

Social Sciences and Humanities Research Council of Canada

Quarterly Financial Report

for the Quarter Ended September 30, 2022



Social Sciences and Humanities
Research Council of Canada

Conseil de recherches en
sciences humaines du Canada

Canada

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Statement outlining results, risks and significant changes in operations, personnel and programs

1. Introduction

This Quarterly Financial Report (QFR) has been prepared by management as required by section 65.1 of the [Financial Administration Act](#) (FAA), and in the form and manner prescribed by the Treasury Board. It should be read in conjunction with the 2022-23 [Main Estimates](#) and [Supplementary Estimates \(A\)](#). This report has not been subject to an external audit or review.

1.1 Authority, mandate and programs

The Social Sciences and Humanities Research Council of Canada (SSHRC) was established in 1977 by the *Social Sciences and Humanities Research Council Act*, and is a departmental corporation named in Schedule II of the FAA. SSHRC is a funding agency that promotes and supports postsecondary research and training in the social sciences and humanities to enhance the economic, social and cultural development of Canada, its communities and regions. Social sciences and humanities research builds knowledge about people in the past and present, with a view toward creating a better future.

Further information on the SSHRC mandate and program activities can be found in [Part II of the Main Estimates](#).

1.2 Basis of presentation

Management prepared this quarterly report using an expenditure basis of accounting. The accompanying Statement of Authorities includes SSHRC's spending authorities granted by Parliament and those used by the agency, consistent with the Main Estimates and Supplementary Estimates (A) for fiscal 2022-23. This quarterly report has been prepared using a special-purpose financial reporting framework designed to meet financial information needs with respect to the use of spending authorities.

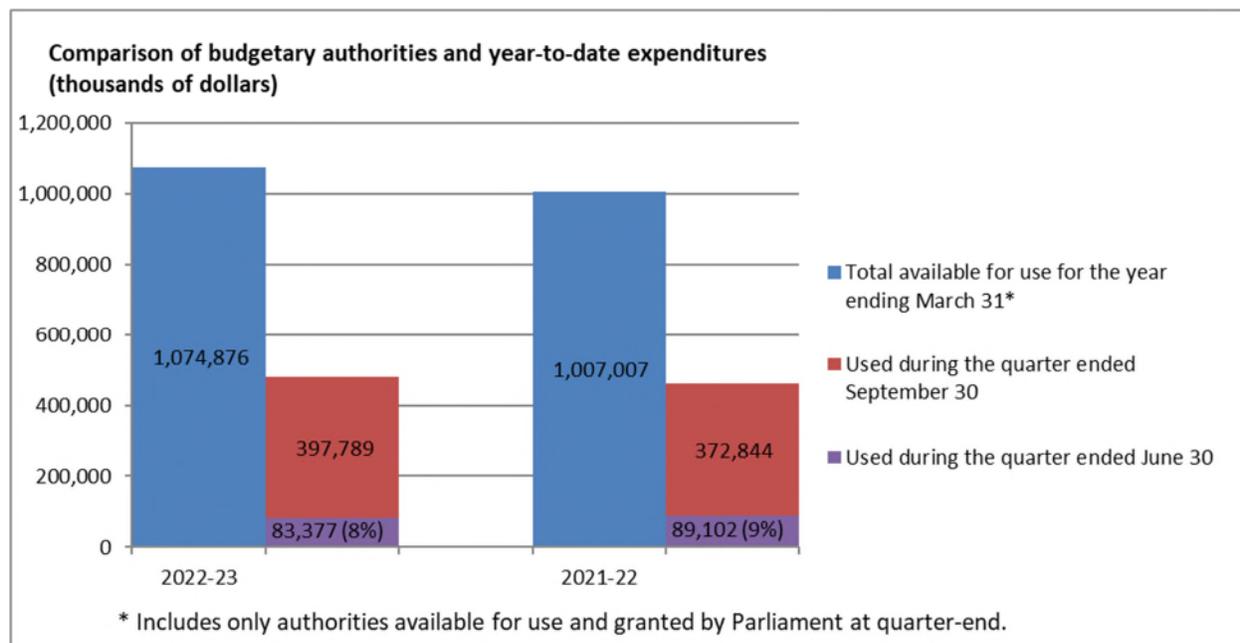
The authority of Parliament is required before the Government of Canada can spend monies. Approvals are given in the form of annually approved limits through appropriation acts or through legislation in the form of statutory spending authority for specific purposes.

SSHRC uses the full accrual method of accounting to prepare and present its annual financial statements that are part of the departmental results reporting process. However, the spending authorities voted by Parliament remain on an expenditure basis.

2. Highlights of fiscal quarter and fiscal year-to-date results

This section highlights the significant items that contributed to the change in resources available for the fiscal year, as well as the actual year-to-date expenditures compared with the previous fiscal year.

The following graph provides a comparison of budgetary authorities available for the full fiscal year and budgetary expenditures by quarter for fiscal 2022-23 and fiscal 2021-22.



2.1 Significant changes to budgetary authorities

As of September 30, 2022, SSHRC's total available authorities for fiscal 2022-23 amounted to \$1.075 billion. This represents an overall increase of \$67.9 million (6.7%) from the comparative period of the previous year. The major changes in SSHRC's budgetary authorities between the current and previous fiscal years include:

- an increase of \$43.6 million from Budget 2021 for the new Canada Biomedical Research Fund, to support high-risk applied research, training and talent development;
- an increase of \$36.0 million for the New Frontiers in Research Fund (NFRF) from Budget 2018, supporting research that is international, interdisciplinary, high risk, and fast breaking;
- a decrease of \$5.4 million for the adjusted distribution of the Canada Graduate Scholarships between the three granting agencies;
- a decrease of \$4.8 million related to the gradual transfer of the Networks of Centres of Excellence program to NFRF, as per Budget 2018 announcement;
- an increase of \$2.1 million from Budget 2021 for the Race, Gender and Diversity Initiative, to fund academic research into systemic barriers faced by diverse groups across Canada;

- a decrease of \$1.6 million related to the gradual transfer of the Business-Led Networks of Centres of Excellence and the Centres of Excellence for Commercialization and Research programs to Innovation, Science and Economic Development Canada under the Strategic Innovation Fund, as per Budget 2018 announcement; and
- a decrease of \$1.5 million for the Canada First Research Excellence Fund, for which funding renewal will be sought.

2.2 Significant changes to authorities used

Year-to-date spending

The following table provides a comparison of cumulative spending by vote for the current and previous fiscal years.

Year-to-date budgetary expenditures used at quarter-end (millions of dollars)	2022-23	2021-22	Variance
Vote 1—Operating expenditures			
Personnel (includes contributions to employee benefit plans)	18.3	16.2	2.1
Non-personnel	2.4	2.5	(0.1)
Vote 5—Grants and scholarships	460.5	443.3	17.2
Total budgetary expenditures	481.2	462.0	19.2

Total budgetary expenditures amounted to \$481.2 million at the end of the second quarter of fiscal 2022-23, compared to \$462.0 million reported in the same period in the previous fiscal year.

Grants and scholarships

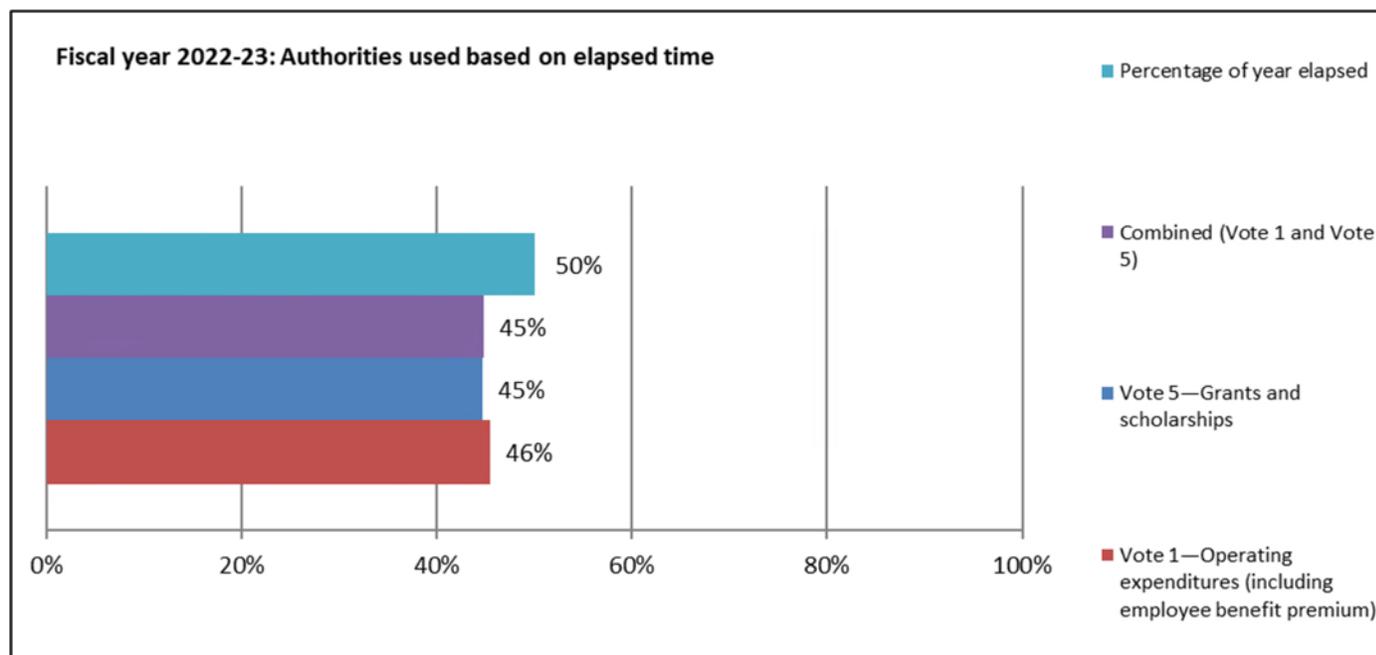
At the end of the second quarter of fiscal 2022-23, the grant and scholarship expenses increased by \$17.2 million, compared to what was reported in the same period of the previous fiscal year. The variance is due to the funding increase from Budget 2018 for NFRF, timing of payments for the College and Community Social Innovation Fund and other award payments, and the new college and community Mobilize grants from Budget 2021.

Operating expenditures

Personnel expenditures (includes contributions to employee benefit plans [EBPs]) have increased by \$2.1 million compared to the same period of the previous year, due mainly to ratification of the collective agreement during the second part of 2021-22 and to new initiatives implemented by SSHRC in the context of the biomedical research fund from Budget 2021.

Total non-personnel expenditures as of the second quarter of fiscal 2022-23 are largely in line with the comparative period of the previous year. There was an increase in the acquisition of machinery and equipment expenditures related to the Workplace Renewal project launched during 2020-21, in partnership

with the Natural Sciences and Engineering Research Council of Canada (NSERC). Professional and special services expenses decreased, due to lower use of management consulting services. See the Departmental budgetary expenditures by standard object table in section 6 for additional details.



Total authorities used at the end of the second quarter of fiscal 2022-23 (\$481.2 million) represent 44.8% of total available authorities (\$1.075 billion).

Quarterly spending

The total authorities used during the second quarter of fiscal year 2022-23 amounted to \$397.8 million (37.0% of the total available authorities; 37.6% of total authorities for grant and scholarship programs; and 24.4% of total authorities for operating expenditures and employee benefits).

Budgetary expenditures used during the second quarter

(millions of dollars)

Vote 1—Operating expenditures

Personnel (includes contributions to employee benefit plans)

Non-personnel

Vote 5—Grant and scholarship

Total budgetary expenditures

	2022-23	2021-22	Variance
Personnel (includes contributions to employee benefit plans)	9.8	8.1	1.7
Non-personnel	1.3	1.5	(0.2)
Vote 5—Grant and scholarship	386.7	363.2	23.5
Total budgetary expenditures	397.8	372.8	25.0

Grants and scholarships

Transfer payments represent 95.8% of SSHRC's available authorities. Variations occur in transfer payment expenditures between quarters due to the nature of program cycles. During the second quarter of fiscal year 2022-23, SSHRC's transfer payment expenditures have increased by \$23.5 million compared with the same quarter of the previous fiscal year.

The variance is due to the funding increase from Budget 2018 for NFRF, the timing of payments for the College and Community Social Innovation Fund and other award payments, and the new college and community Mobilize grants from Budget 2021.

Operating expenditures

Personnel expenditures (includes contributions to EBPs) for the second quarter of fiscal 2022-23 have increased by \$1.7 million compared to the comparative period of fiscal 2021-22. This increase is mainly due to the ratification of the collective agreement during the second part of 2021-22 and to new initiatives implemented by SSHRC in the context of the biomedical research fund from Budget 2021.

Total non-personnel expenditures for the second quarter of fiscal 2022-23 have remained in line with expenses incurred during the same period of the previous fiscal year, with some variances attributed to the acquisition of machinery and equipment and use of professional services as previously mentioned in the Year-to-Date Spending section of this report. See the Departmental budgetary expenditures by standard object table in section 6 for additional details.

3. Risks and uncertainties

Through the corporate risk identification exercise, SSHRC annually identifies and assesses corporate-level risks and develops response measures to minimize their likelihood and/or impact. Senior management closely follows the risks below to ensure they are continuously mitigated and the residual risk level is acceptable. This monitoring will include assessments of SSHRC's operating environment, given the ongoing changes.

Strategic risk 1—Ability to manage resources

Multiple pressures facing the organization (e.g., design and delivery of new programs, expanded collaboration with external stakeholders, modernization of grants management systems, move to new offices) may stretch SSHRC's limited operating resources and raise challenges in efficiently allocating financial and human resources to support priority activities. To ensure strong oversight of SSHRC's achievement of results, SSHRC relies on key planning documents, such as its strategic plan and Departmental Results Framework, and its corporate governance structure.

Strategic risk 2—Ability to manage change

Planned activities in support of SSHRC objectives are vulnerable to the management of change, including the cumulative impact of multiple changes. SSHRC has a number of key activities for fiscal 2022-23 that involve new technologies, organizational changes, new collaborations, new program directions and external

factors affecting the organization. To ensure successful completion and minimize unintended impacts on other projects and on operations, SSHRC continues to implement mandatory training; the People Strategy; the Performance Management Program; the corporate communications strategy, which includes an employee communications plan; and other strategies to help ensure the appropriate development of employees in a changing work environment.

Strategic risk 3—Ability to manage reputation

Management of SSHRC's reputation is a critical driver of SSHRC's success. To ensure that challenges to SSHRC's reputation caused by transformative changes in its operations, including delivery of high-profile programs and the sensitive or controversial nature of funded research, are effectively managed, SSHRC engages frequently with stakeholders and partners. It also collaborates closely with other federal research funding agencies to establish and maintain effective relationships and enable information sharing.

Read more about SSHRC's key risks for the current fiscal year in the [2022-23 Departmental Plan](#).

4. Significant changes related to operations, personnel and programs

On 31 August, 2022, SSHRC bid fond farewell to Vice-President of Research Dominique Bérubé. The search for a new vice-president of research has begun, and it is expected that this position will be filled by year end. In the interim, Tim Wilson, associate vice-president, Research Programs, will assume oversight for all matters regarding SSHRC talent and research programming and related interagency collaboration, while Valerie Laflamme, associate vice-president, Tri-agency Institutional Programs Secretariat (TIPS), will assume the responsibilities and management of TIPS. Meanwhile, key special initiatives will be overseen by members of the SSHRC senior management team. Valérie La Traverse, vice-president, Corporate Affairs, will assume the co-chairship of the Employment Equity and Diversity Advisory Committee. Ursula Gobel, vice-president, Stakeholder Engagement and Advancement of Society, will take responsibility for matters related to the implementation of the tri-agency strategic plan and initiative to strengthen Indigenous research capacity.

Samantha Rahim has joined SSHRC in the role of NSERC and SSHRC's new chief information officer, deputy security officer, and director general of the Information and Innovation Solutions division. She brings a wealth of transformation and information and technology experience to this position.

In late August, Public Services and Procurement Canada officially handed to SSHRC, in partnership with NSERC, the keys to their new headquarters at 125 Zaida Eddy Private, which was an important milestone in the Workplace Renewal project. The handover allowed SSHRC to advance commissioning of this new office space in preparation for occupancy later this fiscal year.

Approved by:

Ted Hewitt, PhD
President

Dominique Osterrath
Vice-President and Chief
Financial Officer

Ottawa, Canada
November 29, 2022

5. Statement of authorities (unaudited)

	Fiscal year 2022-23			Fiscal year 2021-22		
	Total available for use for the year ending March 31, 2023*	Used during the quarter ended September 30, 2022	Year-to-date used at quarter-end	Total available for use for the year ending March 31, 2022*	Used during the quarter ended September 30, 2021	Year-to-date used at quarter-end
(in thousands of dollars)						
Vote 1—Operating expenditures	41,226	10,051	18,580	35,488	8,710	16,858
Vote 5—Grants and scholarships	1,029,373	386,696	460,501	967,689	363,221	443,258
Budgetary statutory authorities						
Contributions to the employee benefit plan	4,169	1,042	2,085	3,735	913	1,830
Spending of revenues pursuant to subsection 4 (2) of the <i>Social Sciences and Humanities Research Council Act</i>	108	-	-	95	-	-
Total budgetary authorities	1,074,876	397,789	481,166	1,007,007	372,844	461,946

* Includes only authorities available for use and granted by Parliament at quarter-end.

6. Departmental budgetary expenditures by standard object (unaudited)

(in thousands of dollars)

	Fiscal year 2022-23			Fiscal year 2021-22		
	Planned expenditures for the year ending March 31, 2023	Expended during the quarter ended September 30, 2022	Year-to-date used at quarter-end	Planned expenditures for the year ending March 31, 2022	Expended during the quarter ended September 30, 2021	Year-to-date used at quarter-end
Expenditures						
Personnel	32,405	9,771	18,253	28,880	8,103	16,156
Transportation and communications	566	103	140	248	39	95
Information	1,503	124	277	916	179	326
Professional and special services	7,753	875	1,365	5,720	910	1,465
Rentals	1,648	120	349	1,328	171	379
Repair and maintenance	151	8	44	64	21	56
Utilities, materials and supplies	91	(14)	27	89	11	21
Acquisition of machinery and equipment	1,205	107	210	2,073	169	170
Other subsidies and payments	181	-	-	-	20	20
Transfer payments	1,029,373	386,695	460,501	967,689	363,221	443,258
Total budgetary expenditures	1,074,876	397,789	481,166	1,007,007	372,844	461,946