Aboriginal Organizations</p>	<p>Number of clients served (30,000 in 2001-2002, and 2002-2003)</p> <p>Number of clients who find employment or are self-employed (7,000 in 2001-2002, and 8,000 in 2002-2003)</p> <p>Savings to the Employment Insurance Account (\$3.0 million in 2001-2002, and \$3.2 million in 2002- 2003)</p> <p>Savings to Social Assistance (\$3.5 million in 2001-2002, and \$3.8 million in 2002-2003)</p> <p>Number expected to complete interventions (80%)</p>

\* Includes program resources from Consolidated Revenue Fund and Employment Insurance Part II.

### TEMPORARY FOREIGN WORKER PROGRAM FUNDED INTERNALLY

Major Objectives	Partners	Expected Achievements
To further fulfil HRDC's mandate under Employment Insurance – Part II to support employers by redesigning the program based on assessing the Net Economic Benefit of bringing in a temporary foreign worker to the country.	HRDC, Citizenship and Immigration Canada and others	<p>Introduction of Net Economic Benefit (not measured in the past) on labour markets created by the arrival of 50,000 temporary foreign workers</p> <p>Increase of industry's competitiveness in global markets</p> <p>By end of 2001-2002, we will have the ability to measure:</p> <ul style="list-style-type: none"> <li>- direct job creation; and</li> <li>- transfer of skills, as a result of the entry into Canada of foreign workers</li> </ul>

**VOLUNTARY SECTOR INITIATIVE**  
**TOTAL FEDERAL ENVELOPE: \$94.6 MILLION<sup>a</sup>**  
**VOLUNTARY SECTOR ORGANIZATIONS: IN KIND**

Major Objectives	Partners	Expected Achievements
<p>To work with the voluntary sector to improve the quality of life for Canadians</p> <p>To work with specific sector partners so that government can better serve Canadians</p> <p>To support the sector in its own work in serving Canadians</p>	<p>Twenty-three federal departments<sup>b</sup></p>	<p>International Year of Volunteers (see next initiative)</p> <p>National Volunteerism Initiative</p> <p>Research and Information Sharing</p> <p>Policy Internships and Academic Fellowships</p> <p>Recruitment and Skills Development for the Sector</p>

Notes:

- a. Includes total federal departments participation over a five-year period starting in 2000-2001.
- b. Partners in Voluntary Sector Initiative: Agriculture and Agri-Food Canada, Canada Customs and Revenue Agency, Canada Mortgage and Housing Corporation, Canada Economic Development for the Regions of Quebec, Canadian Heritage, Canadian International Development Agency, Citizenship and Immigration Canada, Correctional Services of Canada, Environment Canada, Finance Canada, Fisheries and Oceans Canada, Health Canada, Human Resources Development Canada, Indian and Northern Affairs Canada, Industry Canada, Justice Canada, Natural Resources Canada, Privy Council Office, Solicitor General Canada, Status of Women Canada, Statistics Canada, Treasury Board of Canada Secretariat, Veterans Affairs Canada.

**INTERNATIONAL YEAR OF VOLUNTEERS (IYV) 2001**  
**TOTAL FEDERAL ENVELOPE FOR 2000-2001 AND 2001-2002: \$7.7 MILLIONS**

Major Objectives	Partners	Expected Achievements
<p>The IYV coordinating group approved a national action plan based on five strategic objectives. The plan contains four priority areas for investment in volunteerism for YIV:</p> <ul style="list-style-type: none"> <li>- Promotion/events;</li> <li>- Information;</li> <li>- Broadening engagement;</li> <li>- Improving organizational infrastructure/capacity of the voluntary sector; and</li> <li>- Research and knowledge development on volunteerism</li> </ul>	<p><u>Co-Leaders:</u>                      HRDC and Canadian Heritage</p> <p><u>Other Partners:</u>                      United Way, Community Foundations of Canada and Canadian Centre for Philanthropy.</p>	<p>More awareness and support for volunteerism in Canada</p> <p>Celebration/appreciation for volunteers</p> <p>Better understanding of issues related to volunteerism such as volunteer management</p> <p>Strengthened federal government relationship with the voluntary sector</p>

## COLLECTIVE INITIATIVES

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### OLDER WORKERS PILOT PROJECTS HRDC: \$13.1 MILLION IN PROGRAM RESOURCES

Major Objectives	Partners	Expected Achievements
To test new ways of helping older workers remain employed or reintegrate into the labour force.	<u>Leader:</u> HRDC  <u>Partners (to date):</u> Newfoundland and Labrador, Quebec, Northwest Territories, and Yukon	These projects will provide both levels of government with a better understanding of what works for this particular client group and how HRDC might wish to proceed cooperatively in advancing eventual policies and programs for older workers.

## Employment Insurance Part II – 2001-2002 Expenditure Plan

The following Employment Insurance Expenditure Plan is included in the Part III of the Estimates (*Report on Plans and Priorities*) as required by the *Employment Insurance (EI) Act*.

Part II of the *Employment Insurance (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 (EBSMs).

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:

- ♦ transfer agreements where the provinces and territories assumed responsibility for the design and delivery of active employment programs similar to EBSMs (New Brunswick, Quebec, Manitoba, Saskatchewan, Alberta, the Northwest Territories and Nunavut);
- ♦ co-management agreements where Human Resources Development Canada (HRDC) and the provinces and territories jointly assumed responsibility for the planning and design of EBSMs, while HRDC continues to deliver programs and services through its service delivery network (Newfoundland, Prince Edward Island, British Columbia and Yukon). There is also a strategic partnership agreement that is a variation of co-management in Nova Scotia.

HRDC delivers EBSMs in Ontario where there is no LMDA.

In addition to locally and regionally delivered EBSMs and similar programs, Pan-Canadian activities which are national or multi-regional in scope or purpose are supported by HRDC through EBSMs.

The five Employment Benefits are:

**Targeted Wage Subsidies** – to assist individuals experiencing difficulties accessing employment due to factors such as a lack of recent work experience or systemic barriers such as those encountered by members of designated groups, by providing a percentage of participant wages to eligible employers;

**Self-Employment** – to assist individuals to create jobs for themselves by providing financial assistance for personal needs while they start their own business; this intervention may also serve as a developmental tool in diversifying local economies and in creating long-term private sector jobs;

**Job Creation Partnerships** – to create employment opportunities that will provide unemployed Canadians with work experience by bringing together community partners to support long-term employment development;

**Targeted Earnings Supplements** – to provide incentives to participants to take available jobs by supplementing their earnings so that work will pay, thereby assisting individuals in securing a labour force attachment;

**Skills Development** – to help clients to obtain skills for employment, ranging from basic to advanced skills, by providing direct financial assistance to individuals to arrange for their own training.

It should be noted that of the Employment Benefits listed above, Targeted Earnings Supplements has not yet been implemented. Pilot research projects have been established to evaluate the effectiveness of Targeted Earnings Supplements.

Eligibility to receive assistance under the Employment Benefits extends to persons who are insured participants as defined in Section 58 of the 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 by providing funding to enable them to provide employment services to unemployed persons to help them find, obtain and keep jobs by providing funding;

**Labour Market Partnerships** – to encourage and support employers, employee or employer associations, communities and community organizations by providing funding which will assist them to improve their capacity for dealing with human resource requirements and 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 by providing funding which will enable recipients to carry out demonstration projects and research.

All unemployed persons, and in the case of Labour Market Partnerships employed persons facing a loss of their employment, are eligible to receive assistance under the support measures.

## Financial Data

### 2001-2002 EMPLOYMENT INSURANCE PLAN

(millions of dollars)	Base	Re-Investment	Total Plan
Newfoundland	54.4	73.1	127.5
Nova Scotia	49.9	30.3	80.2
New Brunswick	48.3	42.1	90.4
Prince Edward Island	15.1	10.0	25.1
Quebec	347.7	248.1	595.7
Ontario	347.2	184.1	531.3
Manitoba	39.2	10.2	49.4
Saskatchewan	29.0	9.9	38.9
Alberta	76.9	35.9	112.8
Northwest Territories	1.9	1.6	3.4
Nunavut	1.1	1.0	2.1
British Columbia	137.3	151.7	289.0
Yukon	2.0	2.0	4.1
	1,150.0	800.0	1,950.0
Pan-Canadian Responsibilities*	201.8	0.0	201.8
Funds available for Employment Benefits and Support Measures	1,351.8	800.0	2,151.8

\* Funds earmarked for Pan-Canadian priorities, such as Aboriginal programming, Youth programming, Sectoral and Innovations projects. The amount is net of \$48.2 million funds converted into HRDC operating costs or funds earmarked for transfer to provinces for LMDA supplementary agreements.

For 2001-2002, the EI Part II expenditure authority of \$2.2 billion represents 0.62% of total estimated insurable earnings of \$356.705 billion. This represents a lower level of expenditures than the 0.8% ceiling imposed under the Act, which is estimated at \$2.854 billion.

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

It is expected that 240,000 active claimants and an estimated 56,000 former claimants will be assisted in 2001-2002. These targets may change, depending on labour market conditions and agreements achieved with provinces and territories.

HRDC will carefully monitor the impact of EBSMs on individuals and communities, the performance of the economy and job markets, the ways in which workers, employers, industries and communities are affected and adjust.

An accountability framework has been developed that respects the legal responsibility of the Minister of HRD for the EI Account. Key indicators will measure both the short and long term outcomes of EBSMs.

	<b>Employment/ Self-Employment</b>	<b>Unpaid Benefits (\$ million (M))</b>	<b>Active Claimants Assisted</b>
Targeted Results 1999-2000 <sup>a</sup>	186,816 clients	\$871.3M	280,300
Actual Results 1999-2000	293,270 clients	\$938.5M	307,283
Targeted Results 2000-2001 <sup>a</sup>	212,192 clients	\$819.6M	299,200
Forecasted Results 2000-2001 <sup>b</sup>	176,000 clients	\$760.1M	236,500
Targeted Results 2001-2002 <sup>a</sup>	179,000 clients	\$764.1M	240,000

- a. Targeted Results for the years 1997-1998 to 1999-2000 reflected the benchmarks developed from an analysis of the Unemployment Insurance Development Uses (UIDU) programming. The calculation of Targeted Results for 2000-2001 and 2001-2002 was based on EBSM historical data, policy revisions and funding levels.
- b. Forecasted Results for the years 1997-1998 to 2000-2001 were the roll-up of the annual targets submitted by the regions. The Forecasted Results for 2001-2002 are based on an analysis of historical and year-to-date data as of September 30, 2000.

**Explanation of Variance in Results**

In 1999-2000, non-insured clients were included in Clients Employed results. These clients were removed in 2000-2001, resulting in a substantial variance between the two years. The Unpaid Benefits results are not affected by this exclusion.

As of April 1, 2000, individuals who attend group information sessions to which employment results are not sufficiently attributable are not included in the calculation of results, thereby resulting in a decrease in the number of Clients Employed and Unpaid Benefits results. The impact of this change was taken into consideration in calculating the 2000-2001 Forecasted Results and the 2001-2002 Targeted Results.

In 1999-2000, HRDC began a consultation process with provinces to further its work on a method of measurement to determine the longer-term impacts of Part II programs and services. The project is intended to assess the feasibility of developing medium-term indicators for EBSMs or similar programs delivered by provinces and territories using administrative data. Presently HRDC reports on its key indicators (returns to work and unpaid benefits) and secondary indicators, such as the number of interventions. The medium-term indicators under development will look at the impact of Part II programs and services on such factors as client earnings, reduced dependency on income support, cost effectiveness and efficiency.

Performance targets for 2001-2002 reflect past practices plus reinvestment. These results are established in terms of previous results, design enhancements and efficiency improvements which HRDC, provinces/territories or third party providers may choose to implement.

In 2001-2002, it is expected that 179,000 EI clients who receive assistance under EBSMs or similar provincial and territorial programs will become employed or self-employed. This will generate an estimated \$764.1 million of unpaid benefits from the EI Account resulting from EI claimants returning to work before the end of their benefit entitlement.

It should be noted that these targets do not include results that may be achieved through the use of self-serve electronic products by EI clients.

## Our Main Partners

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

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



## MAIN PARTNERS

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

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

## Websites and References

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

### Acts and Regulations

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

### Income Security

- *Results for Canadians: A Management Framework for the Government of Canada:* [http://www.tbs-sct.gc.ca/res\\_can/siglist\\_e.html](http://www.tbs-sct.gc.ca/res_can/siglist_e.html)

### Human Resources Investment

- HRDC's Progress Reports on the Action Plan for Strengthening Administration of Grants and Contributions: <http://www.hrdc-drhc.gc.ca/dept/reports>
- 2000 Employment Insurance Monitoring and Assessment Report: <http://www.hrdc-drhc.gc.ca/ae-ei/loi-law/2000/sum00.shtml>
- Partnering with the Voluntary Sector for the Benefit of Canadians: <http://www.hc-sc.gc.ca/hppb/voluntarysector/>

### Labour

- International Labour Organization (ILO): <http://www.ilo.org>

### Sound Departmental Management

- HRDC's Modern Management Office: <http://www.hrdc-drhc.gc.ca/dept/mmpa/mesg.shtml>

### Other websites

- Main Estimates, Part II: [http://www.tbs-sct.gc.ca/tb/estimate/20012002/001\\_e.pdf](http://www.tbs-sct.gc.ca/tb/estimate/20012002/001_e.pdf)
- Handbook on Values and Ethics in HRDC: <http://www.hrdc-drhc.gc.ca/dept/mission/handbook.shtml>
- Canada Pension Plan Investment Board: <http://www.cppib.ca>
- 2000 Public Accounts of Canada: <http://www.pwgsc.gc.ca/recgen/text/pubacc-e.html>
- Seventeenth Actuarial Report on the Canada Pension Plan: <http://www.osfi-bsif.gc.ca/eng/office/actuarialreports/pdf/cpp17re2.pdf>
- HRDC's Sustainable Development Strategy: <http://www.hrdc-drhc.gc.ca/dept/sds/sds.shtml>
- Collective Results: [http://www.tbs-sct.gc.ca/rma/eppi-ibdrp/coll\\_res/coll\\_res\\_e.htm](http://www.tbs-sct.gc.ca/rma/eppi-ibdrp/coll_res/coll_res_e.htm)

## **Questions and Public Enquiries**

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

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

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