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JOBS GROWTH AND LONG-TERM PROSPERITY

ECONOMIC ACTION PLAN 2013

Tabled in the House of Commons By the Honourable James M. Flaherty, P.C., M.P. Minister of Finance

March 21, 2013





Transforming How Canadians Obtain Government Services and Information

Economic Action Plan 2013 improves access to government services and information by shifting to electronic publishing and examining opportunities to streamline the Government's web presence.

The Government is also working to make it easier for citizens and businesses to obtain information and transact with government:

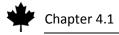
- Recognizing that more and more Canadians access information online, the Government will take steps to modernize the production and distribution of government publications by shifting to electronic publishing and making print publications the exception. The President of the Treasury Board will develop and implement new procedures that will require all publications to be available electronically and will allow printing only under specific circumstances, for instance, to meet statutory obligations, to inform Canadians about health, safety or security issues, or to meet the needs of specific target audiences.
- The Government is also examining opportunities to streamline its web presence by making it easier for Canadians to find and access Government information on the web through a single entry point.

More Efficient Government Operations

Economic Action Plan 2013 announces targeted savings identified at the Canada Revenue Agency and Fisheries and Oceans Canada, improvements to the Canada Revenue Agency compliance programs, and puts forward a plan to control overall employee compensation expenses.

The Priorities and Planning Sub-Committee on Government Administration also led a detailed review of the administrative functions of two federal departments:

• An examination of internal operations at the Canada Revenue Agency identified ongoing savings of \$60.6 million per year by 2015–16 at the Agency's headquarters operations. The Agency will streamline its internal services, reduce management administrative support, and leverage increased public use of automated tools to reduce spending on information technology. In addition, the Agency will further integrate workloads and broaden management oversight. These savings will not impact services to Canadians, government revenues or the security of taxpayer information.



• Fisheries and Oceans Canada identified internal departmental efficiencies rising to \$33 million per year by 2015–16. The Department will modernize the organizational structure of its headquarters in order to provide cost-effective services to Canadians. For example, it will reduce administrative overhead and will pursue organizational changes to reduce duplication and improve decision-making processes. To complement these savings, Fisheries and Oceans Canada will also improve regional program efficiency by reducing management overhead and consolidating decision-making authority. Organizational changes required to generate these savings will not impact front line staff or services to Canadians.

In addition, Economic Action Plan 2013 confirms that the Canada Revenue Agency will implement transformational changes to its compliance programs that will improve effectiveness and help to preserve the integrity of the tax system through targeting non-compliance in the highest-risk areas. The Agency will make greater use of advanced data analysis to improve identification of incidences of non-compliance and will deploy teams of specialists to pursue tax evaders. These changes are expected to result in the collection of additional revenues amounting to \$550 million per year by 2014–15.

The Government remains committed to ensuring that it is delivering the programs and services that Canadians want and need efficiently and effectively. The Government will continue to examine ways to streamline its operations by ensuring that programs and services are delivered by those best positioned to do so. The Government will introduce legislation as needed to consolidate operations and eliminate redundant organizations.

Economic Action Plan 2013 also confirms the Government's ongoing commitment to ensure that overall employee compensation is reasonable and affordable, as well as aligned with what is offered by other public and private sector employers. As part of this commitment, the Government has already announced changes to employee and Parliamentarian pensions and is eliminating severance benefits available to employees upon voluntary departure.

As world events evolve rapidly, governments and private sector organizations around the globe are examining new ways to become more effective and efficient. Canada's public service has contributed much to Canada's success. As with all institutions, its systems and processes must be reviewed and updated periodically to ensure they are modernized to better serve Canada and Canadians.

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Going forward, the Government will continue to ensure that the public service is affordable, modern and high-performing. To help do this, it will examine overall employee compensation and pensioner benefits and will propose changes to the labour relations regime. The Government will work with its employees, bargaining agents and others to identify and implement improved practices and approaches following the lead of other public and private sector organizations. It will also explore other opportunities to further transform and modernize the public service to address the demands of the modern world and respond to the evolving needs of Canadians. These improvements will benefit both public servants and all Canadians.

In addition, the Government will be examining its human resources management practices and institutions in a number of areas, including disability and sick leave management, with a view to ensuring that public servants receive appropriate services that support a timely return to work.

The Government will be consulting with key stakeholders on these objectives over the coming months.

Crown Corporations

Economic Action Plan 2013 takes steps to align employee compensation offered by Crown corporations with what is available to federal employees.

In Economic Action Plan 2012, the Government indicated that it would work with Crown corporations to ensure that their pension plans are broadly aligned with those available to federal employees. The Government will continue to work with Crown corporations with a view to moving to a 50:50 cost sharing between the employer and employees by 2017 and aligning the age at which retirement benefits become available with those announced in Economic Action Plan 2012 for post-2012 hires under the Public Service Pension Plan. The Government will also look at options to improve the financial viability of Crown corporations, including compensation levels.