

# Canadian Northern Economic Development Agency

2018–19

## **Departmental Results Report**

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The Honourable Mélanie Joly, P.C., M.P.  
Minister of Economic Development and Official  
Languages

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## Minister's message

We are pleased to present the 2018–19 Departmental Results Report for the Canadian Northern Economic Development Agency (CanNor).

Over the past year, the various organizations in the Innovation, Science and Economic Development Portfolio have together worked hard to make Canada a global innovation leader and to build an economy that works for everyone.

Our primary objectives were, and continue to be, to empower businesses to reach their innovation potential to compete in a global, knowledge-based economy; to enhance Canada's economic strengths by supporting science and research; and to promote Canadian tourism. These objectives were supported by new and existing policies and programs designed to help Canadian entrepreneurs from across the country and from diverse backgrounds grow and reach new markets. We also continued to implement multi-year investments in science, including historic investments in fundamental research, while our robust tourism industry was bolstered by support for national initiatives.

CanNor advocates for the territories and works in partnership with Northerners to help build a diversified, sustainable, and dynamic economy, and supports Indigenous organizations to capitalize on and benefit from economic opportunities. We were pleased, in 2018-19, to announce ongoing funding for CanNor's core economic development programming. This funding will play an important role in building a vibrant, inclusive economy that will contribute to the resilience of northern communities and the overall wellbeing of Northerners. We were also pleased to launch an engagement process with Northern partners and stakeholders to inform the development of a Pan-Territorial Growth Strategy. The strategy will focus on identifying strategic investment priorities in order to build capacity and position the North for long-term economic prosperity.

These are just a few examples of CanNor's work on behalf of Canadians through collaboration, dialogue and partnerships across the country. We invite you to read this report to learn more about how we are working with and for Canadians to build our innovation nation.



**The Honourable Mélanie Joly**  
Minister of Economic  
Development and Official  
Languages



## President's message

Canada's North offers vast potential for resource development, innovation, business development, and economic growth. The Canadian Northern Economic Development Agency (CanNor) supports, invests in and advocates for national, territorial and community level economic development; fosters growth and innovation; contributes to building capacity; and invests in foundational economic development projects in the territories.

As CanNor embarks on its second decade as an Agency, the focus on economic diversification and clean growth in the North continues to expand. Over the past year, CanNor supported projects across a variety of sectors including multi-purpose infrastructure, clean energy, tourism, Indigenous economic development, and entrepreneurs in the North.

A key highlight for CanNor in 2018-19 was the securing of ongoing funding for the Strategic Investments in Northern Economic Development program, renamed to Inclusive Diversification and Economic Advancement in the North. This program accounts for CanNor's largest portion of funding and is the Agency's primary tool for delivery on its northern economic development mandate. This allows CanNor to support more ambitious multi-year initiatives.

The Northern Projects Management Office continued to support the resource development sector by facilitating the environmental review process for proposed major resource development and infrastructure projects by successfully coordinating the Government of Canada's participation in eight territorial environmental assessments.

In early 2019, CanNor undertook a series of engagement activities to help shape a Pan-Territorial Growth Strategy. This Strategy is a plan to advance economic growth over the next five years by targeting four key areas of action: skilled workforce, infrastructure investments and development, resource development, and diversification and innovation. We heard from a wide range of individuals, communities and organizations, in-person and online. This Strategy will guide us in our efforts to grow the economy, attract investment, and advance Indigenous economic reconciliation.

As we move forward, CanNor continues to work collaboratively with Northerners to build a diversified, sustainable, and dynamic economy across the territories and foster long-term sustainable economic prosperity in the North.



**Paula Isaak**  
President of the Canadian  
Northern Economic  
Development Agency



## Results at a glance

<b>What funds were used? (2018-19 Actual Spending)</b>	<b>Who was involved? (2018-19 actual FTEs)</b>
\$45,823,016	79

Canada has excellent economic fundamentals and is one of the strongest economies in the G7, yet our country faces stiff competition on the international stage. Many nations are increasing support for their innovation systems and making large investments to unlock the benefits of the data-driven digital economy. Canada’s success lies in its ability to innovate for improved economic, social and environmental outcomes.

In 2018–19, the Innovation, Science and Economic Development Portfolio continued work to advance Canada's Innovation and Skills Plan, recognizing that innovation is fundamental to promoting sustainable and inclusive growth, and generating jobs that raise Canadians’ living standards. The Innovation and Skills Plan is a whole-of-government, multi-year approach meant to establish Canada as one of the most innovative countries in the world and to foster a culture of innovation from coast to coast to coast. Developed in consultation with Canadians, the Innovation and Skills Plan supports the entire innovation continuum, focusing on four interconnected pillars to spark innovation through partnerships and targeted actions.

The Canadian Northern Economic Development Agency (CanNor) supported the delivery of the next steps of the Innovation and Skills Plan across all regions of Canada by delivering economic development programming, and working with Indigenous communities in Yukon, Northwest Territories and Nunavut (the territories) to increase their capacity to participate in and benefit from economic opportunities. The Agency also partnered with territorial colleges to increase the availability of adult basic education services. CanNor invested in Indigenous and non-Indigenous entrepreneurs and businesses to continue to spur innovation, promote sustainable growth and cultivate a culture of entrepreneurship in the North. In addition, CanNor worked collaboratively with federal, territorial and international partners to advocate for policy and programs that reflect the needs and realities of the North.

For more information on the Canadian Northern Economic Development Agency’s plans, priorities and results achieved, see the “Results: what we achieved” section of this report.



## Results: what we achieved

### Core Responsibilities

#### Economic Development in the Territories

##### Description

Work in the territories to support the conditions for a sustainable, diversified and innovative economy in collaboration with Northerners/Indigenous people, businesses, organizations, other federal departments and other levels of government.

##### Results

##### **Departmental Result: People and Communities Participate in the Economy in the Territories**

CanNor is committed to working with its partners and stakeholders to build strong and economically sustainable northern communities for residents across Canada's territories. Recognizing the unique challenges facing northern communities, many of which are small and remote, CanNor works with its community partners to identify optimal areas for investment. This includes helping communities to participate in and benefit from major projects occurring in their regions; fostering capacity and skills development at both the organizational and individual levels, and making investments to improve local infrastructure. CanNor delivers several programs that help communities create the conditions necessary for economic growth and development.

CanNor worked with Indigenous communities, as well as with Indigenous businesses and entrepreneurs, to increase their capacity to participate in and benefit from economic opportunities. In 2018-19, through the Northern Aboriginal Economic Opportunities Program's (NAEOP) Community Readiness and Opportunities Planning fund, CanNor was able to provide 45 Indigenous communities in the territories with approximately \$6.5M to enhance community economic infrastructure, increase employment, and improve conditions for community economic development.

CanNor supported various projects through NAEOP's Community Readiness and Opportunities Planning fund to develop tourism infrastructure across the territories. In the Yukon, CanNor provided over \$100,000 to the White River First Nations Limited Partnership for the purchase of seasonal wilderness transportation equipment. The equipment will be used to establish a rental business for use by tourism operators and resource development companies. The proposed rental business is expected to help meet the demand for emerging local tourism providers who currently lack rental options. In the NWT, CanNor also provided approximately \$80,000 to the Hamlet of Tulita to construct the Bear River Campground. The campground will enhance facilities for summer tourists and provide a unique winter camping experience. This project is expected to increase tourism in the community and create employment opportunities for tour guides and operators, Indigenous arts and crafts vendors and small businesses.

In 2018-19, CanNor provided \$4.5M to the territorial colleges for the delivery of the Northern Adult Basic Education Program to deliver an enhanced and culturally appropriate curriculum that responds to the needs of Indigenous and non-Indigenous northerners. Approximately 1,000 students were reached through this program in 2018-19, increasing the availability of skilled labour across the territories.

### **Departmental Result: Businesses are Developing in the Territories**

CanNor supported the growth and expansion of small and medium-sized enterprises in the territories. CanNor achieved this objective by providing training, advisory services, and dynamic and flexible contribution programs for businesses and communities. These programs support capacity building and ultimately encourages a competitive and diverse northern business sector with a strengthened capacity for innovation.

Through NAEOP's Entrepreneurship and Business Development (EBD) fund, CanNor provided \$890,000 directly to five funding recipients and \$2.7M via CanNor's Alternate Service Delivery partners to 41 businesses. These Alternative Service Delivery partners are third party Indigenous service providers with direct linkages in northern communities. CanNor's financial support afforded these Indigenous service providers with greater capacity to assist Indigenous entrepreneurs, businesses and commercial entities to continue to cultivate a culture of entrepreneurship and increase the number of sustainable Indigenous businesses. For example, in 2018-19, CanNor provided approximately \$1.5M in funding to one of its partners: the Northwest Territories (NWT) Métis Dene Development Fund. This organization provides EBD funding directly to Indigenous businesses in the NWT, as well as business wrap-around services such as financing, counselling services and financial training. This project has allowed for diverse investments in the establishment and growth of Indigenous individual and community-owned businesses across the NWT.

#### **CanNor Support to Indigenous Businesses**

- **In 2018-19, CanNor provided \$250,000 through NAEOP's Entrepreneurship and Business Development funding to the Kissarvik Co-operative Ltd. towards renovations of its 22 room Turaarvik Inns North hotel in Rankin Inlet.**
- **The improvements included renovating the common areas and guest rooms and modernizing the furnishings and lighting systems.**
- **The modernization included conversion to LED lighting, which decreased electrical consumption and the overall demand on Rankin Inlet's diesel-based power plant.**
- **The renovation of the hotel will help to ensure the future success of the Inuit community-owned enterprise.**

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The Strategic Investments in Northern Economic Development (SINED) program is CanNor's largest funding program and the Agency's primary tool for delivery on its northern economic development mandate. The SINED program aims to help foster the conditions for long-term

sustainable economic development in the North by strengthening territorial economic diversification and innovation and northerners' ability to take advantage of economic opportunities. In 2018-19, CanNor provided \$14.4M to 46 projects. These projects supported a variety of northern industries and businesses, and ranged from knowledge products to multi-purpose infrastructure, and also included clean energy projects. Furthermore, in 2018-19 CanNor received ongoing funding for this program to ensure the Agency can provide consistent future investments for Northern economic development.

In 2018-19, CanNor provided over \$580,000 through SINED to the Kivalliq Inuit Association for a two-year technical and feasibility study on the creation of a hydroelectric and fibre-optic link with Manitoba. The proposed 230 Kilovolt, 245 kilometre electric transmission line would serve all five Kivalliq communities as well as the largest power consumer in the region, Agnico Eagle Mines. The project has the potential to improve the economic viability of current and future mining projects, encourage further exploration in the Kivalliq region, and create new opportunities through the introduction of reliable clean power and high speed broadband.

CanNor also provided approximately \$100,000 to Icefield Tools Corporation to support the development of an innovative gyroscopic inertial navigation system that will significantly improve drilling efficiency and lower costs in the global mining, oil and gas, and civil engineering sectors. This Yukon based business has since garnered international attention for its products and is a business leader in the territory.

Through the Innovation and Skills Plan and the Innovation, Science and Economic Development Canada (ISED) Portfolio's suite of initiatives and programs, the Portfolio is working with Canadian businesses in order to respond to today's challenges and opportunities, strengthen our competitiveness on the global stage, and create a culture of innovation. The Portfolio is putting these inclusive growth policies into action to ensure everyone has the jobs, skills and learning to participate in the innovation economy.

ISED, through FedNor and in partnership with the regional development agencies (RDAs) across Canada, launched the [Regional Economic Growth through Innovation \(REGI\)](#)<sup>i</sup> program on December 8, 2018. REGI is a nationally coordinated, regionally tailored program designed to foster an entrepreneurial environment conducive to innovation, growth and competitiveness. This program focuses on two key areas to support business need: business scale-up and productivity; and creating, growing and nurturing inclusive regional innovation ecosystems.

Furthermore, the RDAs, including CanNor, committed to provide support for regional innovation ecosystems, including incubators and accelerators, and other third-party programs supporting mentorship, networking and skills development. CanNor fulfilled this commitment by supporting YuKonstruct's Northlight Innovation Hub in the Yukon. This centre is the first innovation hub north of 60 and has been extremely successful in its first year of business. In 2018-19, CanNor invested over \$850,000 through SINED funding for this project. The Hub supports innovation and entrepreneurship through a shared space with business assistance, networking and mentorship opportunities. CanNor funding went towards the renovation of a 24,000 square foot facility in Whitehorse to accommodate co-space, makerspace and business support services. Funding was also used to purchase equipment such as a 3D printer which will allow YuKonstruct to meet the growing needs of its start-ups. Since opening on September 4, 2018, the

Northlight Innovation Hub has seen very high demand for its services in terms of monthly memberships as well as space and equipment rentals.

ISED also worked with FedNor and the RDAs to deliver the [Women Entrepreneurship Strategy](#)<sup>ii</sup> (WES). The goal of WES is to double the number of majority women-owned businesses by 2025 by increasing their access to financing, talent, networks and expertise.

As part of the Strategy, in September 2018, the [WES Ecosystem Fund](#)<sup>iii</sup> was launched to strengthen capacity and close gaps in service for women entrepreneurs. The fund received more than 300 applications, and project recipient announcements began in spring 2019. In October 2018, the [Women Entrepreneurship Fund \(WEF\)](#)<sup>iv</sup> was launched to help women-owned and led businesses grow and reach export markets. More than 3,000 applications were received. More than 210 WEF project proposals were accepted across Canada to receive an investment of up to \$100,000 to support activities such as upgrades to processing facilities and equipment, the development of online presence and sales, and international marketing strategies in new markets.

In 2018-19, a national process was established to review and approve innovative WEF projects leading to the approval of four regional projects and one national project that will be funded by CanNor in the 2019-20 fiscal year.

### **Departmental Result: Efficient and Predictable Environmental Review Process in the Territories**

The resource development sector in the North is a major driver of economic growth in the territories, and fosters growth in other sectors including communications, energy and transportation infrastructure, and commercial services. In 2018, the value of mineral production in the North was approximately \$3.5 billion: \$2,110 million in the Northwest Territories, \$1,164 million in Nunavut, and \$217 million in Yukon. At CanNor, both its Northern Projects Management Office (NPMO) and its regional economic development arm work with industry, northern governments, communities, Indigenous groups and other partners to promote resource development across the territories, thereby supporting economic growth and long-term prosperity for northerners and all Canadians.

NPMO works to facilitate the environmental review process for proposed major resource development and infrastructure projects in the territories. NPMO has a mandate to improve the timeliness, predictability and transparency of northern regulatory processes to foster a more stable and attractive investment climate. In 2018-19, CanNor coordinated the Government of Canada's participation in eight territorial environmental assessments. CanNor was successful in ensuring that all assessments were completed within the legislated timelines and maintained the crown consultation record for these assessments. Approximately 100 interactions were conducted between the three territories including Indigenous governments/groups, project proponents, foreign investors, chambers, industry, territorial departments and federal departments.

The Agency also showcased best practices in coordination and consultation around northern environmental assessments to circumpolar countries by supporting an Arctic Council workshop

on Arctic environmental impact assessments. On April 24-26, 2018, the Arctic Council’s Sustainable Development Working Group held the Canadian Arctic Environmental Impact Assessment Workshop in Yellowknife, Northwest Territories, gathering delegates from across the circumpolar world to share knowledge and expertise on how the practice of Environmental Impact Assessment can be improved across the Arctic. Building on previous Arctic Environmental Impact Assessment workshops held in Utqiagvik (Barrow) Alaska, and in Rovaniemi, Finland, the three-day program in Yellowknife was designed to:

- reflect on domestic and international good Arctic Environmental Impact Assessment practices;
- emphasize the fundamental importance of Indigenous and local engagement to these processes; and
- hear from domestic and international experts on how Arctic Environmental Impact Assessment can be improved in the circumpolar context.

### Pan-Territorial Assessment and Regulatory Board Forum

- **On September 26 and 27, 2018 CanNor hosted the fourth Pan-Territorial Assessment and Regulatory Board Forum in Yellowknife, Northwest Territories.**
- **This Forum brought together representatives of each of the environmental assessment boards and land and water boards across the territories.**
- **The aim was to facilitate discussion and initiatives on matters of common interest.**
- **This included development of a work-plan to address shared outstanding issues, staff training and transboundary preparedness for environmental and regulatory assessments.**

## Other Activities to Support CanNor's Core Responsibility

### Policy and Advocacy

One of CanNor’s key business functions is to advocate for economic development in the territories by working with partners to align and sequence ongoing and new initiatives to optimize northern economic development, and by serving as a voice for northern needs in federal processes.

In 2018-19, CanNor collaborated with other federal departments, territorial governments and Indigenous organizations in the territories to support the Government of Canada’s priorities in the North. For example, CanNor worked with Agriculture and Agri-food Canada on the development of a [National Food Policy](#);v assisted in the development of a new [Federal Tourism Growth Strategy](#)vi in partnership with ISED and other RDAs; and collaborated with Parks Canada/Department of Fisheries and Oceans and Qikiqtani Inuit Association on the development of Tallurutiup Imanga: a National Marine Conservation Area north of Baffin Island. CanNor also continued to collaborate with Crown Indigenous Relations and Northern Affairs Canada in the development of a new co-developed [Arctic and Northern Policy Framework](#).vii More specifically, CanNor’s efforts focused primarily on the economic pillar of the framework as a means to promote long term economic growth in the territories.

A key policy initiative for CanNor in 2018-19 was the development of a [Pan-Territorial Growth Strategy](#).viii From January to March 2019 CanNor undertook a series of engagement activities to

discuss its proposed four Areas of Action: Resource Development, Economic Diversification and Innovation, Infrastructure Investments and Development, and a Skilled Workforce. CanNor held six roundtable sessions, which were attended in-person by 82 participants, and used an on-line engagement portal that received over 1000 visits.

The President of CanNor chairs the Northern Federal Council (NFC), which is a network of senior officials from departments and agencies who have responsibilities in the North. The NFC, with the support of federal tables in each territory, shares regional intelligence and support central agencies and deputy ministers in delivering Government of Canada priorities efficiently and effectively. During quarterly meetings, the NFC establishes innovative partnerships, leverages resources, pursues creative solutions to address issues of common interest, and facilitates collaboration between departments and agencies.

CanNor also worked to increase its presence and role on the international stage through its participation in the [Arctic Council's Taskforce on Improved Connectivity in the Arctic](#).<sup>ix</sup> CanNor acted as the Head of Delegation on behalf of the Government of Canada and participated in three international meetings, including drafting sessions, and co-hosted a final drafting session in Ottawa, Ontario. The purpose of this work was to compare the needs of those who live, operate, and work in the Arctic with available infrastructure, and to encourage the creation of the required infrastructure with an eye toward pan-Arctic solutions.

### Experimentation

Building on the innovative approaches to data analysis used in the 2017-18 Horizontal Business Innovation and Clean Technology Review, CanNor experimented in partnership with Statistics Canada's Centre on a Special Business Project. As part of CanNor's commitment to spend \$100,000 on experimentation in 2018-19, this project was used to assess the effectiveness and impact of CanNor's investments (contribution funding) on business growth and innovation in the territories. The goal of this pilot project was to provide CanNor with a profile of the businesses that received financial assistance. This analysis provided an overview of business trends for the two years prior to receiving support, as well as the two years following financial support. Overall, this pilot showed promising results and revealed that CanNor funding to businesses tends to be associated with revenue growth and job creation and also demonstrated a need for further improvements for future iterations of this type of work.

### Client service delivery and corporate business practices

In order to streamline administrative processes for program funding in 2018-19, CanNor piloted the use of a single, streamlined Expression of Interest (EOI) for all of its Grant and Contribution programs combined, to simplify the application process for proponents and minimize the amount of work/information required up-front.

Following an initial review of each EOI, applicants that met eligibility criteria were invited to submit full proposals by supplementing the information already provided. CanNor directed projects towards the most appropriate funding program, thereby considerably simplifying and streamlining the process for applicants. If applications did not meet the eligibility requirements, then CanNor assisted by providing information on options for alternative funded sources.

## Results achieved

Departmental results	Performance indicators	Target	Date to achieve target	2018–19 Actual results	2017–18 Actual results	2016–17 Actual results
People and communities participate in the economy in the territories	Labour participation rate for women and Indigenous peoples in the territories	TBD*	TBD*	Women: 68.8% Indigenous: 59.6%	Women: 68.1% Indigenous: 60%	Women: 70.9% Indigenous: 64.1%
	Amount leveraged per dollar invested in community projects in the territories	0.5	March 31, 2020	1.14	0.85	0.94
Business are developing in the territories	Number of businesses by business locations in the territories	TBD*	TBD*	4,322	4,343	4,329
	Number of investments in clean tech projects supported by CanNor in the territories	5	March 31, 2019	16	12	20**
Efficient and predictable environmental review process in the territories	Number of companies provided advisory services (Pathfinder) including issues management and support in the environmental assessment and governance processes in the Territories	TBD*	TBD*	39	20	17
	Percent of environmental assessments in the Territories that are completed within the scheduled time frame	100%	March 31, 2019	100%	80%	100%

\*2018-19 was used as a baseline year and targets were set for 2019-20 based on a new data collection strategies and can be found in CanNor's 2019-20 Departmental Plan.

\*\*Results for clean technology projects in 2016-17 reflect a targeted call for projects.

## Budgetary financial resources (dollars)

2018–19 Main Estimates	2018–19 Planned spending	2018–19 Total authorities available for use	2018–19 Actual spending (authorities used)	2018–19 Difference (Actual spending minus Planned spending)
23,880,843	23,880,843	44,163,820	39,227,565	15,346,722

The difference between actual and planned spending is mainly due to the inclusion of renewal funding for the SINED Program (\$19.8 million), which was allocated from Treasury Board Central Votes for Supplementary Estimates (A).

## Human resources (full-time equivalents)

2018–19 Planned full-time equivalents	2018–19 Actual full-time equivalents	2018–19 Difference (Actual full-time equivalents minus Planned full-time equivalents)
40	51	11

The difference between actual and planned full-time equivalents is mainly due to the renewal of the SINED Program (14 full-time equivalents).

Financial, human resources and performance information for the CanNor's Program Inventory is available in the [GC InfoBase](#).<sup>x</sup>

## Internal Services

### Description

Internal Services are those groups of related activities and resources that the federal government considers to be services in support of programs and/or required to meet corporate obligations of an organization. Internal Services refers to the activities and resources of the 10 distinct service categories that support Program delivery in the organization, regardless of the Internal Services delivery model in a department. The 10 service categories are:

- ▶ Acquisition Management Services
- ▶ Communications Services
- ▶ Financial Management Services
- ▶ Human Resources Management Services
- ▶ Information Management Services
- ▶ Information Technology Services
- ▶ Legal Services
- ▶ Materiel Management Services
- ▶ Management and Oversight Services
- ▶ Real Property Management Services

### Results

In order to continue to adopt new information management tools, business processes and directives, CanNor developed new standard operational practices for Business Continuity Planning, acquisition card monitoring, delegation of authorities for acting assignments and employee departure processing. In addition, CanNor established new approved classification structures for managing electronic document retention.

To better respond effectively to the needs of proponents and stakeholders, CanNor is updating and modernizing its web presence. For example, in January 2019, CanNor launched an Engagement Process on its Pan-Territorial Growth Strategy. The website included an on-line discussion forum which received more than a thousand visits. It also provided relevant and timely content for stakeholders.

The Workplace Wellness Champions continued to raise awareness on the importance of workplace wellness through activities for CanNor staff. For example, in April 2018 CanNor promoted and participated in Harassment prevention training provided by Crown Indigenous Relations and Northern Affairs Canada's Centre for Integrity, Values and Conflict Resolution. The Agency also held a workshop from the Joint Leadership Program focused on respecting differences and anti-discrimination in Iqaluit in December 2018.

To support the work of the Occupation Health and Safety Committees, CanNor completed site specific threat assessments across all agency locations and adopted new safety equipment/policies for northern travel.

Over the course of 2018-19, CanNor made significant progress towards its medium-term employment targets under its Inuit Employment Plan in Nunavut, reaching 52.6% Inuit employment by March 31, 2019. A number of new initiatives were introduced to ensure the continued active recruitment, development and retention of Inuit staff, including:

- the launch of a new Inuit Talent Management Process to provide a structured and integrated approach to the development, engagement and retention of Inuit employees in Nunavut;
- the launch of a new Annual Inuit Employee Survey to provide insight on the Agency's work environment and culture, as perceived by Inuit staff;
- the continued development of new HR tools including the CanNor Guide to a Flexible Workplace;
- the signing of an MOU with Qikiqtaaluk Corporation (QC) to house and display Inuit art from their collection; and
- the hosting of a number of cultural activities including the CanNor sewing club, the ongoing meeting of the Inuit Employee Network, the making of a CanNor Welcome banner, and the hosting of a CanNor IQ event.

#### Budgetary financial resources (dollars)

2018–19 Main Estimates	2018–19 Planned spending	2018–19 Total authorities available for use	2018–19 Actual spending (authorities used)	2018–19 Difference (Actual spending minus Planned spending)
5,978,872	5,978,872	6,650,921	6,595,451	616,578

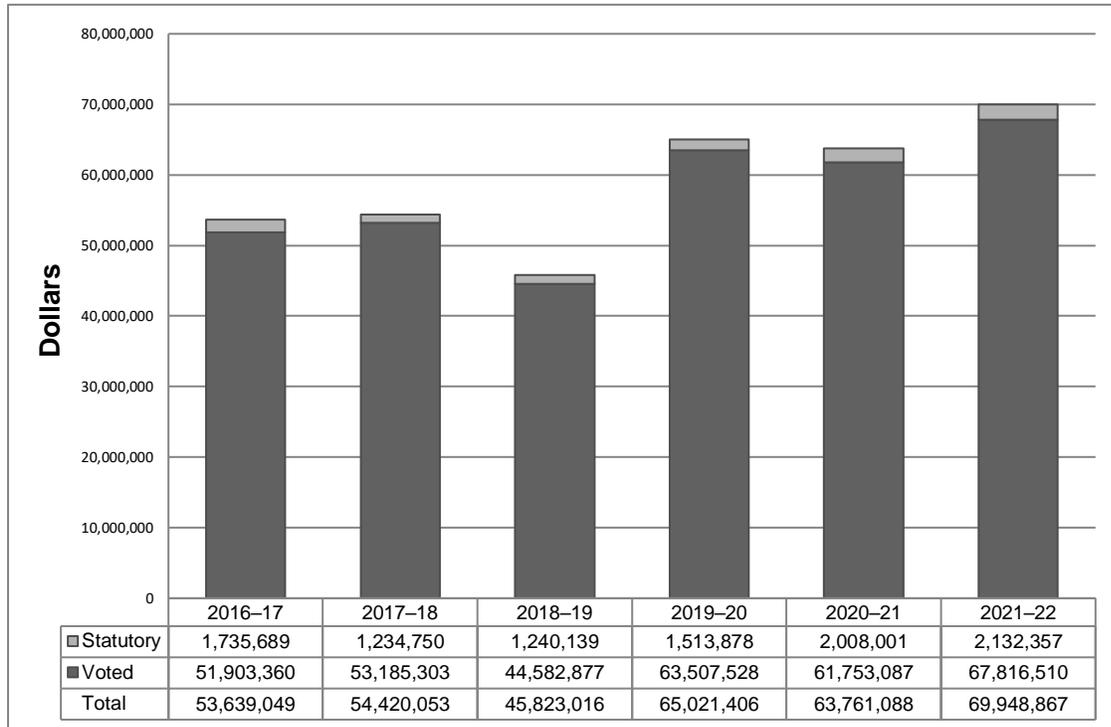
#### Human resources (full-time equivalents)

2018–19 Planned full-time equivalents	2018–19 Actual full-time equivalents	2018–19 Difference (Actual full-time equivalents minus Planned full-time equivalents)
26	28	2

## Analysis of trends in spending and human resources

### Actual expenditures

#### Departmental spending trend graph



Between 2017-18 and 2018-19, actual spending decreased by \$8.6 million mainly due to the sunseting of the Canada 150 Community Infrastructure Program (\$6.4 million).

Planned spending for 2019-20 and future years will increase due to additional funding measures announced in Budget 2019.

Planned spending for 2020–21 and future years includes \$19.8 million in economic development programming, for which additional Treasury Board authorities will be sought.

## Budgetary performance summary for Programs and Internal Services (dollars)

Programs and Internal Services	2018–19 Main Estimates	2018–19 Planned spending	2019–20 Planned spending	2020–21 Planned spending	2018–19 Total authorities available for use	2018–19 Actual spending (authorities used)	2017–18 Actual spending (authorities used)	2016–17 Actual spending (authorities used)
Economic Development in the Territories	23,880,843	23,880,843	59,042,534	57,782,216	44,163,820	39,227,565	47,940,588	47,035,861
<b>Subtotal</b>	23,880,843	23,880,843	59,042,534	57,782,216	44,163,820	39,227,565	47,940,588	47,035,861
Internal Services	5,978,872	5,978,872	5,978,872	5,978,872	6,650,921	6,595,451	6,479,465	6,603,188
<b>Total</b>	29,859,715	29,859,715	65,021,406	63,761,088	50,814,741	45,823,016	54,420,053	53,639,049

2018-19 planned spending does not include \$19.8 million for the renewal of the SINED Program, provided through Treasury Board Central Votes for Supplementary Estimates (A).

Additional funding for measures announced in Budget 2019 and other adjustments are included in planned spending for 2019-20 and 2020-21 of \$14.7 million and \$21.5 million, respectively.

2020-21 planned spending includes \$19.8 million in economic development programming, for which additional Treasury Board authorities will be sought

## Actual human resources

Human resources summary for Programs and Internal Services  
(full-time equivalents)

Programs and Internal Services	2016–17 Actual full-time equivalents	2017–18 Actual full-time equivalents	2018–19 Planned full-time equivalents	2018–19 Actual full-time equivalents	2019–20 Planned full-time equivalents	2020–21 Planned full-time equivalents
Economic Development in the Territories	55	53	40	51	65.5	57
<b>Subtotal</b>	55	53	40	51	65.5	57
Internal Services	26	26	26	28	28	30
<b>Total</b>	81	79	66	79	93.5	87

2018-19 planned full-time equivalents does not include 14 full-time equivalents associated with the renewal of the SINED Program.

Sunsetting of a portion of NPMO funding accounts for the majority of the overall reduction beginning in 2020–21.

## Expenditures by vote

For information on the Canadian Northern Economic Development Agency's organizational voted and statutory expenditures, consult the [Public Accounts of Canada 2018–2019](#).<sup>xi</sup>

## Government of Canada spending and activities

Information on the alignment of the CanNor's spending with the Government of Canada's spending and activities is available in the [GC InfoBase](#).<sup>xii</sup>

## Financial statements and financial statements highlights

### Financial statements

The CanNor's financial statements (unaudited) for the year ended March 31, 2019, are available on the [departmental website](#).<sup>xiii</sup>

## Financial statements highlights

Condensed Statement of Operations (unaudited) for the year ended March 31, 2019 (dollars)

Financial information	2018–19 Planned results	2018–19 Actual results	2017–18 Actual results	Difference (2018–19 Actual results minus 2018–19 Planned results)	Difference (2018–19 Actual results minus 2017–18 Actual results)
Total expenses	29,859,715	43,789,834	51,961,865	13,930,119	(8,172,031)
Total revenues	0	22,066	5,228	22,066	(16,838)
Net cost of operations before government funding and transfers	29,859,715	43,767,768	51,956,637	13,908,053	(8,188,869)

The \$13.9 million increase in total expenses between 2018-19 actual and planned results reflects the renewal of the SINED Program that occurred later in 2018-19, which was offset by reduced transfer payment spending.

The \$8.2 million decrease in total expenses between 2018-19 and 2017-18 actual results reflects reduced transfer payment spending, including the sunsetting of the Canada 150 Community Infrastructure Program.

Condensed Statement of Financial Position (unaudited) as of March 31, 2019 (dollars)

Financial information	2018–19	2017–18	Difference (2018–19 minus 2017–18)
Total net liabilities	9,816,012	16,146,559	(6,330,547)
Total net financial assets	8,741,475	15,155,298	(6,413,823)
Departmental net debt	1,074,537	991,261	83,276
Total non-financial assets	334,622	422,863	(88,241)
Departmental net financial position	(739,915)	(568,398)	(171,517)

## Supplementary information

Corporate information

Organizational profile

**Appropriate minister:** The Honourable Navdeep Bains, P.C., M.P.

**Institutional head:** Paula Isaak, President

**Ministerial portfolio:** Innovation, Science and Economic Development

**Enabling instrument:** *Public Service Rearrangement and Transfer of Duties Act, R.S.C. 1985, c. P-34*

**Year of incorporation / commencement:** 2009

## Raison d'être, mandate and role: who we are and what we do

“Raison d'être, mandate and role: who we are and what we do” is available on the [CanNor's website](#).<sup>xiv</sup>

For more information on the department's organizational mandate letter commitments, see the [Minister's mandate letter](#).<sup>xv</sup>

## Operating context and key risks

Information on operating context and key risks is available on the [CanNor's website](#).<sup>xvi</sup>

## Reporting Framework

CanNor’s Departmental Results Framework and Program Inventory of record for 2018–19 are shown below.

<b>Core Responsibility: Economic Development in the Territories</b>		<b>Internal Services</b>	
<b>Departmental Results Framework</b>	<b>Departmental Result:</b> People and communities participate in the economy in the Territories		<b>Indicator:</b> Labour participation rate for women and Indigenous peoples in the Territories
			<b>Indicator :</b> Amount leveraged per dollar invested in community projects in the Territories
	<b>Departmental Result:</b> Business are developing in the Territories		<b>Indicator :</b> Number of businesses by business locations in the Territories
			<b>Indicator :</b> Number of investments in clean tech projects supported by CanNor in the Territories
	<b>Departmental Result:</b> Efficient and Predictable Environmental Review process in the Territories		<b>Indicator :</b> Number of companies provided advisory services (Pathfinder) including issues management and support in the environmental assessment and governance processes in the Territories
			<b>Indicator :</b> Percentage of environmental assessments in the Territories that are completed within the scheduled time frame
<b>Program Inventory</b>	<b>Program:</b> Community Development		
	<b>Program:</b> Business Development		
	<b>Program:</b> Policy and Advocacy		
	<b>Program:</b> Northern Projects Management		

## Supporting information on the Program Inventory

Financial, human resources and performance information for the CanNor's Program Inventory is available in the [GC InfoBase](#).<sup>xvii</sup>

## Supplementary information tables

The following supplementary information tables are available on the [CanNor's website](#).<sup>xviii</sup>

- ▶ Departmental Sustainable Development Strategy
- ▶ Details on transfer payment programs of \$5 million or more
- ▶ Gender-based analysis plus

## Federal tax expenditures

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 [Report on Federal Tax Expenditures](#).<sup>xix</sup> This report also provides detailed background information on tax expenditures, including descriptions, objectives, historical information and references to related federal spending programs. The tax measures presented in this report are the responsibility of the Minister of Finance.

## Organizational contact information

### **Head Office:**

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**Website:** [cannor.gc.ca](http://cannor.gc.ca)

## Appendix: definitions

### **appropriation (crédit)**

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

### **budgetary expenditures (dépenses budgétaires)**

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

### **Core Responsibility (responsabilité essentielle)**

An enduring function or role performed by a department. The intentions of the department with respect to a Core Responsibility are reflected in one or more related Departmental Results that the department seeks to contribute to or influence.

### **Departmental Plan (plan ministériel)**

A report on the plans and expected performance of an appropriated department over a three-year period. Departmental Plans are tabled in Parliament each spring.

### **Departmental Result (résultat ministériel)**

A Departmental Result represents the change or changes that the department seeks to influence. A Departmental Result is often outside departments' immediate control, but it should be influenced by program-level outcomes.

### **Departmental Result Indicator (indicateur de résultat ministériel)**

A factor or variable that provides a valid and reliable means to measure or describe progress on a Departmental Result.

### **Departmental Results Framework (cadre ministériel des résultats)**

Consists of the department's Core Responsibilities, Departmental Results and Departmental Result Indicators.

### **Departmental Results Report (rapport sur les résultats ministériels)**

A report on an appropriated department's actual accomplishments against the plans, priorities and expected results set out in the corresponding Departmental Plan.

### **experimentation (expérimentation)**

Activities that seek to explore, test and compare the effects and impacts of policies, interventions and approaches, to inform evidence-based decision-making, by learning what works and what does not.

**full-time equivalent (équivalent temps plein)**

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.

**gender-based analysis plus (GBA+) (analyse comparative entre les sexes plus [ACS+])**

An analytical process used to help identify the potential impacts of policies, Programs and services on diverse groups of women, men and gender differences. We all have multiple identity factors that intersect to make us who we are; GBA+ considers many other identity factors, such as race, ethnicity, religion, age, and mental or physical disability.

**government-wide priorities (priorités pangouvernementales)**

For the purpose of the 2018–19 Departmental Results Report, those high-level themes outlining the government’s agenda in the 2015 Speech from the Throne, namely: Growth for the Middle Class; Open and Transparent Government; A Clean Environment and a Strong Economy; Diversity is Canada’s Strength; and Security and Opportunity.

**horizontal initiative (initiative horizontale)**

An initiative where two or more departments are given funding to pursue a shared outcome, often linked to a government priority.

**non-budgetary expenditures (dépenses non budgétaires)**

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

**performance (rendement)**

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 (indicateur de rendement)**

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 (production de rapports sur le rendement)**

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

**plan (plan)**

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.

**planned spending (dépenses prévues)**

For Departmental Plans and Departmental Results Reports, planned spending refers to those amounts presented in 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 Departmental Plans and Departmental Results Reports.

**priority (priorité)**

A plan or project 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) or Departmental Results.

**program (programme)**

Individual or groups of services, activities or combinations thereof that are managed together within the department and focus on a specific set of outputs, outcomes or service levels.

**result (résultat)**

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 (dépenses législatives)**

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 (résultat stratégique)**

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

**target (cible)**

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 (dépenses votées)**

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

## Endnotes

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- i. New regional innovation programming supports business development and growth, <https://www.canada.ca/en/innovation-science-economic-development/news/2018/12/new-regional-innovation-programming-supports-business-development-and-growth.html>
- ii. Women Entrepreneurship Strategy, <https://www.ic.gc.ca/eic/site/107.nsf/eng/home>
- iii. WES Ecosystem Fund, <https://www.ic.gc.ca/eic/site/129.nsf/eng/home>
- iv. Women Entrepreneurship Fund, <https://www.ic.gc.ca/eic/site/128.nsf/eng/home>
- v. Food Policy for Canada, <https://www.canada.ca/en/campaign/food-policy.html>
- vi. Creating Middle Class Jobs: A Federal Tourism Growth Strategy, <https://www.ic.gc.ca/eic/site/134.nsf/eng/00003.html>
- vii. Canada's Arctic and Northern Policy, <https://www.rcaanc-cirnac.gc.ca/eng/1562782976772/1562783551358>
- viii. Pan-Territorial Growth Strategy, <https://www.cannor.gc.ca/eng/1547761668118/1547762327282>
- ix. Task Force On Improved Connectivity In The Arctic (TFICA) Report: Improving connectivity in The Arctic, <https://oaarchive.arctic-council.org/handle/11374/2369>
- x. GC InfoBase, <https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start>
- xi. Public Accounts of Canada, <http://www.tpsgc-pwgsc.gc.ca/recgen/cpc-pac/index-eng.html>
- xii. GC InfoBase, <https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start>
- xiii. Corporate reports and publications, <https://www.cannor.gc.ca/eng/1370435709347/1370436040329>
- xiv. The Estimates Documents, <https://www.cannor.gc.ca/eng/1387820400013/1387820480580>
- xv. Minister of Innovation, Science and Economic Development Mandate Letter, <https://pm.gc.ca/en/mandate-letters/minister-innovation-science-and-economic-development-mandate-letter>
- xvi. The Estimates Documents, <https://www.cannor.gc.ca/eng/1387820400013/1387820480580>
- xvii. GC InfoBase, <https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start>
- xviii. The Estimates Documents, <https://www.cannor.gc.ca/eng/1387820400013/1387820480580>
- xix. Report on Federal Tax Expenditures, <https://www.fin.gc.ca/purl/taxexp-eng.asp>