



Research *for Real Life*

2009-10 ANNUAL REPORT

SSHRC  CRSH

Social sciences and humanities
research builds knowledge about
people, past and present, with a view
toward creating a better future.

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350 Albert Street
P.O. Box 1610
Ottawa, Canada
K1P 6G4

Tel.: 613-992-0691
Fax: 613-992-1787
Website: www.sshrc-crsh.gc.ca
Media Inquiries: 613-992-7302

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Social Sciences and Humanities
Research Council of Canada

Conseil de recherches en
sciences humaines du Canada

Canada



MESSAGE FROM THE PRESIDENT

At the Social Sciences and Humanities Research Council (SSHRC), we work shoulder-to-shoulder with researchers and partners across all disciplines and all sectors of society to fuel innovation, bolster economic recovery, promote justice, and make Canada one of the best places in the world to live.

We believe that by advancing knowledge and building understanding on a wide array of topics, social sciences and humanities research creates a foundation for innovation that has the potential to improve, not only the economy, but the lives of people in Canada and around the world.

This new model of innovation places people at its core. To understand innovation today is to understand human thought and behaviour—why we do the things we do, and why we strive to change or stay the same. Research and research training in our disciplines play a central role in Canadian innovation, from entrepreneurship, design and technology, to public policy, urban planning and community development. Businesses,

governments and institutions across the country are recognizing that better understanding of clients, employees, students and, indeed, all citizens is essential for building prosperous, robust communities.

In Budget 2010, the Government of Canada recognized and enhanced SSHRC's role in Canadian innovation and quality of life by increasing funding for social sciences and humanities research and training by \$3 million annually. In addition, the three federal research funding agencies (SSHRC, the Canadian Institutes of Health Research and the Natural Sciences and Engineering Research Council) together received \$45 million over five years to launch a new postdoctoral fellowship program that will support Canada's top new researchers.

This new investment echoes the support for social sciences and humanities research I experienced as I spoke to diverse audiences on campuses, in communities, and across public, private and not-for-profit organizations throughout 2009-10. Everywhere, people wanted to hear from us, and they wanted to connect with the research we fund. At the Canada 3.0 event in Stratford, Ontario, for example, I joined leaders in digital media from across the business, government and academic worlds to explore how Canada's capacity for innovation depends upon the contributions social sciences and humanities research makes to digital technologies, literacy and content, and to bridging the digital divide in Canada.

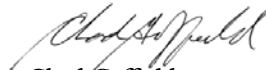
And this is just one example. Canadians today are presented with an increasingly complex mix of opportunities and challenges. Happily, these issues are also central themes in the research efforts of our scholars and their partners. Their efforts are shedding light on issues that are transforming our lives—such as the aging population, our increasingly diverse

social fabric, transformations in family life, changing values, and the new rules of business competition.

At SSHRC, we believe that by working together, academic researchers and partners in the larger society develop new knowledge in key areas, provide new training opportunities, and enable social sciences and humanities research to contribute to building successful Canadian communities in the midst of profound change.

We are proud to share our accomplishments of the past year with you in this annual report, and we look forward to continued collaboration with our partners across society as we move forward in 2010-11.

Yours in research,



Chad Gaffield
President
Social Sciences and Humanities
Research Council



MESSAGE FROM THE CHAIR

SSHRC plays a vital role in Canadian society,
making lives better in Canada and around the world.

At SSHRC, it is our responsibility to ensure public funds are invested wisely, focusing on the best research ideas and supporting the most promising young minds Canada has to offer.

As vice-president and chair of the governing council, I am proud to reflect on a prolific year in which SSHRC delivered on its commitment to continuously improve its programs, governance and accountability, and to increase the impact and benefits of the research it funds.

Our governance structure, which underwent significant changes over the past two years, clearly demonstrated the benefits of its new focus on long-term priorities, performance and results. The simplified committee structure allowed council to both increase efficiency and improve the quality of our strategic advice, while a more diverse membership allowed us to

better reflect the experiences, needs and ambitions of the Canadian public SSHRC serves. In addition, the new Independent Audit Committee, launched in September 2009, has enhanced our accountability to the public by providing objective advice and recommendations on SSHRC's risk management, control, and governance frameworks and processes.

I would like to thank all council members for their hard work and dedication throughout a most productive year, and I look forward to continued success for SSHRC in the year ahead.

Thomas Kierans
Vice-President and Chair of Council
Social Sciences and Humanities
Research Council

Through its programs and policies, SSHRC enables the highest levels of research excellence in Canada, and facilitates knowledge-sharing and collaboration across research disciplines, universities and all sectors of society.

SSHRC INVESTMENTS AT A GLANCE

SSHRC awards its grants and fellowships through an independent merit-review process: selection committees recommend which projects to fund based on criteria such as the originality and significance of the research, the quality of training offered to students, and the potential impact of the research within and outside the academic world.

CANADA'S RESEARCH COMMUNITY

Full-time graduate students who study social sciences and humanities at Canadian universities:

62,075

Full-time professors who teach social sciences and humanities at Canadian universities:

22,025

GRANTS, FELLOWSHIPS AND SCHOLARSHIPS

Committee members who participated in SSHRC application adjudications in 2009-10:

529

Grant, scholarship and fellowship applications received in 2009-10:

13,131

New grants, fellowships and scholarships awarded in 2009-10:

4,452

SSHRC INVESTMENTS

Value of all grants, fellowships and scholarships supported in 2009-10:

\$334.9 million

SSHRC-FUNDED RESEARCH BY THEME, 2009-10	Number of projects	Amount of funding <i>(in \$ millions)*</i>	Percentage of funding*
Environmental science and technologies	410	\$21.4	6.4%
Natural resources and energy	41	\$4.0	1.2%
Health and related life sciences and technologies	626	\$25.3	7.6%
Information and communications technology	596	\$22.7	6.8%
Management, business and finance	729	\$23.5	7.0%
Arts and culture	1,714	\$49.9	14.9%
Economy, employment and markets	717	\$29.0	8.7%
Education and learning	741	\$27.2	8.1%
Human development	573	\$20.9	6.2%
Social development	1,646	\$61.6	18.4%
Governance of society and institutions	995	\$34.7	10.4%
Other areas of research	425	\$14.6	4.4%
TOTAL:	9,213	\$334.9	100%

* Due to rounding, decimals may not correspond to total.

CANADA RESEARCH CHAIRS PROGRAM

SSHRC administers the Canada Research Chairs Program on behalf of SSHRC, the Natural Sciences and Engineering Research Council (NSERC), and the Canadian Institutes of Health Research (CIHR). The program is designed to create 2,000 high-profile research professorships for established and up-and-coming researchers at Canadian universities.

Attracting internationally renowned scholars, the program helps keep research jobs and expertise in Canada, and increases national research capacity in the social sciences and humanities, engineering, health sciences, and the natural sciences. During 2009-10, SSHRC's president served as chair of the program's steering committee.

RESEARCH FOR REAL LIFE

SSHRC supports Canada's best researchers and graduate students and helps move new research knowledge into society, where it is used by businesses, governments and communities to address the most pressing issues of our day.

From questions of family and culture to concerns about jobs and employment, research about people—how we live, what we think, how we act—informs new knowledge and insights on the issues that matter most to Canadians.

As a federal research funding agency, SSHRC builds Canadian research excellence and innovation by supporting the best ideas from Canada's 84,000 researchers and graduate students in the social sciences and humanities.

This research makes crucial contributions to our economy, our quality of life, and our search for knowledge and understanding. It develops real-life solutions to social and economic problems, prepares Canadian students for the future, and deepens our understanding of our world and ourselves.

Most importantly, this research changes the way we think, the way we act and the way we live our lives. By better understanding

human behaviour and sharing this knowledge across society, we uncover new ways to create positive, lasting change in the world—and in the lives of all Canadians.

THE NEXT GENERATION OF CANADIAN LEADERS

The social sciences and humanities provide students with the skills and experience necessary to succeed in a knowledge-based economy.

Independent thinking, creative enquiry, analysis, interpretation and communication—the fundamentals of research training—are increasingly in demand by businesses and organizations across society. It is no surprise then that almost two-thirds of Canada's university students study the humanities and social sciences, providing Canada with the highly qualified workforce it needs to succeed in the 21st century.

Out of this massive pool of Canadian talent, SSHRC awards scholarships and fellowships to the most promising graduate students and provides fellowships to gifted postdoctoral scholars embarking on their research careers.

In 2009–10, 1,483 full-time master's students and 1,196 doctoral candidates were awarded fellowships and scholarships to receive research training in a variety of fields, and gain skills and experiences that will help them build successful careers in all sectors of society. Of these, 131 graduate students also received Michael Smith Foreign Study Supplements to participate in research and research training opportunities outside Canada. This program provides young Canadians with valuable international experience, while strengthening collaboration between Canadian and foreign universities.

Supporting the world's best at Canadian universities

The prestigious Vanier Canada Graduate Scholarships program awarded its inaugural scholarships to 167 of the world's leading doctoral students in 2009. Designed to attract the world's brightest young minds to study at Canadian universities, this new program provides students across the humanities, engineering, and the social, natural and health sciences with \$50,000 annually for up to three years.

TIME MAGAZINE CHOOSES GAMBLING RESEARCH AS BIGGEST STORY

SSHRC-funded research that discovered a method to predict adult gambling addiction by a person's behaviour in kindergarten was chosen by *Time Magazine* as one of its biggest stories of 2009.

The nomination process, which is coordinated by SSHRC, draws on the experience and advice of a selection board of prominent Canadians, including Bombardier Chairman Laurent Beaudoin and former president of The University of British Columbia Martha Piper. Once this program is at full capacity, it will support up to 500 students each year.

Budget 2010 allocated \$45 million over five years to the three federal research granting agencies to establish and administer a new postdoctoral fellowship program designed to encourage the world's most promising new scholars to carry out research at Canadian universities. When launched, the tri-agency program will fund 70 new two-year fellowships valued at \$70,000 per year.

Celebrating excellence

In 2009, SSHRC recognized four outstanding researchers and students in the social sciences and humanities through its annual prizes. The Gold Medal for Achievement in Research was awarded to Université de Montréal professor Jean-Jacques Nattiez. His groundbreaking research on Inuit culture demonstrated the importance of music to cultural identity, and brought Inuit throat singing onto the world's stage.

SSHRC's Aurora Prize was awarded to outstanding new researcher Sylvia Fuller, a professor of sociology at The University of British Columbia. Fuller, who is already a well-known expert on workplace issues, will use the funds to expand her examination of how to maximize

long-term employment possibilities for Canadian workers.

The Postdoctoral Prize went to Bruce Maxwell for his collaborative, interdisciplinary work into the psychology behind people's ethical choices and moral judgment. Erin Soros, a former Fulbright scholar who received her Master's degree from The University of British Columbia, received The William E. Taylor Fellowship for her doctoral work combining human rights law, philosophy and autobiography.

INNOVATIVE RESEARCH, REAL-LIFE SOLUTIONS

A new model of innovation is emerging in the marketplace.

This new approach recognizes that innovation does not begin with experts developing new products, but rather with experts developing a better understanding of people—the ideas, behaviour, values, wants and needs that drive the success of new technologies, services and products. Today's challenge is for businesses, governments and community leaders to understand the human context of their products and services in order to succeed.

At SSHRC, we believe true innovation can only be achieved by supporting great ideas across all disciplines. From English literature to disability studies to business

MASTER'S RESEARCH MAKES COVER OF *NEW SCIENTIST* MAGAZINE

Digital research into ancient cave art by a SSHRC-funded master's student in anthropology graced the February 2010 cover of the UK's prestigious *New Scientist* magazine. It also earned the student a job with the Smithsonian's online Human Origins exhibit.

administration, research in the social sciences and humanities creates knowledge and understanding about people that yield benefits—sometimes planned and sometimes unexpected—far beyond the halls of academia.

In 2009–10, SSHRC awarded 1,269 research grants to scholars to perform world-class research at universities across the country. Their projects included a vast array of topics, including digital media, the economy, Arctic sovereignty, climate change, and religious diversity.

Building Canadian innovation

To ensure that SSHRC funding for management, business and finance research leads to the greatest benefits for all Canadians, SSHRC completed an in-depth investigation of Canadian research needs, strengths and weaknesses within these fields in 2009.

This extensive project included commissioning a report on business research in Canada from the Canadian Council of the Academies; an analysis of SSHRC-funded research grants over the past 10 years; consultations with the Canadian Federation of Business School Deans and with SSHRC’s sister granting

agencies; and outreach activities with the Canadian Federation of Humanities and Social Sciences, the Canadian Council of Chief Executives and the Canadian Labour Congress.

The result of this work was a shift in SSHRC’s strategic research programs to focus on:

- **Innovation:** new or better ways of doing valued things, including innovative ways of addressing pressing economic, social and cultural challenges.
- **Leadership:** governance, ethics, corporate social responsibility, as well as new models of digital leadership.
- **Prosperity:** quality of life, strengthening Canada’s ability to harness research knowledge, creating a resilient economy.

This shift also includes efforts to increase connections between SSHRC-funded researchers and off-campus communities, increase international collaboration, and build capacity in areas such as the digital economy, small- and medium-sized enterprises, public sector management, e-finance, and the manufacturing and service industries.

IN 2009-10, SSHRC SUPPORTED 289 RESEARCH PROJECTS RELATED TO BUSINESS, INNOVATION AND THE ECONOMY.

In 2009, SSHRC funded an interdisciplinary, cross-sector national forum called Advancing Canada's Competitive Advantage. Hosted by the École des hautes études commerciales in Montreal, the event brought together leaders from business, the media and government to explore how Canadian businesses can participate in and use research to spur economic growth and innovation. Notable participants included Dragons' Den star and President of Venture Communications Arlene Dickinson, and John Micklethwait, editor-in-chief of *The Economist*.

In 2009-10, SSHRC funding for management, business and finance focused on public outreach grants that bring research knowledge to the people and businesses who can put it to work in society. In all, 17 public outreach projects were supported.

Environmental issues and northern communities

A 2008 federal budget allocation of \$12 million for research into Canadian environmental issues and the economic and social prosperity of northern communities prompted SSHRC to develop and introduce two new funding suites.

Research funded under the Canadian Environmental Issues special call contributed to advancing Canadian research knowledge on climate change, green energy, water management, and the

CITY OF VANCOUVER MAKES 2010 OLYMPIC GAMES ACCESSIBLE TO ALL

The City of Vancouver used an accessibility tool created through SSHRC-funded research on disabilities and technology to ensure information, retail and public services at the 2010 Olympic Games were accessible to all.

environmental impact of new technologies; while research on northern communities focused on areas drawn from Canada's Northern Strategy, including sovereignty, environmental protection, governance, and social and economic development.

In 2009-10, SSHRC awarded 31 grants in these two areas. One grant, awarded to McGill geographer James Ford, builds on his discovery that two-thirds of Inuit in remote northern regions cannot access the food they need. Ford's new research examining how climate change affects access to traditional and store-bought food will be used by territorial and federal governments to develop adaptation plans that preserve the Inuit's ancient way of life as well as protect their day-to-day health and livelihoods.

A STRONG CANADIAN PRESENCE ON THE WORLD STAGE

SSHRC funds research that brings the world to Canada, and Canada to the world. By fostering collaboration among researchers, partners and research funding agencies, SSHRC builds international partnerships on important issues and helps raise Canada's profile on the global stage.

Leading in a digital world

In 2009, SSHRC announced grants to eight international research projects as part of the Digging into Data Challenge. This partnership among SSHRC, the US National Endowment for the Humanities and the National Science Foundation, and the UK's Joint Information Systems Committee, challenged international teams of world-class researchers to push the limits of the digital revolution. Using high-performance computing and digital libraries to mine vast quantities of cultural data—such as images, texts, musical notations, social statistics and speech—these interdisciplinary teams will lead substantial innovations into data-mining that will have benefits across the academic, business and public sector worlds.

Connecting beyond campus and beyond borders

Through its funding programs, SSHRC encourages connections between academics and off-campus communities, putting the

outcomes of social sciences and humanities research to work for Canadians.

SSHRC's longstanding Community-University Research Alliance (CURA) funding program supports vibrant, productive research partnerships between university-based researchers and community organizations. These partnerships allow for the co-creation of knowledge in key areas, sharpen research priorities, provide new research training opportunities, and enhance the ability of social sciences and humanities research to meet the needs of communities in Canada and around the world.

A partnership between SSHRC and the International Development Research Centre has led to the International CURA, or ICURA model. ICURA facilitates collaborations and the creation of new knowledge across sectors and organizations, and between countries. In 2009, ICURA announced \$8 million to four projects in which community organizations and universities in Canada team up with their counterparts in the developing world to carry out research on global issues, such as the design and delivery of mental health services, coastal environmental change, the impact of poverty on the environment, and services for at-risk youth.

SSHRC's Major Collaborative Research Initiatives unite the work of researchers

from around the world under single, innovative projects. The result is productive, integrated collaboration on complex issues that are intellectually, economically and culturally significant to society.

SSHRC announced four new major collaborative research initiatives in 2009, each supported by \$2.5 million in funding over seven years. These projects unite some 140 Canadian and international researchers and partners from across society, and will examine issues such as the rise and development of emerging economic superpowers India and China; suburban growth in the 21st century; new ways to organize long-term residential care for seniors; and how religion affects our legal, political and social environment.

Addressing global challenges with global solutions

Climate change affects all countries and knows no borders. As such, this global challenge represents a unique opportunity for collaborative research that will advance knowledge on critical international environmental issues. SSHRC, the International Development Research Centre, the Canadian Institutes of Health Research and the Natural Sciences and Engineering Research Council partnered in 2009 on the International Research Initiative on Adaptation to Climate Change. The program brings together multinational

teams of researchers, communities, policy-makers and practitioners to help Canada and low- and middle-income countries adapt to the economic, social and cultural challenges and opportunities of climate change.

BETTER PROGRAM DELIVERY

In 2008, SSHRC set a new strategic direction for itself that focused on three ambitions: to enhance the quality of research in the social sciences and humanities; to enable connections among disciplines, researchers and communities; and to increase the impact of research and research training on the lives of people in Canada and around the world.

This plan, called *Framing Our Direction*, made three commitments to the research community concerning the delivery of SSHRC funding programs:

- to launch an ongoing examination of our programs, criteria, policies and procedures;
- to integrate and streamline programs and procedures where appropriate; and
- to improve service delivery.

The result—after extensive evaluation, consultation and analysis—was the blueprint for a simpler, more flexible program architecture. This renewed architecture brings more than 30 separate funding competitions together under three

streamlined umbrella programs focused on the tangible benefits of SSHRC-funded research for Canadians: Talent, Insight and Connection.

The Talent program focuses on training the next generation of Canadian leaders and thinkers across the public, private and not-for-profit sectors. It includes scholarships and fellowships for graduate students and postdoctoral fellows in the social sciences and humanities.

The Insight program helps Canada stay at the cutting-edge of technological, economic and social change by funding the best Canadian research ideas on a wide variety of topics. Research projects are carried out by individuals and teams, as well as through formal partnerships among researchers, postsecondary institutions and the public, private and not-for-profit sectors.

By encouraging different approaches to and perspectives on research, this program builds on Canada's deep, diverse base of research excellence and provides a solid foundation for success in the 21st century.

The Connection program promotes the flow of knowledge in multiple directions and helps create durable links with communities beyond the campus. Under the Connection program, SSHRC funds workshops, conferences, outreach activities, tools, publications and partnerships that maximize the intellectual, cultural, social and economic impact of social sciences and humanities research by connecting research and its results with communities, governments and businesses across the country.

Online applications

As part of SSHRC's continuous improvement strategy, its Standard Research Grants competition in the fall of 2009 was completely paperless. The new fully electronic submission process simplifies the application process, and allows applicants and their research partners to collaborate online when gathering and submitting required information.

This new way of doing business was well received by Canadian researchers and will soon be extended to other programs, as SSHRC continues to increase the quality of its service to Canadians.

TD BANK ANNOUNCES IT IS CARBON NEUTRAL

In February 2010, a partnership forged through the SSHRC-funded Network for Business Sustainability led the TD Bank Financial Group—one of the largest banks in North America—to announce its operations are now completely carbon neutral.

EFFECTIVE COLLABORATION AMONG FEDERAL AGENCIES

Since 2006, SSHRC, the Natural Sciences and Engineering Research Council (NSERC), the Canadian Institutes of Health Research (CIHR) and the Canada Foundation for Innovation (CFI) have worked together to support the very best in Canadian research.

Collaboration benefits both research and society by avoiding duplication and streamlining administrative processes, while building on strengths within each agency and the academic communities they represent. Working together, the agencies provide a firmer foundation for cross-cutting, multidisciplinary research initiatives and better stewardship of public funds.

Partnerships for research excellence

Canada's future prosperity depends on its ability to attract the highest calibre of researchers. The Canada Excellence Research Chairs (CERC) is a tri-agency program (SSHRC, NSERC, CIHR) that helps build on Canada's growing reputation as a global leader in research and innovation. Administered through the CERC secretariat housed within SSHRC, this prestigious program aims to award up to 20 successful chairholders, and their research teams, up to \$10 million over seven years to establish ambitious research programs in Canada.

The CERC program supports research in the key priority areas of environmental sciences and technologies, natural resources and energy, health and related life sciences, and information and communications technologies—all areas in which Canadians stand to reap tangible and substantial benefits. CERC winners were announced in May 2010.

Strengthening digital media in Canada

Graphics, Animation and New Media Canada (GRAND) is a new tri-agency Network of Centres of Excellence that will help develop the technology solutions, talent pool and policy environment needed to sustain and grow a vibrant digital media sector in Canada. This interdisciplinary initiative will draw on contributions from the social sciences, humanities, computer sciences and the arts to lead Canada to the forefront of digital innovation.

INUIT FILM SCREENED AT UN CLIMATE CHANGE CONFERENCE

A SSHRC-funded documentary brought Inuit perspectives to the United Nations climate change conference in Copenhagen in December 2009.

Supporting the Canadian automotive sector

SSHRC has committed \$5 million over five years to fund social sciences and humanities research under Automotive Partnership Canada. This research partnership, announced by the Government of Canada in 2009, will help keep the Canadian automotive industry competitive and sustainable.

Showcasing Canadian innovation

SSHRC took a lead role in the Canadian delegation of research partners at the annual meeting of the American Association for the Advancement of Science (AAAS)—one of the world’s largest gatherings of scholars and scientists. SSHRC and its partners—including federal departments, research funding agencies and non-governmental organizations focused on postsecondary research and education—led a very successful THINK Canada campaign at the meeting that clearly articulated Canada’s commitment to innovation, creativity and excellence.

The delegation held the first Canadian Press Breakfast at an AAAS annual meeting on February 21, 2010. The event showcased Canadian research experts from the sciences, health-related fields, and the social sciences and humanities on the issue of climate change. The panel included Vanier Scholar Noor Johnson of McGill University, whose research on Inuit participation in

governance and decision-making will help bring effective environmental policies to the Canadian Arctic.

Managing the world’s oceans

In February 2010, SSHRC, NSERC and CFI provided infrastructure and research funding support to the Ocean Tracking Network at Dalhousie University, which aims to improve Canadian and international oceans management practices. The SSHRC portion of this project will provide support for research on the socio-economic and legal aspects of ocean monitoring.

Providing infrastructure for world-class research

In 2009, SSHRC and CFI announced additional support to the Major Collaborative Research Initiatives program for research infrastructure. This new funding arrangement—which sees SSHRC funding the direct costs of research while CFI funds research infrastructure under its Leaders Opportunity Fund—recognizes the new importance of technology and interdisciplinary research in the social sciences and humanities.

Protecting Canadian values

In 2009, SSHRC participated in a series of regional consultations on the evolution of the agencies’ *Tri-Council Policy Statement: Ethical Conduct for Research Involving Humans* (TCPS). The update to the

TCPS will ensure federal policies continue to reflect the concerns and values of a wide range of Canadians. Consultations involved researchers, research ethics boards, administrators, research participants and the Canadian public.

SSHRC also continued its work with NSERC, CIHR and the Association of Universities and Colleges of Canada to review and strengthen the *Tri-Council Policy Statement: Integrity in Research and Scholarship*. This statement defines expectations with regard to integrity and encourages the highest standards of research and scholarship.

LEADERSHIP AND PERFORMANCE MANAGEMENT

At SSHRC, we continuously improve our operations, programming and evaluation processes to best fulfill our corporate mandate and realize our strategic ambitions of quality, connections and impact. As such, we are unrelenting in our efforts to measure the success of our individual programs and ensure our business practices meet the highest standards of excellence and accountability.

Measuring our success

SSHRC's evaluation processes provide evidence-based assessments of the relevance and effectiveness of programs and the strategies and policies that support

them. Beyond describing and explaining the outcomes of policies and programs, SSHRC evaluations also reveal alternative ways to achieve program objectives and suggest program design improvements. Most importantly, all evaluations are published on the SSHRC website, providing vital information about the ongoing quality, value and relevance of SSHRC programs for Canadians.

In keeping with these principles, we launched a comprehensive evaluation in 2009 of our Standard Research Grants and Research Development Initiatives programs. SSHRC also completed evaluations of:

- Canada Graduate Scholarships;
- SSHRC Doctoral Fellowships;
- Networks of Centres of Excellence—New Initiatives;
- the Initiative on the New Economy;
- the Interagency Advisory Panels and Secretariat on Research Ethics;
- the tri-agency Indirect Costs Program; and
- the Metropolis program.

These evaluations found that each program played an important role in facilitating multidisciplinary research, training a highly qualified workforce in Canada and moving research knowledge across all sectors of society. The Initiative on the New Economy was also found to build partnerships between social sciences

and humanities researchers and private businesses—including Research in Motion, Nokia and IBM.

In addition to gauging the specific successes and achievements of our programming, SSHRC is also committed to answering larger questions. For example, what are the benefits of social sciences and humanities research to society as a whole? And how do we measure these impacts?

In 2009, SSHRC continued its ongoing development of methods for quantifying results, outcomes and impacts of SSHRC-funded research and training with a view to developing an integrated framework for capturing and assessing research impacts and benefits for Canadians.

Bringing our message to Canadians

In 2009, SSHRC engaged a wide range of audiences on university and college campuses, in communities, and across public, private and not-for-profit organizations. The goal was to demonstrate the ways in which SSHRC fosters interchange among campus and off-campus organizations and to highlight the benefits of social sciences and humanities research for Canadians.

SSHRC's president, Chad Gaffield, was active throughout 2009-10 communicating SSHRC's contribution to Canadian innovation, digital media, the economy

75% OF SSHRC-FUNDED RESEARCH IS USED OUTSIDE ACADEMIA:

In a recent survey by Science-Metrix, 75 per cent of SSHRC-funded researchers identified at least one group or organization outside the academic community that had used their research. These groups included practitioners, consultants, governments, professional associations, public institutions and non-governmental organizations.

HISTORICAL RESEARCH BUILDS POWERFUL DATA- MINING TOOLS

A Digging into Data project to examine 250 years of criminal court proceedings will produce powerful data-mining tools capable of revolutionizing how businesses and governments do public opinion research. The tools will allow users to see how their brands and services appear online, what words are nearby, and whether people have positive or negative things to say about them.

and the Canadian workforce in such publications as *The Hill Times*, *Research Money* and *The Forestry Chronicle*. He spoke at several conferences, including Canada 3.0, the Cultural Knowledge and the Healthy Society's summit on research and innovation, the Public Policy Forum's social innovation conference (Accelerating Social Innovation: Smart Ideas for Canada), and the 40th Anniversary of the *Official Languages Act*.

This year marked the completion of SSHRC's two-year communications

strategy, which saw the creation of a new website, increased outreach to Canadians, and a 200 per cent increase in media coverage of SSHRC-funded researchers.

In 2009-10, SSHRC's governing council endorsed the next two-year communications strategy, which emphasizes SSHRC's commitment to promoting the outcomes and impacts of social sciences and humanities research for the benefit of Canadians and the world. *Dialogue*, SSHRC's e-magazine, was also published three times in 2009-10, highlighting the contribution of SSHRC-funded research to the economy, digital media, and northern issues.

RESULTS FOR CANADIANS

Over the past year, SSHRC support allowed the social sciences and humanities research community to make immense contributions to Canada's competitiveness and quality of life.

We funded research that changed—and will continue to change—the way businesses are run, children are educated, the environment is protected, and history is understood. We supported Canada's best graduate students on their way to becoming leaders across all sectors of society.

We helped Canada's top minds innovate and inform positive change across Canadian

industries, families, governments and communities. And we brought Canadian expertise to the world, supporting research partnerships on international issues and allowing countries across the globe to benefit from our work.

We also revitalized our own services, increasing collaboration, improving program delivery, and developing a new results-based approach to funding research and training across all disciplines.

In 2010-11, we will continue to build on this foundation to further enhance the quality, connections and impact of our programs and the research we fund. We believe all academic disciplines have a role to play in Canada's future prosperity, and we will continue to support Canada's best research ideas as they build knowledge, understanding and action on the issues Canadians care about most.

THE GOVERNING COUNCIL

SSHRC is governed by a council consisting of members from academia and the larger society. Members meet regularly to provide strategic direction on policy and program priorities, and to monitor SSHRC's performance and achievements in the interest of enabling a strong, vibrant Canadian research community in the social sciences and humanities.

MEMBERS OF THE GOVERNING COUNCIL

from April 1, 2009 to March 31, 2010

MEMBERS

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Vice-President and Chair of Council
Toronto, ON

Chad Gaffield

President
SSHRC

Paul Bates

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Queen's University

Fred Morley

Executive Vice-President
and Chief Economist
Greater Halifax Partnership

Priscilla Renouf

Professor and Canada Research Chair in
North Atlantic Archaeology
Memorial University of Newfoundland

Suromitra Sanatani

Strategic Counsel
Heenan Blaikie

Gerri Sinclair

Executive Director, Masters of Digital
Media Program
Centre for Digital Media

Michèle Thibodeau-DeGuire

President and Executive Director
Centraide of Greater Montreal

ASSOCIATE MEMBERS

Alain Beaudet

President
Canadian Institutes of Health Research

Suzanne Fortier

President
Natural Sciences and Engineering
Research Council

SOCIAL SCIENCES AND HUMANITIES RESEARCH COUNCIL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2010



AUDITOR'S REPORT

To the Social Sciences and Humanities Research Council
and the Minister of Industry

I have audited the statement of financial position of the Social Sciences and Humanities Research Council as at 31 March 2010 and the statements of operations, equity of Canada and cash flow for the year then ended. These financial statements are the responsibility of the Council's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Council as at 31 March 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Clyde M. MacLellan, CA
Assistant Auditor General
for the Auditor General of Canada

Ottawa, Canada
28 May 2010

STATEMENT OF MANAGEMENT RESPONSIBILITY

Responsibility for the integrity and objectivity of the accompanying financial statements for the year ended March 31, 2010 and all information contained in these statements rests with the management of the Social Sciences and Humanities Research Council (SSHRC). These financial statements have been prepared by management in accordance with Treasury Board accounting policies and year-end instructions issued by the Office of the Comptroller General of Canada, which are consistent with Canadian generally accepted accounting principles for the public sector.

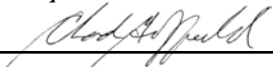
Management is responsible for the integrity and objectivity of the information in these financial statements. Some of the information in the financial statements is based on management's best estimates and judgment and gives due consideration to materiality. To fulfil its accounting and reporting responsibilities, management maintains a set of accounts which provides a centralized record of SSHRC's financial transactions. Financial information submitted to the *Public Accounts of Canada* and included in SSHRC's *Departmental*

Performance Report is consistent with these financial statements.

Management maintains a system of financial management and internal control designed to provide reasonable assurance that financial information is reliable, that assets are safeguarded and that transactions are in accordance with the *Financial Administration Act*, are executed in accordance with prescribed regulations, within Parliamentary authorities, and are properly recorded to maintain accountability of Government funds. Management also seeks to ensure the objectivity and integrity of data in its financial statements by the careful selection, training and development of qualified staff, by organizational arrangements that provide appropriate divisions of responsibility, and by communication programs aimed at ensuring that regulations, policies, standards and managerial authorities are understood throughout SSHRC.

SSHRC's financial statements have been audited by the Auditor General of Canada, the independent auditor for the Government of Canada.

Approved by:



Chad Gaffield, PhD, FRSC
President



Dominique Osterrath, CA
Acting Vice-President,
Common Administrative Services
Chief Financial Officer

Ottawa, Canada
May 28, 2010

STATEMENT OF OPERATIONS

For the year ended March 31 (in thousands of dollars)

	<u>2010</u>	<u>2009</u>
Expenses [Note 4]		
Indirect Costs of Research	324,963	328,439
Fellowships, Scholarships and Prizes	117,238	105,761
Investigator-Framed Research	85,822	85,375
Canada Research Chairs	53,273	56,842
Research Networking	26,024	23,290
Strategic Research Development	25,688	25,361
Targeted Research and Training Initiatives	23,708	23,229
Internal Services	21,449	22,581
Research Dissemination and Knowledge Translation	9,944	10,072
Total expenses	<u>688,109</u>	<u>680,950</u>
Revenues		
Fellowships, Scholarships and Prizes	<u>1</u>	<u>2</u>
Total revenues	<u>1</u>	<u>2</u>
Net cost of operations	<u>688,108</u>	<u>680,948</u>

The accompanying notes form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

As at March 31 (in thousands of dollars)

	<u>2010</u>	<u>2009</u>
Assets		
Financial assets		
Due from the Consolidated Revenue Fund	2,352	3,582
Accounts receivable [Note 5]	1,306	1,698
Advances	2	37
Total financial assets	<u>3,660</u>	<u>5,317</u>
Non-financial assets		
Prepaid expenses	56	128
Tangible capital assets [Note 6]	1,560	1,993
Total non-financial assets	<u>1,616</u>	<u>2,121</u>
Total	<u>5,276</u>	<u>7,438</u>
Liabilities		
Accounts payable and accrued liabilities [Note 7]	2,286	4,000
Vacation pay and compensatory leave	820	773
Deferred revenue [Note 8]	498	496
Employee severance benefits [Note 9 b)]	3,674	3,087
Total liabilities	<u>7,278</u>	<u>8,356</u>
Equity of Canada [Note 10]	<u>(2,002)</u>	<u>(918)</u>
Total	<u>5,276</u>	<u>7,438</u>

Contractual obligations [Note 11]

The accompanying notes form an integral part of these financial statements.

STATEMENT OF EQUITY OF CANADA

For the year ended March 31 (in thousands of dollars)

	<u>2010</u>	<u>2009</u>
Equity of Canada, beginning of year	(918)	(334)
Net cost of operations	(688,108)	(680,948)
Net cash provided by Government of Canada [Note 3 c)]	684,387	676,686
Change in due from the Consolidated Revenue Fund	(1,230)	125
Services received without charge from other government departments [Note 12 a)]	<u>3,867</u>	<u>3,553</u>
Equity of Canada, end of year	<u>(2,002)</u>	<u>(918)</u>

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CASH FLOW

For the year ended March 31 (in thousands of dollars)

	<u>2010</u>	<u>2009</u>
Operating activities		
Net cost of operations	688,108	680,948
Non-cash items included in net cost of operations:		
Amortization of tangible capital assets [Note 6]	(754)	(784)
Services received without charge from other government departments [Note 12 a)]	(3,867)	(3,553)
Loss on disposals of tangible capital assets	(4)	(2)
Variations in Statement of Financial Position		
(Decrease) increase in accounts receivable	(392)	375
(Decrease) increase in advances	(35)	32
Decrease in prepaid expenses	(72)	(26)
Decrease (increase) in accounts payable and accrued liabilities	1,714	(466)
Increase in vacation pay and compensatory leave	(47)	(11)
Increase in deferred revenue	(2)	(1)
Increase in employee severance benefits	(587)	(451)
Cash used by operating activities	<u>684,062</u>	<u>676,061</u>
Capital investment activities		
Acquisitions of tangible capital assets	<u>325</u>	<u>625</u>
Cash used by capital investment activities	<u>325</u>	<u>625</u>
Financing activities	<u>-</u>	<u>-</u>
Net cash provided by Government of Canada	<u>684,387</u>	<u>676,686</u>

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. AUTHORITY AND OBJECTIVES

The Social Sciences and Humanities Research Council (SSHRC) was established in 1977 by the Social Sciences and Humanities Research Council Act, and is a departmental corporation named in Schedule II to the Financial Administration Act. SSHRC's objective is to promote and assist research and scholarship in the social sciences and humanities. SSHRC delivers its objective through nine program activities:

a) Indirect Costs of Research

The key objective of the Indirect Costs program is to help eligible universities, colleges and affiliated research hospitals and research institutes pay a portion of the costs associated with conducting academic research in institutions receiving research funds from any of the three federal granting agencies.

b) Fellowships, Scholarships and Prizes

SSHRC offers several award programs for advanced study and research in the social sciences and humanities at the master's, doctoral and postdoctoral level. These programs help train Canada's researchers and the leaders of tomorrow.

c) Investigator-Framed Research

SSHRC research grants support individual and team projects and programs of research for which the applicant(s) proposes/propose the research topic and methodology.

d) Canada Research Chairs

The Canada Research Chairs Program contributes to enhancing Canada's competitiveness in the global, knowledge-based economy, improving Canadians' health, and to enriching their social and cultural life.

e) Research Networking

SSHRC's networking programs support interaction between researchers (in academia and other sectors) and between researchers and users of research results (in a range of sectors). These interactions enable researchers, research trainees and others to share and collaborate on research plans and results.

f) Strategic Research Development

SSHRC's strategic grants are available to faculty, postsecondary institutions and not-for-profit organizations to explore, develop and define new perspectives, challenges and priorities in conducting research, in disseminating research results, and in training new researchers.

g) Targeted Research and Training Initiatives

SSHRC develops and funds programs to support strategic research, both on its own and in partnership with other fund providers, including government, private and community organizations. These programs generate new knowledge on pressing social, economic and cultural issues of particular importance to Canadians.

h) Internal Services

Internal services are groups of related activities and resources that are administered to support the needs of programs and other corporate obligations. These groups are: management and oversight services; communications; legal services; human resources management; financial management; information management; information technology; real property services; materiel services; acquisition services; and travel and other administrative services. Internal services include only those activities and resources that apply across an organization and not to those provided specifically to a program.

i) Research Dissemination and Knowledge Translation

SSHRC supports the effective dissemination of social sciences and humanities research results, both within and beyond academia. Through grants to researchers and research institutions, it helps to ensure that research results are accessible to potential users, through both dissemination and engagement activities.

SSHRC's grants, scholarships and operating expenditures are funded by budgetary lapsing authorities. Employee benefits are funded by statutory authorities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Treasury Board accounting policies and year-end instructions issued by the Office of the Comptroller General of Canada, which are consistent with Canadian generally accepted accounting principles for the public sector. The most significant accounting policies are as follows:

a) **Parliamentary appropriations**

The Government of Canada finances SSHRC through parliamentary appropriations. Appropriations provided to SSHRC do not parallel financial reporting according to generally accepted accounting principles since they are based in large part on cash flow requirements. Consequently, items recognized in the Statement of Operations and the Statement of Financial Position are not necessarily the same as those provided through appropriations from Parliament. Note 3 provides a high-level reconciliation between the bases of reporting.

b) **Net cash provided by Government of Canada**

SSHRC operates within the Consolidated Revenue Fund (CRF). The CRF is administered by the Receiver General for Canada. All cash received by SSHRC is deposited to the CRF and all cash disbursements made by SSHRC are paid from the CRF. The net cash provided by the Government of Canada is the difference between all cash receipts and all cash disbursements, including transactions with departments of the federal government.

c) **Due from the Consolidated Revenue Fund**

Due from the Consolidated Revenue Fund represents the amount of cash that SSHRC is entitled to draw from the CRF, without further appropriations, in order to discharge its liabilities.

d) **Revenues**

- Revenues consist of interest on overdue accounts receivable and are accounted for as earned.
- Funds received from external parties for specified purposes are recorded upon receipt as deferred revenue. These revenues are recognized in the period in which the specified purpose has occurred and netted against the related expenses.

e) Expenses

Expenses are recorded on the accrual basis:

- Grants and scholarships are recognized in the year in which the entitlement of the recipient has been established, when the recipient has met the eligibility criteria, the commitment has been approved and the payment is due before the end of the fiscal year.
- Vacation pay and compensatory leave are expensed as the benefits accrue to employees under their respective terms of employment.
- Services provided without charge by other government departments and agencies are recorded as operating expenses at their estimated cost.

f) Employee future benefits

- Pension benefits: Eligible employees participate in the Public Service Pension Plan, a multiemployer plan administered by the Government of Canada. SSHRC's contributions to the Plan are charged to expenses in the year incurred and represent SSHRC's total obligation to the Plan. Current legislation does not require SSHRC to make contributions for any actuarial deficiencies of the Plan.
- Severance benefits: Employees are entitled to severance benefits under labour contracts or conditions of employment. These benefits are accrued as employees render the services necessary to earn them. The obligation relating to the benefits earned by employees is calculated using information derived from the results of the actuarially determined liability for employee severance benefits for the Government of Canada as a whole.

g) Accounts receivable

Accounts receivable are stated at amounts expected to be ultimately realized. A provision is made for receivables from external parties where the recovery is considered uncertain.

h) Tangible capital assets

All tangible capital assets and leasehold improvements with an acquisition cost of \$2,500 or more are capitalized at cost as well as the standard furniture, equipment and desktop personal computer assigned to each employee due to the material number of such items. SSHRC does not capitalize intangibles. Tangible capital assets are amortized over their estimated useful life on a straight-line basis as follows:

Asset class

Amortization period

Informatics equipment, including standard software issued on desktop computers	3 years
Purchased network software and in-house developed software	5 years
Other equipment	5 years
Furniture	7 years
Motor vehicle	7 years
Leasehold improvements	<i>Lesser of their useful life or the term of the lease</i>

i) **Contingent liabilities**

Contingent liabilities are potential liabilities that may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur or fail to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded. If the likelihood is not determinable or an amount cannot be reasonably estimated, the contingency is disclosed in the notes to the financial statements.

j) **Measurement uncertainty**

The preparation of financial statements in accordance with Treasury Board accounting policies and year-end instructions issued by the Office of the Comptroller General of Canada, which are consistent with Canadian generally accepted accounting principles for the public sector, requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses reported in the financial statements. At the time of preparation of these statements, management believes the estimates and assumptions to be reasonable. The allowance for employee severance benefits and the estimated useful lives of capital assets are the most significant items where estimates are used. Actual results could significantly differ from those estimated. Management's estimates are reviewed periodically and, as adjustments become necessary, they are recorded in the financial statements in the year they become known.

3. PARLIAMENTARY APPROPRIATIONS

The operations of SSHRC are funded through annual parliamentary appropriations. Items recognized in the Statement of Operations and the Statement of Financial Position in one year may be funded through parliamentary appropriations in prior, current or future years. Accordingly, SSHRC has different net results of operations for the year on a government funding basis than on an accrual accounting basis. The differences are reconciled in the following tables:

a) Reconciliation of net cost of operations to current year appropriations used

	<u>2010</u>	<u>2009</u>
	(in thousands of dollars)	
Net cost of operations	688,108	680,948
Adjustments for items affecting net cost of operations but not affecting appropriations:		
Add (less):		
Interest on overdue accounts receivable	1	2
Refunds of previous years' expenses	3,305	2,759
Vacation pay and compensatory leave	(47)	(11)
Amortization of tangible capital assets	(754)	(784)
Services provided without charge by other government departments	(3,867)	(3,553)
Employee severance benefits	(587)	(451)
Other adjustments	21	38
Adjustments for items not affecting net cost of operations but affecting appropriations		
Add (less):		
Acquisitions of tangible capital assets	325	625
Prepaid expenses	(72)	(26)
Current year appropriations used	<u>686,433</u>	<u>679,547</u>

b) Appropriations provided and used

	<u>2010</u>	<u>2009</u>
	(in thousands of dollars)	
Grants and scholarships		
Vote 85	664,866	652,192
Less: Lapse	(431)	(443)
: Frozen allotment	(4,976)	-
Grants and scholarships expenditures	<u>659,459</u>	<u>651,749</u>
Operating expenditures		
Vote 80	25,847	26,073
Less: Operating lapse	(1,487)	(828)
: Frozen allotment	(325)	-
Operating expenditures	<u>24,035</u>	<u>25,245</u>
Statutory contributions to employee benefit plans	<u>2,939</u>	<u>2,553</u>
Current year appropriations used	<u><u>686,433</u></u>	<u><u>679,547</u></u>

c) Reconciliation of net cash provided by Government of Canada to current year appropriations used

	<u>2010</u>	<u>2009</u>
	(in thousands of dollars)	
Net cash provided by Government of Canada	684,387	676,686
Refunds of previous years' expenses	3,305	2,759
Variation in accounts receivable	392	(375)
Variation in advances	35	(32)
Variation in accounts payable and accrued liabilities	(1,714)	466
Variation in deferred revenue	2	1
Other adjustments	<u>26</u>	<u>42</u>
Current year appropriations used	<u><u>686,433</u></u>	<u><u>679,547</u></u>

4. EXPENSES

The following table presents details of expenses by category.

	<u>2010</u>	<u>2009</u>
	(in thousands of dollars)	
Grants and Scholarships – Social Sciences and Humanities		
Fellowships, Scholarships and Prizes	115,423	104,341
Investigator-Framed Research	82,186	81,988
Canada Research Chairs	51,540	55,150
Research Networking	25,688	23,111
Strategic Research Development	24,957	24,690
Targeted Research and Training Initiatives	22,251	21,972
Research Dissemination and Knowledge Translation	<u>9,640</u>	<u>9,770</u>
	<u>331,685</u>	<u>321,022</u>
Grants – Indirect Costs of Research	<u>324,608</u>	<u>328,252</u>
Operations		
Salaries and employee benefits	22,143	19,811
Professional and special services	3,892	5,311
Accommodations and rentals	2,562	2,472
Transportation and communications	1,490	1,964
Amortization of tangible capital assets	754	784
Information	517	710
Utilities, materials and supplies	260	351
Repair and maintenance	194	271
Loss on disposals of tangible capital assets	<u>4</u>	<u>2</u>
	<u>31,816</u>	<u>31,676</u>
Total expenses	<u><u>688,109</u></u>	<u><u>680,950</u></u>

5. ACCOUNTS RECEIVABLE

	<u>2010</u>	<u>2009</u>
	(in thousands of dollars)	
Other federal government departments and agencies	431	878
External parties	886	831
Less: Allowance for doubtful accounts on external receivables	<u>(11)</u>	<u>(11)</u>
Total	<u><u>1,306</u></u>	<u><u>1,698</u></u>

6. TANGIBLE CAPITAL ASSETS (in thousands of dollars)

Capital asset class	COST				ACCUMULATED AMORTIZATION				NET BOOK VALUE	
	Open- ing balance	Acqui- sitions	Dispos- als and write- offs	Closing balance	Open- ing balance	Amort- ization	Dispos- als and write- offs	Closing balance	2010	2009
Informatics	2,643	115	132	2,626	2,315	237	130	2,422	204	328
Software	1,189	80		1,269	919	109		1,028	241	270
Other equipment	211	2	2	211	196	13	2	207	4	15
Furniture	2,089	43	135	1,997	1,385	142	133	1,394	603	704
Leasehold improvements	1,283	85		1,368	627	249		876	492	656
Motor vehicle	31			31	11	4		15	16	20
Total	7,446	325	269	7,502	5,453	754	265	5,942	1,560	1,993

Amortization expense for the year ended March 31, 2010 is \$754 (\$784 in 2009).

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2010</u>	<u>2009</u>
	(in thousands of dollars)	
External parties	861	2,505
Other federal government departments and agencies	1,425	1,495
Total	<u><u>2,286</u></u>	<u><u>4,000</u></u>

8. DEFERRED REVENUE

Deferred revenue represents the balance, at year-end, of restricted and earmarked funds that have been received for a specified purpose.

a) Queen's Fellowship Fund

The Queen's Fellowship Fund consists of a \$250,000 endowment which is internally restricted for specific purposes in the Equity of Canada (see Note 10). The interest generated on the endowment is used to fund scholarships to graduate students in certain fields of Canadian studies. Details of the transactions related to the endowment are as follows:

	<u>2010</u>	<u>2009</u>
	(in thousands of dollars)	
Balance, beginning of year	104	98
Interest received	<u>1</u>	<u>6</u>
Balance, end of year	<u><u>105</u></u>	<u><u>104</u></u>

b) Restricted gifts, donations and bequests

Private restricted gifts, donations and bequests consist of funds received for special projects in the field of social sciences and humanities research activities. These funds and interest generated thereon are earmarked for these projects. Details of the operations related to the restricted gifts, donations and bequests are as follows:

	<u>2010</u>	<u>2009</u>
	(in thousands of dollars)	
Balance, beginning of year	392	397
Funds received	-	-
Interest received	1	5
Fellowships paid	-	(10)
Balance, end of year	<u><u>393</u></u>	<u><u>392</u></u>

9. EMPLOYEE BENEFITS

Employees of SSHRC are entitled to specific benefits on or after termination or retirement, as provided for under various collective agreements or conditions of employment.

a) Pension benefits

SSHRC's employees participate in the Public Service Pension Plan, which is sponsored and administered by the Government of Canada. Pension benefits accrue up to a maximum period of 35 years at a rate of 2 percent per year of pensionable service, times the average of the best five consecutive years of earnings. The benefits are integrated with Canada/Québec Pension Plan benefits and are indexed to inflation.

Both the employees and SSHRC contribute to the cost of the Plan. The 2009-10 expense amounts to \$2,121,916 (\$1,843,175 in 2008-09), which represents approximately 1.9 times the contributions by employees.

SSHRC's responsibility with regard to the Plan is limited to its contributions. Actuarial surpluses or deficiencies are recognized in the financial statements of the Government of Canada, as the Plan's sponsor

b) Severance benefits

SSHRC provides severance benefits to its employees based on eligibility, years of service and final salary. These severance benefits are not pre-funded. Benefits will be paid from future appropriations. Information about severance benefits, measured as at March 31, is as follows:

	<u>2010</u>	<u>2009</u>
	(in thousands of dollars)	
Accrued benefit obligation, beginning of year	3,087	2,636
Expense for the year	820	618
Benefits paid during the year	<u>(233)</u>	<u>(167)</u>
Accrued benefit obligation, end of year	<u>3,674</u>	<u>3,087</u>

10. EQUITY OF CANADA

The Queen's Fellowship Fund is an endowment of \$250,000 established by Parliament by Vote 45a, Appropriation Act No. 5, in 1973-74. The interest generated from the endowment is included in deferred revenue [see Note 8 a)]. The endowment itself does not represent a liability to third parties but is internally restricted for special purposes. The details of the Equity of Canada are as follows:

	<u>2010</u>	<u>2009</u>
	(in thousands of dollars)	
Queen's Fellowship Fund	250	250
Equity of Canada excluding Queen's Fellowship Fund	<u>(2,252)</u>	<u>(1,168)</u>
Equity of Canada	<u><u>(2,002)</u></u>	<u><u>(918)</u></u>

11. CONTRACTUAL OBLIGATIONS

Payments of grants and scholarships extending in future years are subject to the provision of funds by Parliament. As of March 31, 2010, the commitments for future years' awards, including \$321,630 in 2010-11 for the Indirect Costs Program, are payable as follows:

	(in thousands of dollars)
2010-2011	611,566
2011-2012	178,461
2012-2013	96,683
2013-2014	43,762
2014-2015 and subsequent years	<u>42,427</u>
Total	<u><u>972,899</u></u>

In addition, the nature of SSHRC's operating activities can result in some large multi-year contracts and obligations whereby SSHRC will be committed to make future payments when the services or goods are rendered. Significant contractual obligations that can be reasonably estimated are summarized as follows:

	(in thousands of dollars)
2010-2011	106
2011-2012	44
2012-2013	20
2013-2014	-
2014-2015 and subsequent years	-
Total	<u><u>170</u></u>

12. Related party transactions

SSHRC is related, as a result of common ownership, to all Government of Canada departments, agencies and Crown Corporations. SSHRC enters into transactions with these entities in the normal course of business and on normal trade terms.

During the year, SSHRC received services that were obtained without charge from other Government of Canada departments as presented in part a):

a) Services provided without charge

	<u>2010</u>	<u>2009</u>
	(in thousands of dollars)	
Accommodations provided by Public Works and Government Services Canada	2,305	2,294
Contributions covering the employer's share of employees' medical and dental insurance premiums provided by Treasury Board Secretariat	1,468	1,177
Other services provided without charge	94	82
Total services provided without charge	<u>3,867</u>	<u>3,553</u>

b) Administration of programs on behalf of other government departments

SSHRC administers funds received from other federal government departments and agencies to issue grants, scholarships and related payments on their behalf. During the year, SSHRC administered \$204,962,913 (\$205,932,930 in 2009) in funds for grants and scholarships. These expenses are not reflected in SSHRC's Statement of Operations but rather are recorded in the financial statements of the departments or agencies that provided the funds.

SSHRC also recovers administrative fees in some circumstances where a significant administrative burden is incurred by SSHRC for the administration of certain funds on behalf of other federal government departments and agencies. These amounted to \$121,432 during the year (\$135,808 in 2009) and were netted against SSHRC's operating expenses.

13. COMPARATIVE INFORMATION

Comparative figures have been reclassified to conform to the current year's presentation.