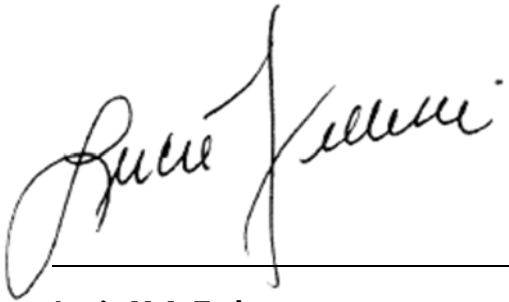




FINANCIAL CONSUMER AGENCY OF CANADA

2016–2017 BUSINESS PLAN



Lucie M.A. Tedesco
Commissioner

April 2016

Cat. No.: FC2-4E-PDF

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Ce document est aussi disponible en français sous le titre ***Agence de la consommation en matière financière du Canada : 2016-2017 Plan d'activités.***

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Commissioner's Message: Forging forward

As I embark on my third year as Commissioner, the Financial Consumer Agency of Canada (FCAC) will continue to forge forward with initiatives that will define it and its impact over the 2016–2019 term.

Between 2016 and 2019, financial consumers will face new challenges, such as the rapid pace of technological innovation in payments and potential changes in economic conditions. FCAC will continue to monitor economic and financial sector trends and the financial regulatory environment to understand their impact on Canadian consumers and the sector's own operations. We recently adjusted our structure and functions so that we remain optimally positioned to carry out our mandate effectively, and more adjustments will be made as necessary over time.

We have enhanced the proactivity and transparency of our compliance activities in several ways, rethinking my office's outreach strategy so that we connect often and early with those we regulate and with those we aim to protect. This includes field hearings, meetings with parliamentarians, the boards and executives of federally regulated financial entities, consumer groups, industry associations and other collaborators and stakeholders. The Agency is also publicizing a growing suite of consumer-friendly videos and other content to build consumers' awareness of their rights and responsibilities in transacting with financial institutions; many stakeholders have agreed to promote these social media-friendly products, as well.

Consumer protection necessarily includes consumer education and financial literacy. I am happy to report that Financial Literacy Leader Jane Rooney has built on the successful 2015 introduction of the *National Strategy for Financial Literacy—Count Me In, Canada* by developing initiatives in support of its strategic goals. These will be the focus of efforts by the Leader, her team and external stakeholders over the coming years. The valuable educational materials on FCAC's website are being overhauled and will soon shift over to the single Government of Canada site, www.canada.ca, vastly increasing our visibility among the public.

These and other initiatives outlined in this business plan¹ will enable FCAC to forge deeper into its role of protecting consumers of financial products and services, and thus to achieve our priorities for 2016–2019:

1. Conduct proactive and transparent supervision
2. Strengthen collaboration and engagement with stakeholders
3. Promote public awareness of consumers' financial rights and responsibilities
4. Lead and implement the *National Strategy for Financial Literacy—Count Me In, Canada*
5. Increase contribution to financial consumer policy discussions
6. Leverage resources and infrastructure to enhance efficiencies

¹ FCAC prepared this business plan consistent with the requirements of a *Report on Plans and Priorities* for appropriated organizations. FCAC is not an appropriated organization under the *Financial Administration Act*. FCAC receives funding from the Government of Canada through a statutory expenditure, with the remainder funded by industry assessments.

FCAC's demonstrated values of excellence and innovation will enable us to realize the targets set out in this report and to position the Agency for the future. We will continue to be accountable for our commitments and results by conducting fair, timely and effective supervision and by strengthening the financial literacy of Canadians.

Section I: Organizational Expenditure Overview

Organizational Profile

Commissioner: Lucie M.A. Tedesco

Deputy Commissioner: Brigitte Goulard

Financial Literacy Leader: Jane Rooney

Ministerial Portfolio: Finance

Enabling Instrument: FCAC derives its mandate from the *Financial Consumer Agency of Canada Act*.² The Act outlines FCAC's functions, administration and enforcement powers, and lists the sections of federal laws and regulations under its supervision.

Year of Incorporation / Commencement: 2001

² <http://laws-lois.justice.gc.ca/eng/acts/F-11.1/page-1.html>

Organizational Context

Raison d'être

FCAC was established to protect consumers by supervising federally regulated financial entities and by strengthening the financial literacy of Canadians.

Responsibilities

FCAC derives its mandate from the *Financial Consumer Agency of Canada Act*. The *Act* outlines FCAC's functions, administration and enforcement powers, and lists the sections of federal laws and regulations under its supervision.

FCAC has the following objects as set out in sections 3(2) and 3(3) of the *Financial Consumer Agency of Canada Act*:

3(2)

(a) supervise financial institutions and external complaints bodies to determine whether the institution or body is in compliance with

(i) the consumer provisions applicable to them, and

(ii) the terms and conditions or undertakings with respect to the protection of customers of financial institutions that the Minister imposes or requires, as the case may be, under an Act listed in Schedule 1 and the directions that the Minister imposes under this Act;

(b) promote the adoption by financial institutions and external complaints bodies of policies and procedures designed to implement the provisions, terms and conditions, undertakings or directions referred to in paragraph (a);

(b.1) promote the adoption by financial institutions of policies and procedures designed to implement

(i) voluntary codes of conduct that are designed to protect the interests of their customers, that are adopted by financial institutions and that are publicly available, and

(ii) any public commitments made by them that are designed to protect the interests of their customers;

(c) monitor the implementation of voluntary codes of conduct that are designed to protect the interests of customers of financial institutions, that have been adopted by financial institutions and that are publicly available, and to monitor any public commitments made by financial institutions that are designed to protect the interests of their customers;

(d) promote consumer awareness about the obligations of financial institutions and of external complaints bodies under consumer provisions applicable to them and about all matters connected with the protection of consumers of financial products and services;

(e) foster, in co-operation with any department, agency or agent corporation of the Government of Canada or of a province, financial institutions and consumers and other organizations, an understanding of financial services and issues relating to financial services;

(f) monitor and evaluate trends and emerging issues that may have an impact on consumers of financial products and services; and

(g) collaborate and coordinate its activities with stakeholders to contribute to and support initiatives to strengthen the financial literacy of Canadians.

3 (3)

(a) supervise payment card network operators to determine whether they are in compliance with the provisions of the *Payment Card Networks Act* and its regulations;

(b) promote the adoption by payment card network operators of policies and procedures designed to implement the provisions of the *Payment Card Networks Act* and its regulations;

(c) monitor the implementation of voluntary codes of conduct that have been adopted by payment card network operators and that are publicly available, and to monitor any public commitments made by them regarding their commercial practices in relation to payment card networks; and

(d) promote public awareness about the obligations of payment card network operators under a voluntary code of conduct or under the *Payment Card Networks Act*.

Strategic Outcome and Program Alignment Architecture

1. Strategic Outcome: The rights of financial consumers are protected and the financial literacy of Canadians is strengthened.

1.1. Program 1: Supervision and Promotion

1.2. Program 2: Financial Literacy

Internal Services

Organizational Priorities

Priority 1: Conduct proactive and transparent supervision

Description

Financial consumer protection is an integral part of the Government of Canada’s oversight of the financial sector. Through its supervisory activities, FCAC monitors the compliance of federally regulated financial entities (FRFEs) with the consumer provisions, voluntary codes of conduct, and public commitments that are meant to protect Canadian consumers and merchants.

Priority Type³

Ongoing

Key Supporting Initiatives

Planned Initiatives	Start Date	End Date	Link to Department’s Program Alignment Architecture
Enhance the supervision framework and associated practices and processes <ul style="list-style-type: none"> • Implement a modernized supervision framework following consultations with key stakeholders • Develop guidance on administrative monetary penalties (AMPs) and on publicly naming non-compliant FRFEs 	November 2015	March 2017	Program 1: Supervision and Promotion
Continue to conduct targeted compliance reviews to test the effectiveness of required disclosure by federally regulated financial institutions	Ongoing	Ongoing	Program 1: Supervision and Promotion

3. Type is defined as follows: previously committed to—committed to in the first or second fiscal year prior to the subject year of the business plan; ongoing—committed to at least three fiscal years prior to the subject year of the business plan; and new—newly committed to in the reporting year of the business plan.

Priority 2: Strengthen collaboration and engagement with stakeholders

Description

Trusted relationships are key to achieving better outcomes for financial consumers. FCAC has a vested interest in engaging and collaborating with stakeholders from the public, private and non-profit sectors to deliver on its mandate for Canadians.

Priority Type

Previously committed to

Key Supporting Initiatives

Planned Initiatives	Start Date	End Date	Link to Department's Program Alignment Architecture
<p>Implement the consumer engagement strategy which will seek consumer views through initiatives such as:</p> <ul style="list-style-type: none"> the organization of consumer group summits the establishment of a consumer advisory council public consultations public opinion research. 	February 2016	August 2018	Program 1: Supervision and Promotion
<p>Implement the Commissioner's outreach strategy to increase transparency and proactive supervision by consulting with FRFE executives and boards, consumer groups, industry associations and other stakeholders and collaborators. This will help raise the profile of the Agency and its work and provide an avenue to establish and communicate expectations going forward.</p>	September 2013	August 2018	Program 1: Supervision and Promotion
<p>Implement the Financial Literacy Leader's outreach strategy including meetings with financial literacy networks and representatives of provincial governments and other organizations in the public, private and non-profit sectors to mobilize and engage sector stakeholders in increasing their contribution to strengthening the financial literacy of Canadians.</p>	May 2014	March 2019	Program 2: Financial Literacy

Priority 3: Promote public awareness of consumers’ financial rights and responsibilities

Description

Consumers make better financial decisions when they are aware of and understand their rights and responsibilities with regard to financial products and services. Informed and confident consumers are also better able to participate in the financial-services marketplace. This strengthens competition and helps consumers enjoy the social and economic benefits of participating in a fair and secure Canadian financial marketplace.

Priority Type

Previously committed to

Key Supporting Initiatives

Planned Initiatives	Start Date	End Date	Link to Department’s Program Alignment Architecture
Leverage the web and social media assets of financial entities, consumer groups, NGOs, the industry and the Government of Canada to promote consumer rights and responsibilities.	September 2015	August 2018	Program 1: Supervision and Promotion Program 2: Financial Literacy

Priority 4: Lead and implement the *National Strategy for Financial Literacy—Count Me In, Canada*

Description

Following extensive consultations and in-depth research and analysis, FCAC launched the *National Strategy for Financial Literacy—Count Me In, Canada* (“the Strategy”). Its aim is to help Canadians manage money and debt wisely, plan and save for their financial future and protect themselves against fraud and financial abuse. In implementing the Strategy, collaboration and coordination efforts with stakeholders will help strengthen the knowledge, skills and confidence of financial consumers to enable them to make responsible financial decisions at every stage of their lives. FCAC will help increase consumer awareness of existing, effective financial-literacy programs, tools and other resources, thus increasing the impact of these assets.

Priority Type

Previously committed to

Key Supporting Initiatives

Planned Initiatives	Start Date	End Date	Link to Department’s Program Alignment Architecture
Integrate financial literacy throughout the lives of children and youth. <ul style="list-style-type: none"> • Develop, promote and disseminate educational resources that are tailored, relevant and up to date. • Offer resources to train and build the capacity of educators and other practitioners working with this audience. 	June 2015	March 2019	Program 2: Financial Literacy
Reach post-secondary students and make financial literacy resources available to them. <ul style="list-style-type: none"> • Enhance and expand FCAC’s current post-secondary educational programs. • Work with associations, colleges and universities to pilot and offer workshops to the student body. 	June 2015	March 2019	Program 2: Financial Literacy

<p>Integrate financial literacy in the workplace.</p> <ul style="list-style-type: none"> • Increase awareness of the benefits of financial literacy to the financial well-being of employees and its potential impact on productivity in workplace. • Provide employers with access to available resources aimed at increasing the financial know-how of their employees. 	<p>June 2015</p>	<p>March 2019</p>	<p>Program 2: Financial Literacy</p>
<p>Help Canadians, especially seniors, protect themselves from fraud and financial abuse.</p> <ul style="list-style-type: none"> • Work with organisations to create awareness and develop resources that will help detect instances of financial abuse and financial fraud. • Promote information that can help Canadians prevent and protect themselves against fraud and financial abuse. 	<p>June 2015</p>	<p>March 2019</p>	<p>Program 2: Financial Literacy</p>
<p>Help Canadian consumers better understand financial products and services that best meet their needs.</p> <ul style="list-style-type: none"> • Modernize and promote information and tools that help Canadians make informed decisions before choosing a financial product or service. • Encourage financial institutions to promote and provide non-commercial financial education to their clients. 	<p>June 2015</p>	<p>March 2019</p>	<p>Program 2: Financial Literacy</p>

Priority 5: Increase contribution to financial consumer policy discussions

Description

The identification and assessment of market trends and associated risks to consumers of financial products and services is critical to the Agency’s role of informing the development of policy to help protect consumers and merchants.

Priority Type

Previously committed to

Key Supporting Initiatives

Planned Initiatives	Start Date	End Date	Link to Department’s Program Alignment Architecture
Conduct research on consumer protection trends and emerging issues such as alternative lending practices and the financial consumer growing dependence on technology (fintech).	Ongoing	Ongoing	Program 1: Supervision and Promotion Program 2: Financial Literacy
Develop and implement the financial literacy research plan, with the support of the Research Sub-Committee of the National Steering Committee.	January 2016	March 2019	Program 2: Financial Literacy
Inform regulatory and policy developments in Canada. <ul style="list-style-type: none"> Monitor, analyse key trends and emerging risks impacting financial consumers and bring relevant issues to the attention of policy makers. 	Ongoing	Ongoing	Program 1: Supervision and Promotion

<p>Engage and collaborate with our international partners to influence regulatory and policy development internationally:</p> <ul style="list-style-type: none"> • Continue to analyse intelligence on innovative business services and transactions in global markets. • Influence international policy by actively participating in international cooperation organizations. • Continue to exercise a leadership role in international fora. 	<p>Ongoing</p>	<p>Ongoing</p>	<p>Program 1: Supervision and Promotion</p> <p>Program 2: Financial Literacy</p>
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Priority 6: Leverage resources and infrastructure to enhance efficiencies

Description

Leveraging FCAC’s financial and human resources will allow for the sustainable achievement of its mandate to protect financial consumers.

Priority Type

Ongoing

Key Supporting Initiatives

Planned Initiatives	Start Date	End Date	Link to Department’s Program Alignment Architecture
Implement FCAC’s People Management Framework to provide standard principles and guidelines to meet our strategic goals and create a motivating workplace environment in which staff can thrive.	April 2015	March 2018	Internal Services
Establish a project management office to enhance project planning, monitoring and reporting.	April 2016	March 2019	
Develop and implement an information management (IM) strategy and three-year action plan to increase efficiency and effectiveness in managing information resources in order to foster informed decision-making, promote collaboration and ensure regulatory compliance.	April 2016	March 2019	

Risk Analysis

FCAC operates in a rapidly evolving financial marketplace, which includes increasingly complex financial products and new technologies developed to suit the needs and demands of today's consumers.

In response to the changing environment, regulatory regimes can be reviewed and updated. The Agency must be ready to react and ensure its supervisory capacity remains current and robust to keep pace with these evolving changes.

The evolving marketplace also presents challenges for consumers. Increased collaboration and coordination with stakeholders and their networks across the country help strengthen financial literacy by increasing access to, and awareness and dissemination of, financial literacy tools and educational resources. These networks provide commendable benefits, particularly in extending financial literacy outreach far beyond what the Agency can do on its own. At the same time, FCAC's reliance on voluntary support from stakeholders poses a challenge in terms of matching their objectives with those of the Agency.

Key Risks

Risk	Risk Response Strategy	Link to PAA
<p>Impact of changes as a result of evolving financial market place on FCAC’s supervision approach</p> <p>Context: Potential changes in regulatory regimes as a result of the evolving marketplace can present risks and opportunities to the Agency.</p> <p>Risk Statement: Rapid changes in the evolving financial market place could result in changes to regulatory regimes.</p>	<p>FCAC will:</p> <ul style="list-style-type: none"> • ensure its supervisory approach remains current, robust and effective • consult the industry to stay abreast of changes in the financial marketplace 	<p>Program 1: Supervision and Promotion</p>
<p>Ability to deliver due to diversity of external collaborators</p> <p>Context: In advancing key components of its financial literacy program and the National Strategy for Financial Literacy, FCAC relies heavily on a diverse network of collaborators from the public, private and non-profit sectors. Each collaborator may have its own organizational interests and goals, and these may differ from those of FCAC.</p> <p>Risk Statement: FCAC’s ability to achieve its objectives could be impaired if collaborators are not engaged toward common goals.</p>	<p>FCAC will:</p> <ul style="list-style-type: none"> • seek sound, strategic and credible alliances by developing a collaborative framework • create an internal governance process for approval of FCAC’s projects even where FCAC is a participant rather than the lead • continue to establish agreements that clearly outline agreed-upon processes and outcomes and secure commitments to commonly approved action plans/ implementation strategies • adhere to and hold members of the National Steering Committee on Financial Literacy accountable with respect to the Committee’s terms of reference 	<p>Program 2: Financial Literacy</p>

Planned Expenditures

Budgetary Financial Resources (millions of dollars)

2016–2017 Planned Spending	2017–2018 Planned Spending	2018–2019 Planned Spending
18.26	18.31	18.68

Human Resources (Full-Time Equivalents [FTEs])

2016–2017	2017–2018	2018–2019
89	89	89

Budgetary Planning Summary for Strategic Outcome(s) and Program(s) (millions of dollars)

Program(s) and Internal Services	2013–2014 Expenditures	2014–2015 Expenditures	2015– 2016 Forecast Spending	2016– 2017 Planned Spending	2017– 2018 Planned Spending	2018– 2019 Planned Spending
Program 1: Supervision and Promotion	2.79	3.01	3.61	3.60	3.57	3.70
Program 2: Financial Literacy	6.06	9.12	9.09	9.36	9.42	9.59
Subtotal	8.85	12.13	12.70	12.96	12.99	13.29
Internal Services Subtotal	5.34	5.05	4.82	5.30	5.32	5.39
Total	14.19	17.18	17.52	18.26	18.31	18.68

Over the fiscal periods presented above, FCAC's total spending is fairly consistent with minimal growth to absorb economic increase escalations occurring in salaries and service contracts with external service providers. At the program level, significant variances are as follows:

- The staffing of vacant positions in Supervision and Promotion continued during 2015–2016. It is expected that a full staff complement will be in place by the end of 2015–2016, creating an increase in program cost.
- To act on its expanded mandate to coordinate and collaborate with stakeholders in strengthening the financial literacy of Canadians, FCAC was granted \$3 million in Government funding in 2013–2014. This funding was in addition to the \$2 million the Agency was previously granted for financial literacy. FCAC was only able to fully utilize the new statutory expenditure of \$3 million in 2014–2015 when staff and consultants were in place to carry out all project-based activities.
- Two new positions in 2016–2017 will be added in research and policy related to the Financial Literacy Program funded through a reallocation of professional services. Through a similar reallocation of funds, a new program-support officer will also be added to the Coordination and Collaboration team in 2016–2017.
- Expenditures decreased in Internal Services in 2014–2015 due to the completion in 2013–2014 of government-wide initiatives. Other expenses were also reduced as per Government directives on issues such as reduced printing.
- A decrease in forecast spending for Internal Services during fiscal year 2015–2016 is expected as FCAC continues to benefit from efficiencies in its Web Content Management Solution and ongoing actions to reduce administrative costs consistent with Government directives.
- The increase in fiscal year 2016–2017 for Internal Services is related to the implementation of a Government-wide initiative.

Alignment of Spending with the Whole-of-Government Framework

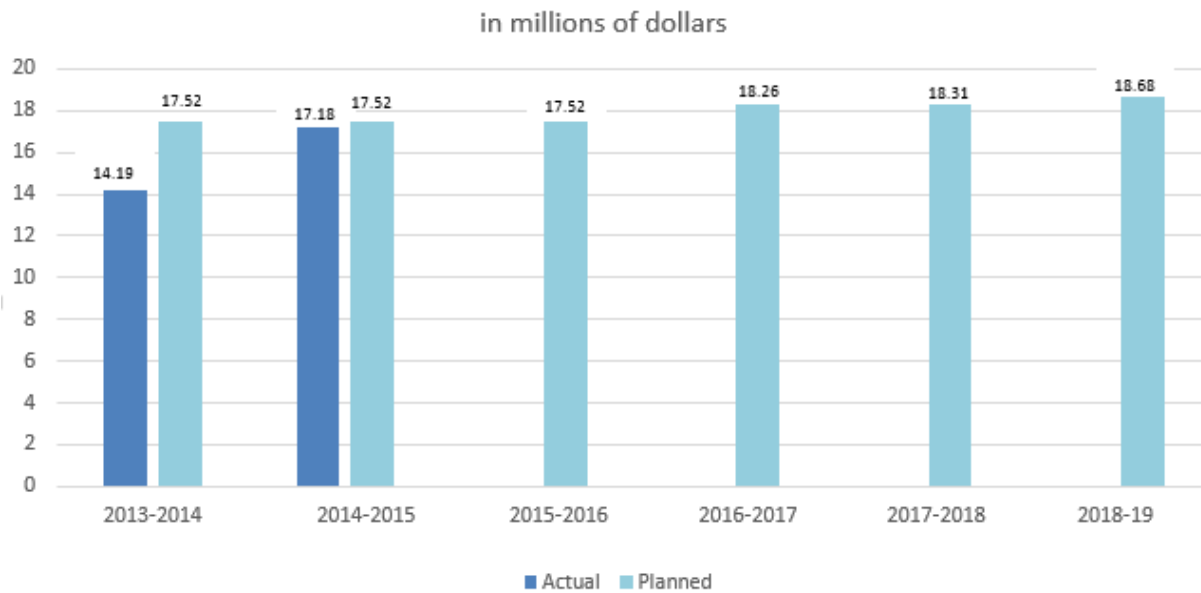
Alignment of 2016–2017 Planned Spending with the [Whole-of-Government Framework](#)ⁱ (millions of dollars)

Strategic Outcome	Program	Spending Area	Government of Canada Outcome	2016–2017 Planned Spending
The rights of financial consumers are protected and the financial literacy of Canadians is strengthened.	1. Supervision and Promotion	Economic affairs	A fair and secure marketplace	3.60
The rights of financial consumers are protected and the financial literacy of Canadians is strengthened.	2. Financial Literacy	Economic affairs	A fair and secure marketplace	9.36
The rights of financial consumers are protected and the financial literacy of Canadians is strengthened.	Internal Services	Economic affairs	A fair and secure marketplace	5.30

Total Spending by Spending Area (millions of dollars)

Spending Area	Total Planned Spending
Economic affairs	18.26
Social affairs	–
International affairs	–
Government affairs	–

FCAC Spending Trend



The above graph presents FCAC’s actual and planned spending from 2013–2014 to 2018–2019. The majority of FCAC’s expenses are recovered through industry assessment, except for \$5 million funded by a statutory expenditure for financial literacy related expenses. FCAC was able to fully utilize the statutory expenditure in 2014–2015 when a full complement of staff and consultants were in place to carry out the new mandate to collaborate and coordinate activities with stakeholders with the goal of strengthening the financial literacy of Canadians.

The forecast for fiscal year 2015–2016 is expected to come in on budget.

Planned expenditures increase in fiscal year 2016–2017 in order to implement a government-wide initiative.

An increase of about two percent for fiscal years 2016–2017 to 2018–2019 is associated with economic increase escalations occurring in salaries and service contracts with external service providers to maintain operations.

Section II: Analysis of Programs by Strategic Outcome

Program 1: Supervision and Promotion

Description

The Supervision and Promotion Program seeks to ensure FRFE compliance with federal consumer provisions and codes of conduct and public commitments in place to better protect consumers and merchants. The Program also promotes compliance in the marketplace by conducting research focused on emerging trends and issues that impact financial consumers, with the intent of contributing to policy discussions and promoting consumers' rights and responsibilities.

Budgetary Financial Resources (millions of dollars)

2016–2017 Planned Spending	2017–2018 Planned Spending	2018–2019 Planned Spending
3.60	3.57	3.70

Human Resources (Full-Time Equivalent [FTEs])

2016–2017	2017–2018	2018–2019
25.8	25.8	25.8

Performance Measurement

Expected Results	Performance Indicators	Targets	Date to be Achieved
FRFEs comply with requirements set out in legislation, regulations and voluntary codes of conduct and public commitments.	Percentage of cases where corrective actions taken are commensurate with the level of non-compliance as set out in the Compliance Framework.	100%	March 31, 2017
	Compliance action plans and compliance agreements are implemented by FRFEs as per agreed-upon timelines.	90%	March 31, 2017
	Investigations of potential non-compliance with the consumer provisions are completed within the legislated two-year time frame.	100%	March 31, 2017

	FCAC service standards are met.	As per service standards ⁴	March 31, 2017
Guidance effectively communicates FCAC expectations.	Percentage of industry stakeholders that rate FCAC's guidance as effective or very effective.	75%	March 31, 2017

Planning Highlights 2016–2017

- Continue to strengthen and formalize the development and communication of a consultative approach with respect to industry and stakeholder guidance.
- Promote compliance by holding information sessions with FRFEs.
- Increase public communication of key supervisory activities and key enforcement actions to demonstrate FCAC's impact on the financial services marketplace with respect to consumer protection.
- Conduct research related to trends and emerging issues that may impact financial consumers.
- Execute a marketing and communication plan to raise consumers' awareness of their rights and responsibilities.
- Field a survey on Canadians' awareness of their rights and responsibilities and compile the results.
- Conduct a clear-language review of credit-card initial disclosure.
- Work with stakeholders towards the implementation of new consumer protection legislation, regulation and codes, as necessary.

⁴ Compliance service standards: 95 percent of compliance cases are triaged within five business days; 95 percent of compliance issues are raised with the relevant FRFEs within 30 business days; introduction letters are sent to new FRFEs within 60 calendar days 95 percent of the time.

Program 2: Financial Literacy

Description

This program seeks to enhance the financial knowledge, skills and confidence of Canadians.

Budgetary Financial Resources (millions of dollars)

2016–2017 Planned Spending	2017–2018 Planned Spending	2018–2019 Planned Spending
9.36	9.42	9.59

Human Resources (FTEs)

2016–2017	2017–2018	2018–2019
40.70	40.70	40.70

Performance Measurement

Expected Results	Performance Indicators	Targets	Date to be Achieved
Awareness and use of FCAC's content on Canada.ca.	Number of web visits to FCAC content/web pages on Canada.ca	Meet target score set out by Treasury Board for visits to FCAC content on Canada.ca	March 31, 2017
Satisfaction with FCAC's content on Canada.ca.	Percentage of users who find FCAC's content easy to understand	Meet target score set out by Treasury Board for understanding of FCAC content on Canada.ca	March 31, 2017
	Percentage of users who find FCAC's content valuable	Meet target score set out by Treasury Board for value of FCAC content on Canada.ca	March 31, 2017
Coordination and collaboration with stakeholders are	Information ⁵ is shared with stakeholders and tracked using established	100% of deliverables are met	March 31, 2017

⁵ Financial literacy newsletter issued twice a year; quarterly follow-ups with the various financial literacy networks; at least two meetings with the NSC and the federal Inter-departmental Committee on Financial Literacy.

improved.	mechanisms		
	Increased participation of stakeholders during Financial Literacy Month	5% increase of the number of events entered into the Canadian Financial Literacy Database	November 30, 2016

Planning Highlights 2016–2017

- Implement, monitor and report on initiatives related to the National Strategy for Financial Literacy.
- Modernize and promote new and existing resources to help consumers choose financial products and services that best suit their needs.
- Use the Canadian Financial Literacy Database or other mechanisms to promote tools and resources developed by various organizations to help Canadians improve their financial well-being.
- Renew the membership of the National Steering Committee (NSC) on Financial Literacy.
- Execute the research plan established by the NSC research sub-committee.
- Lead, develop and coordinate an annual research symposium.
- Conduct research (including behavioural research) related to trends and emerging issues that may impact financial consumers.
- Work with stakeholders to develop a financial literacy evaluation toolkit.
- Undertake planning of the 2017 Financial Literacy conference.
- Implement Financial Literacy Month 2016.

Internal Services

Description

Internal Services are groups of related activities and resources that are administered to support the needs of programs and other corporate obligations of an organization. Internal services include only those activities and resources that apply across an organization, and not those provided for a specific program. The groups of activities are human resources management services; financial management services; information management services; information technology services; real property services; materiel services; and acquisition services. Management and oversight services (i.e., Commissioner, Deputy Commissioner); communications services, and legal services are groups of expenses that are not included or fully included in Internal Services, but rather form part of Program 1: Supervision and Promotion and Program 2: Financial Literacy, as very few or none of their activities and resources apply directly to the Internal Services functions. These expenses are allocated to FCAC’s programs

based on an estimated proportion of their specific contribution to each program. This approach is consistent with previous years.

Budgetary Financial Resources (millions of dollars)

2016–2017 Planned Spending	2017–2018 Planned Spending	2018–2019 Planned Spending
5.30	5.32	5.39

Human Resources (FTEs)

2016–2017	2017–2018	2018–2019
22.50	22.50	22.50

Planning Highlights 2016–2017

- Complete the migration of FCAC’s website to the central government website (Canada.ca).
- Publish FCAC data as prescribed by the Treasury Board Secretariat’s Open-Government directive (data.gc.ca).
- Adopt and adhere to the Government of Canada’s approved EDRMS (GCDOCS) and associated directives.
- Participate in the government-wide email transformation initiative (Shared Services Canada email hosting).
- Participate in and adhere to the Government of Canada’s pay modernization initiative (Phoenix).

Section III: Supplementary Information

Future-Oriented Condensed Statement of Operations

The Future-Oriented Condensed Statement of Operations provides a general overview of FCAC’s operations. The forecast of financial information on expenses and revenues is prepared on an accrual accounting basis to strengthen accountability and to improve transparency and financial management.

Note: Please refer to the Future-Oriented Statement of Operations and associated notes for more details.

Future-Oriented Condensed Statement of Operations For the Year Ended March 31, 2016 (millions of dollars)

Financial Information	2015–2016 Forecast Results	2016–2017 Planned Results	Difference (2016–2017 Planned Results minus 2015–2016 Forecast Results)
Total expenses	17.52	18.26	.74
Total revenues	17.52	18.26	.74
Net cost of operations before government funding and transfers	0	0	0

Sustainable Development Strategy

The *Policy on Green Procurement* supports the Government of Canada's effort to promote environmental stewardship. In keeping with the objectives of the policy, FCAC supports sustainable development by integrating environmental performance considerations into the procurement decision-making process through the activities in this supplementary information table.

Although FCAC is not bound by the *Federal Sustainable Development Act* and is not required to develop a departmental sustainable development strategy, FCAC adheres to the principles of the FSDS by implementing the *Policy on Green Procurement*.

Green Procurement

As of April 1, 2014, the Government of Canada will continue to take action to embed environmental considerations into public procurement, in accordance with the *Federal Sustainable Development Act* and the *Policy on Green Procurement*.

Expected Result: Environmentally responsible acquisition, use and disposal of goods and services	
Implementation Strategy Element or Best Practice	Targeted Performance Level
Management processes and controls	
The use of Public Works and Government Services Canada (PWGSC) common use procurement instruments, such as standing offers and supply arrangements, should be maximized as environmental considerations are integrated into the planning process.	100% of the time
Training on green procurement for decision makers	
Number and percentage of specialists in procurement and materiel management who will complete the Canada School of Public Service Green Procurement course, or equivalent, in the given fiscal year.	100%
Performance Evaluations	
Number and percentage of managers and functional heads of procurement and materiel whose performance evaluation includes support and contribution towards green procurement, in the given fiscal year.	100%

Horizontal Initiatives

A horizontal initiative is one in which partners from two or more federal organizations have established a formal funding agreement (e.g. Memorandum to Cabinet, Treasury Board Submission) to work toward the achievement of shared outcomes. FCAC does not have horizontal initiatives at this time, since no formal funding agreements exist.

Upcoming Internal Audits and Evaluations Over the Next Three Years

A. Internal audits

Title of Internal Audit	Internal Audit Type	Status	Expected Completion Date
Core Control Audit (Policy on Internal Control)—undertaken by the Office of the Comptroller General.	Core controls and compliance	Planned	March 31, 2017

B. Evaluations

No evaluations have been identified for the 2016–2017 to 2018–2019 timeframe.

Tax Expenditures and Evaluations

The tax system can be used to achieve public policy objectives through the application of special measures such as low tax rates, exemptions, deductions, deferrals and credits. The Department of Finance Canada publishes cost estimates and projections for these measures each year in the [Tax Expenditures and Evaluations](#)ⁱⁱ publication. The tax measures presented in that publication are the responsibility of the Minister of Finance.

Section IV: Organizational Contact Information

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Appendix: Definitions

Appropriation: Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

Budgetary expenditures: Operating and capital expenditures; transfer payments to other levels of government, organizations or individuals; and payments to Crown corporations.

Departmental Performance Report: Reports on an appropriated organization's actual accomplishments against the plans, priorities and expected results set out in the corresponding Reports on Plans and Priorities. These reports are tabled in Parliament in the fall.

Full-time equivalent: A measure of the extent to which an employee represents a full person-year charge against a departmental budget. Full-time equivalents are calculated as a ratio of assigned hours of work to scheduled hours of work. Scheduled hours of work are set out in collective agreements.

Government of Canada outcomes: A set of 16 high-level objectives defined for the government as a whole, grouped in four spending areas: economic affairs, social affairs, international affairs and government affairs.

Management, Resources and Results Structure: A comprehensive framework that consists of an organization's inventory of programs, resources, results, performance indicators and governance information. Programs and results are depicted in their hierarchical relationship to each other and to the Strategic Outcome(s) to which they contribute. The Management, Resources and Results Structure is developed from the Program Alignment Architecture.

Non-budgetary expenditures: Net outlays and receipts related to loans, investments and advances, which change the composition of the financial assets of the Government of Canada.

Performance: What an organization did with its resources to achieve its results, how well those results compare to what the organization intended to achieve, and how well lessons learned have been identified.

Performance indicator: A qualitative or quantitative means of measuring an output or outcome, with the intention of gauging the performance of an organization, program, policy or initiative respecting expected results.

Performance reporting: The process of communicating evidence-based performance information. Performance reporting supports decision making, accountability and transparency.

Planned spending: For Reports on Plans and Priorities (RPPs) and Departmental Performance Reports (DPRs), planned spending refers to those amounts that receive Treasury Board approval by February 1. Therefore, planned spending may include amounts incremental to planned expenditures presented in the Main Estimates.

A department is expected to be aware of the authorities that it has sought and received. The determination of planned spending is a departmental responsibility, and departments must be able to defend the expenditure and accrual numbers presented in their RPPs and DPRs.

Plans: The articulation of strategic choices, which provides information on how an organization intends to achieve its priorities and associated results. Generally a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead up to the expected result.

Priorities: Plans or projects that an organization has chosen to focus and report on during the planning period. Priorities represent the things that are most important or what must be done first to support the achievement of the desired Strategic Outcome(s).

Program: A group of related resource inputs and activities that are managed to meet specific needs and to achieve intended results and that are treated as a budgetary unit.

Program Alignment Architecture: A structured inventory of an organization's programs depicting the hierarchical relationship between programs and the Strategic Outcome(s) to which they contribute.

Report on Plans and Priorities: Provides information on the plans and expected performance of appropriated organizations over a three-year period. These reports are tabled in Parliament each spring.

Results: An external consequence attributed, in part, to an organization, policy, program or initiative. Results are not within the control of a single organization, policy, program or initiative; instead they are within the area of the organization's influence.

Statutory expenditures: Expenditures that Parliament has approved through legislation other than appropriation acts. The legislation sets out the purpose of the expenditures and the terms and conditions under which they may be made.

Strategic Outcome: A long-term and enduring benefit to Canadians that is linked to the organization's mandate, vision and core functions.

Sunset program: A time-limited program that does not have an ongoing funding and policy authority. When the program is set to expire, a decision must be made whether to continue the program. In the case of a renewal, the decision specifies the scope, funding level and duration.

Target: A measurable performance or success level that an organization, program or initiative plans to achieve within a specified time period. Targets can be either quantitative or qualitative.

Voted expenditures: Expenditures that Parliament approves annually through an *Appropriation Act*. The Vote wording becomes the governing conditions under which these expenditures may be made.

Whole-of-government framework: Maps the financial contributions of federal organizations receiving appropriations by aligning their Programs to a set of 16 government-wide, high-level outcome areas, grouped under four spending areas.

Endnotes

- i. Whole-of-government framework, <http://www.tbs-sct.gc.ca/ems-sgd/wgf-ipp-eng.asp>
- ii. Tax Expenditures and Evaluations publication, <http://www.fin.gc.ca/purl/taxexp-eng.asp>