

Canadian Northern Economic Development Agency (CanNor)

2017–18

Departmental Results Report

The Honourable Navdeep Bains, P.C., M.P.
Minister of Innovation, Science and Economic
Development

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Minister's message



**The Honourable Navdeep
Bains**
Minister of Innovation,
Science and Economic
Development

I am pleased to present the 2017–18 Departmental Results Report for the Canadian Northern Economic Development Agency (CanNor).

Over the past year, through integrated work across the various organizations of the Innovation, Science and Economic Development Portfolio, the Government of Canada worked very hard to improve Canada's global competitiveness while creating jobs, nurturing growth and strengthening our country's middle class.

In 2017-18, the Portfolio continued to implement the Innovation and Skills Plan to promote innovation and science, including support for scientific research and the commercialization of research and ideas. The Plan also encourages Canadian small businesses to grow, scale-up, and become more productive, more innovative and more export-oriented. An important area of this work included promoting increased tourism in Canada and the creation of new opportunities in our tourism sector. The Plan's overarching aim to position Canada as an innovation leader has been the driving focus of the Portfolio's programs.

CanNor advocates for the territories and supports innovative opportunities that help build a sustainable and diversified economy across the territories, and provides support to Indigenous groups to take advantage of economic opportunities. Its Northern Projects Management office provides pathfinder services and supports efficient and transparent environmental assessment processes in the territories. In 2017-18, CanNor's work to support the Innovation and Skills Plan saw the creation of the first innovation hub in the territories. Through Budget 2018, CanNor received ongoing funding for its key economic development program, which will help spur economic development across the territories.

Through deep collaborations and inclusive partnerships, the Innovation, Science and Economic Development Portfolio organizations have embarked on a shared journey to stronger, cleaner and more inclusive economic competitiveness that benefits all Canadians. This report documents the contributions that CanNor is making towards this important work.

Results at a glance

What funds were used? (2017-18 Actual Spending)	Who was involved? (2017-18 actual FTEs)
\$54,420,053	79

In 2017-18, to contribute to developing a diversified, sustainable, and dynamic economy across Canada's three territories, CanNor worked closely with federal, territorial, municipal, community, Indigenous and private sector partners. CanNor's areas of focus included the following:

1. Support the implementation of the Innovation and Skills Plan

CanNor supported, through over \$1.5 million in Strategic Investments Northern Economic Development (SINED) funding, the creation of the Yukon Innovation Hub, which will bring business and industry, post-secondary institutions and public supports together to create a dynamic space that promotes an entrepreneurial culture of innovation and commercialization. In addition, approximately \$6 million was invested across the territories to accelerate the development and deployment of clean technologies. Finally, CanNor provided \$4.5 million, through the Northern Adult Basic Education Program (NABEP), to support adult basic education programming offered by the territorial colleges.

2. Advancing Northern Economic Development

In order to support a diversified and growing economy, CanNor made investments to encourage development of sectors such as tourism, fisheries, mining, arts and culture, as well as supporting Indigenous community economic and business development. For instance, as part of Canada's *New Tourism Vision's* commitment to help develop tourism in remote areas, CanNor invested \$2.4 million to support tourism related projects, including for domestic and international marketing and expansion of tourism product offerings. For example, funding was provided for the expansion of the Kayutak Community Centre in Ulukhaktok, Northwest Territories, which provides services for tourist activities, such as accommodating cruise ship tourists and showcasing cultural artifacts.

Investments were also made to assist in the expansion of commercial fisheries in the territories. For example, CanNor provided funding to expand and enhance the Nunavut Fisheries and Marine Training Consortium's training facility in Iqaluit, Nunavut. This will increase the number of northern professional marine graduates able to enter the growing fisheries and marine sectors.

3. Advancing Major Projects Across the North

Through the NPMO, CanNor continued to support efficient and transparent environmental assessment processes for proposed major projects in the territories - from coordination of federal regulatory departments, to environmental assessment advisory support and Crown consultation coordination. In 2017-18, NPMO provided advice and support to over 100 clients. In addition, two projects were finalized and approved, representing a capital investment of approximately \$877 million and forecasting 1,638 jobs when completed.

For more information on CanNor's plans, priorities and results achieved, see the "Results: what we achieved" section of this report.

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

Raison d'être

Contributing to jobs and growth in Canada, CanNor works to develop a diversified, sustainable and dynamic economy across Canada's three territories. It does this by delivering funding programs to Northerners and Indigenous people, guiding resource development and major projects across the NPMO, undertaking research to support the development of evidence-based policies, advocating for northern economic prosperity and diversification, and collaborating with other federal departments, territorial governments, Indigenous organizations, and industry.

Mandate and role

CanNor advances economic development in Canada's territories through business, community and capacity development by delivering a suite of contribution programs that foster growth and innovation, and by providing pan-northern knowledge and expertise to enhance the effectiveness of federal policy initiatives. As well, the Agency's NPMO coordinates federal participation in regulatory review processes and Crown consultation with Indigenous peoples for major projects in order to maximize the collective impact and improve the timeliness and effectiveness of the process.

The Agency works closely with all federal partners whose operations impact the North's economic development landscape, as well as with territorial governments, communities, Indigenous organizations and the private sector. These strong partnerships enable the Agency to advance economic initiatives that help to diversify and grow the northern economy and to advance the Government of Canada's priorities in the North.

CanNor is a part of the Innovation, Science and Economic Development (ISED) portfolio and supports the implementation of the Government of Canada priorities and the mandate letters for the Ministers of ISED, Small Business and Tourism, and Science by working collaboratively with portfolio partners.

For more general information about the department, see the “Supplementary information” section of this report. For more information on the department’s organizational mandate letter commitments, see the [Minister’s mandate letter](#).¹

Operating context and key risks

Operating context

Canada's territories are home to approximately 114,000 people, half of which are Indigenous, living across over 40% of Canada's landmass. The territorial Indigenous governance landscape is composed of settled land claims, self-governing Indigenous organizations and some unsettled land claims.

Economic development and growth throughout the territories is challenging due to a sparse and widely distributed population, a significant infrastructure deficit, high energy costs and a shortage of skilled labour. These challenges inform CanNor's activities and operations, and impact how it delivers on its mandate.

The North's natural resources continue to be a strong foundation for economic growth and sustainability. Canada's North includes a wide-spectrum of world class-mineral assets as well as large resources of crude oil and natural gas. According to the Conference Board of Canada's Spring 2018 Territorial Outlook, the GDP for 2018 was forecasted to grow by 8.1% for Yukon, 4.4% in Nunavut and decline in Northwest Territories by 2.9%.

Canada's territories have a significant infrastructure deficit that makes it difficult to get goods to market and increases the costs of doing business. A lack of affordable and reliable connectivity when compared to southern Canada challenges Northerners access to the knowledge economy as well as the ability to retain skilled labour.

Climate change is bringing both challenges and opportunities to the northern economy. Warming temperatures have led to permafrost degradation resulting in the deterioration of some infrastructure and a shortened operating season and reduced load capacity of winter roads. However, melting ice conditions in the high Arctic also provides an opportunity for increased international shipping and tourism.

Key risks

While the North presents opportunities for economic development, growth and innovation, factors including its vast and remote geography, lack of infrastructure, connectivity challenges, the cost and access to energy, and shortage of skilled labour all contribute to a challenging operating environment. These factors create additional challenges for businesses and can also prevent Northerners from fully benefiting from economic development opportunities.

Risks	Mitigating strategy and effectiveness	Link to the department's Programs	Link to mandate letter commitments and any government-wide or departmental priorities
<p>Limited Economic Diversification A high degree of reliance on the mining and oil/gas sector results in an increased vulnerability to the cyclical changes in commodity prices.</p>	<p>CanNor made investments to encourage development of other sectors (tourism, fisheries, cultural industries) in order to help mitigate the commodity cycle of the resource sector.</p>	<p>1.1 Economic Development 1.2 Policy and Alignment</p>	<p>Minister's mandate letterⁱ</p>
<p>Infrastructure deficit Significant capital and operating costs resulting from a core infrastructure deficit, including connectivity, constrain opportunities for northern economic development, impacting the effectiveness of CanNor's programming.</p>	<p>CanNor made investments in a range of community economic infrastructure. CanNor also worked with partners to provide advice with respect to federal infrastructure priorities.</p>	<p>1.1 Economic Development 1.2 Policy and Alignment</p>	<p>Minister's mandate letterⁱ</p>
<p>Labour Market Competition within the limited labour pool in the North carries risks for recruitment and retention and impacts the ability of businesses to grow and diversify.</p>	<p>CanNor made investments that support skills development in the territories, including through NABEP in order to help strengthen and increase the labour force available to the private and public sectors.</p>	<p>1.1 Economic Development 1.2 Policy and Alignment</p>	<p>Whole-of-government priority to create job opportunities and economic growth for Indigenous people.</p>
<p>Short-term Program Renewals 66% of contribution funding sunsets on March 31, 2018. Short-term (2 year) funding cycles limits CanNor's capacity to make long-term investments.</p>	<p>In Budget 2018, the Government of Canada announced ongoing funding for CanNor's economic development program. This funding will allow for the ongoing delivery of the Agency's flagship funding program – SINED – at \$20 million per year.</p>	<p>1.1 Economic Development 1.2 Policy and Alignment</p>	<p>Whole-of-government priority to track and report on progress of commitments, assess the effectiveness of the work and align resources with priorities.</p>

Results: what we achieved

Programs

1.1 Economic Development

Description

This program supports economic development in Canada's three territories: Nunavut, Northwest Territories and Yukon. Ensuring that the North is able to participate actively in the economy is essential to Canada's economic growth. Each territory has unique opportunities and challenges that require individual strategies to foster sustainable, competitive and diverse economic development. Through funding support, CanNor strengthens and stimulates the northern economy by taking steps to advance private sector efforts, ranging from small and medium enterprises to large-scale industry. There is also a strong focus on creating the conditions to position individuals, including Indigenous and non-Indigenous Northerners, communities and business-related organizations for economic success.

Results

CanNor, through its contribution programs, including the Strategic Investments Northern Economic Development (SINED) program and the Northern Aboriginal Economic Opportunities Program (NAEOP), advanced economic development and diversification across the territories in collaboration with territorial governments, Indigenous groups, businesses and other stakeholders.

In 2017-18, through SINED, CanNor invested over \$18 million in 48 of projects to strengthen key economic sectors in the territories.

- For example, CanNor provided \$100,000 in funding, of the \$250,000 total project costs to purchase a new flight training simulator, the first of its kind in Canada's territories, at the Alkan Air Flight Academy at Yukon College in Whitehorse. Although not a high-cost project, this flight simulator will allow access to an innovative training device which will help establish Whitehorse as a unique flight school destination in the North, putting it on par with other flight schools across the country. The Canadian aviation industry is currently experiencing a shortage of commercial pilots and this simulator will support skills development of current and prospective pilots and provide valuable training services to the aviation industry both in Yukon and beyond. The money that student pilots spend for training will feed directly back into Yukon's economy.

Through NAEOP, CanNor invested \$10.6 million in 59 projects. These projects fell into one of two program streams - the Community and Opportunities Planning (CROP) stream and the Entrepreneurship and Business Development (EBD) stream. The program is intended to increase the participation of northern Indigenous communities and businesses in economic opportunities.

- As an example, through the CROP stream, CanNor provided approximately \$250,000 to provide training, design of exhibition content, professional and technical services, as well as marketing for the Kenojuak Cultural Centre and Print Shop (KCCPS) in Cape Dorset, Nunavut. The KCCPS is a new 10,000 square foot cultural centre and printmaking studio, artist design space and retail area for the local, world renowned artists. Construction of the KCCPS was completed in March 2018, and will formally open on September 5, 2018. The KCCPS will provide training and employment opportunities.

Budget 2016 provided funding for Canada 150 Community Infrastructure Program (CIP-150), which ended on March 31, 2018, to support projects that rehabilitated, renovated, or enhanced cultural and community infrastructure. In 2017-18 specifically, CanNor provided \$6.4 million in funding for 36 projects.

- One of these projects consisted of a CanNor investment of \$315,000 in Tlicho Friendship Centre improvements. The centre received funding to upgrade the building's foundation, roof, interior and exterior as well as to install a biomass boiler to replace the existing oil furnace. Tlicho Leagia Ts'iili Ko is the primary service organization in Behchoko, Northwest Territories, meeting the needs of the homeless, as well as at-risk youth, women and men.

The Northern Economic Index (NEI) is comprised of indicators which illustrate the state of the territorial economies: labour market, financial well-being of Northerners, fiscal health/self-sufficiency of territorial governments, investment in the territories and business activity. In 2017-18 the NEI was 15. Although the NEI target was not met, a score of 15 reaffirms that in 2017-18 there was an expansion in economic activity in the North, with the NEI also continuing to increase over the last three years. Notably, spending on mineral and deposit exploration, which is a key economic driver for the North, increased by 15.4%. The territories also saw an increase of 2.5% to the average weekly earnings and a decrease of 1.2% to the unemployment rate. However, there was a reduction of 3.1% in own-source revenues generated by territorial governments.

Results achieved

Expected results	Performance indicators	Target	Date to achieve target	2017–18 Actual results	2016–17 Actual results	2015–16 Actual results
Increased northern economic activity and well-being of northern communities	Northern Economic Index (NEI)	Value of 24 to 26	March 31, 2018	15*	13**	9.5

*In calculating the trade balance for 2017/18 actuals, previous year's figures were used due to lag in data availability (StatCan releases territorial trade data in November for any given year).

**Please note that the numbers for the NEI for 2016/17 have been revised due to revisions and updates in StatCan data availability.

Budgetary financial resources (dollars)

2017–18 Main Estimates	2017–18 Planned spending	2017–18 Total authorities available for use	2017–18 Actual spending (authorities used)	2017–18 Difference (Actual spending minus Planned spending)
39,880,184	39,880,184	44,999,877	44,159,717	4,279,533

The difference between planned spending and actual authorities is due to the inclusion of renewal funding of NABEP (\$4.9 million) in 2017-18 Supplementary Estimates 'B'.

Human resources (full-time equivalents)

2017–18 Planned full-time equivalents	2017–18 Actual full-time equivalents	2017–18 Difference (Actual full-time equivalents minus Planned full-time equivalents)
28	29	1

Staffing fluctuations account for the difference in planned and actual FTEs.

1.2 Policy and Alignment

Description

This program supports research and analysis to guide programming and policy choices, the promotion of northern interests both inside and outside of the federal government, and the development of horizontal strategies, initiatives and projects to address economic development challenges and opportunities in the North.

Results

CanNor supports economic growth in the territories by providing knowledge and advice to federal decision makers on territorial and Indigenous priorities and needs. CanNor assesses the effectiveness of this program by how successful the Agency is in meeting its overall strategic objective of strengthening the northern economy. To determine this, CanNor also measures annual changes across seven indicators¹. CanNor aims to meet targets for at least five out of seven of these indicators to determine whether this composite measure's target was met.

In 2017-18, the Agency met four of seven performance indicators²: GDP growth (increased by 4.3% from 2016, compared with 3.5% for all of Canada); the percentage of northern and Indigenous firms supported by the Agency still operating after three years (86%); the NEDI (value of 88.34); and the percentage of CanNor investments in infrastructure studies that lead to infrastructure projects within five years (44%). The performance indicator targets for the NEI, the proportion of Indigenous economic development community planning investments relative to business investments (support adjusted to meet client demand), and the percentage rate in labour market participation by Northerners were not met.

CanNor is working with Crown-Indigenous Relations and Northern Affairs Canada, territorial and Indigenous partners on the co-development of an Arctic Policy Framework, focusing on the economic pillar. In 2017-18, this included participating in regional engagement sessions with Indigenous partners in Iqaluit, Yellowknife and Whitehorse to help inform the development of the framework.

The Northern Projects Management Office (NPMO) worked with over 100 clients including proponents, investors, industry, Indigenous governments and groups, chambers of commerce, and territorial and federal government departments. NPMO coordinated participation in seven environmental assessments across the territories and maintained and analyzed the crown consultation records for these processes. Two projects were finalized and approved. Upon

¹ These indicators include: the NEI, GDP growth, the percentage of northern and Indigenous firms supported by the Agency still operating after three years, the Northern Economic Diversification Index (NEDI), the proportion of Indigenous economic development community planning investments relative to business investments, the percentage change of northern labour force participation and the percentage of CanNor investments in infrastructure studies that lead to infrastructure projects within five years.

² See section 1.1 of this document and 1.1.2 and 1.1.3 of the supporting Sub-Program tables for more information.

completion, these two projects will provide a capital investment of approximately \$877 million and 1,638 forecasted operating jobs.

In 2017-18, the evaluations of CanNor's two primary economic development programs, SINED and NAEOP, were finalized. Overall, the SINED evaluation was positive and found that every \$1 million invested by the program led to an overall increase of \$2.2 million in territorial Gross Domestic Product (GDP) and contributed to 18 person-years of full time employment, when considering direct, indirect and induced impacts. This evaluation also identified areas for improvement and was used to inform the renewal of the SINED program. CanNor held a series of round-tables and worked with both external and internal Government of Canada stakeholders to inform the renewal and launch of the SINED program, which was due to sunset on March 31, 2018. The program has now been provided with on-going funding in Budget 2018.

The evaluation of the NAEOP program was focused on assessing an important change in program delivery implemented in 2014. Overall, the evaluation found that the planned transition had effectively taken place (i.e. the amalgamation of four Indigenous economic development programs into NAEOP's two program funding streams, one focused on Indigenous community economic development, the other focused on supporting Indigenous businesses and entrepreneurs). The evaluation also identified some elements of the planned program transition that had not been completed, and CanNor has committed to addressing those gaps.

In 2017-18, CanNor staff was offered, and took part in, Government of Canada GBA+ training. CanNor identified a GBA+ champion and an officer to commence the development and approval of a GBA+ action plan for the Agency. CanNor's suite of programs encourages diverse groups, including Indigenous peoples, women and youth, to seek support for their projects. CanNor's programs also support increasing the capacity of these groups and individuals to participate in economic development opportunities in the territories.

For example, CanNor provided funding, through the CIP-150 program, to the Municipality of Cambridge Bay, Nunavut, for renovations to the community youth centre, which allowed the community to improve its youth programming and will provide a comfortable, safe and efficient facility for community use.

Results Achieved

Results achieved Expected results	Performance indicators	Target	Date to achieve target	2017–18 Actual results	2016–17 Actual results	2015–16 Actual results
Policies, programs and initiatives that are effective in strengthening the northern Canadian economy, thereby enabling Northerners to access business and community development opportunities	Composite of performance indicators for the Economic Development Program and the related Sub-Programs of Business Development and Community Development	Meet or exceed at least 2/3 of targets identified in Program 1.1 and the related Sub-Programs	March 31, 2018	4 of 7 indicators met	6 of 7 indicators met	5 of 7 indicators met

Budgetary financial resources (dollars)

2017–18 Main Estimates	2017–18 Planned spending	2017–18 Total authorities available for use	2017–18 Actual spending (authorities used)	2017–18 Difference (Actual spending minus Planned spending)
4,222,127	4,222,127	4,408,658	3,780,871	(441,256)

The difference between planned spending and actual authorities is due to staff vacancy rate and turnover throughout the year.

Human resources (full-time equivalents)

2017–18 Planned full-time equivalents	2017–18 Actual full-time equivalents	2017–18 Difference (Actual full-time equivalents minus Planned full-time equivalents)
26	24	(2)

Staffing fluctuations account for the difference in planned and actual FTEs.

Information on CanNor's lower-level programs is available in the [GC InfoBase](#).ⁱⁱ

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: Management and Oversight Services; Communications Services; Legal Services; Human Resources Management Services; Financial Management Services; Information Management Services; Information Technology Services; Real Property Services; Materiel Services; and Acquisition Services.

Results

CanNor undertook a number of actions in 2017-18 aimed at advancing employee health and wellness. Initiatives included new dialogues and awareness on mental health issues, prevention of harassment and discrimination, implemented enhanced occupational health and safety practices, and a reinvigorated governance framework for values and ethics.

The Agency rolled out its 2017-2023 Inuit Employment Plan to provide direction for the, recruitment, development and retention of Inuit employees working for CanNor in the Nunavut Settlement area. Actions taken included: new staffing strategies, multi-year learning plans, acting assignments and leadership development training to help advance Inuit employment in the federal workplace.

Budgetary financial resources (dollars)

2017–18 Main Estimates	2017–18 Planned spending	2017–18 Total authorities available for use	2017–18 Actual spending (authorities used)	2017–18 Difference (Actual spending minus Planned spending)
5,978,872	5,978,872	6,098,165	6,479,465	500,593

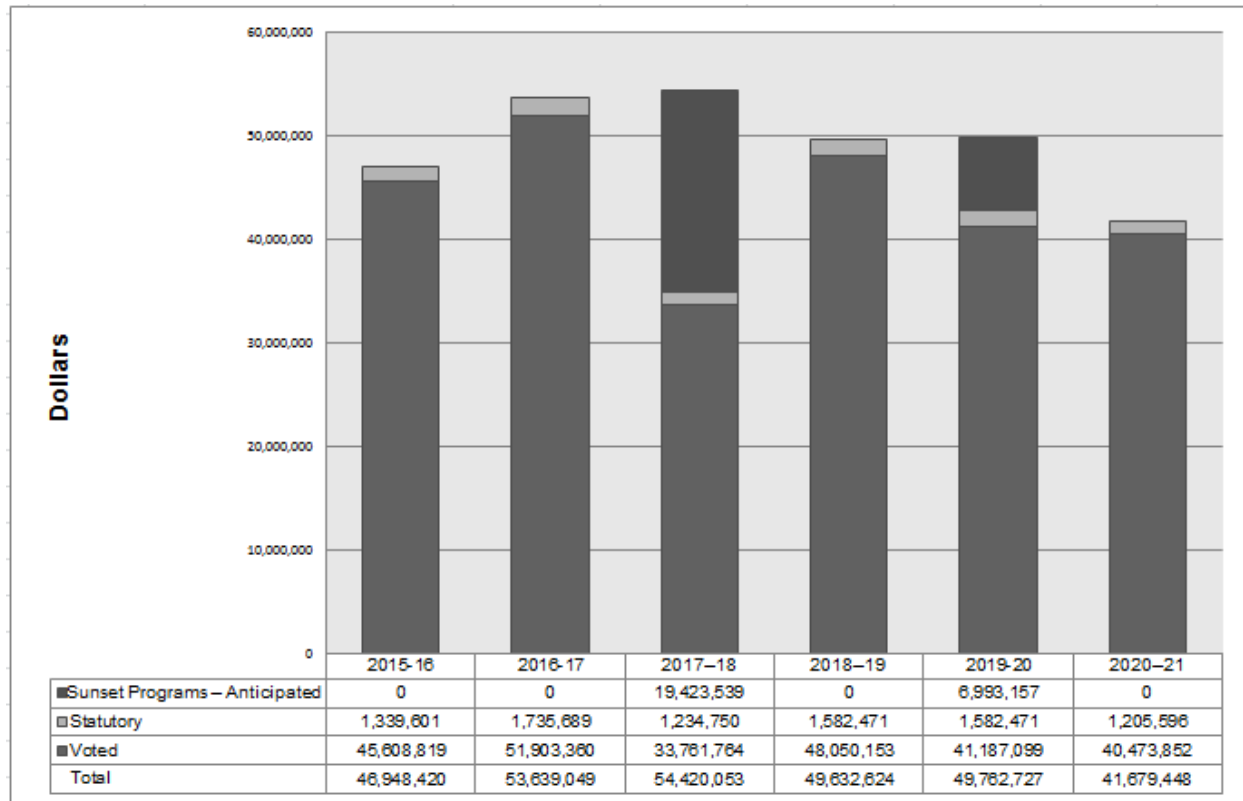
Human resources (full-time equivalents)

2017–18 Planned full-time equivalents	2017–18 Actual full-time equivalents	2017–18 Difference (Actual full-time equivalents minus Planned full-time equivalents)
26	26	0

Analysis of trends in spending and human resources

Actual expenditures

Departmental spending trend graph



Between 2015-16 and 2016-17, actual spending increased by \$6.7 million, consisting of new funding for CIP-150 (\$6.4 million), offset by decreased final year funding for the Centre for Northern Innovation in Mining (\$1.3 million), as well as a decrease in NPMO funding of \$370,000. Additional changes reflect increased spending on transfer payments for existing programs and operating costs.

Planned Spending in 2018-19 and 2019-20 has been adjusted to reflect the renewal of SINED in Budget 2018. In 2020-21, planned spending decreases due to the sunsetting of NABEP (\$4.9 million) and NPMO (\$2.1 million). Decisions regarding sunsetting programs will be reflected in the Agency's future budget and estimate documents.

Budgetary performance summary for Programs and Internal Services (dollars)

Programs and Internal Services	2017–18 Main Estimates	2017–18 Planned spending	2018–19 Planned spending	2019–20 Planned spending	2017–18 Total authorities available for use	2017–18 Actual spending (authorities used)	2016–17 Actual spending (authorities used)	2015–16 Actual spending (authorities used)
Economic Development	39,880,184	39,880,184	43,653,752*	43,783,855*	44,999,877	44,159,717	43,349,264	36,670,762
Policy and Alignment	4,222,127	4,222,127	N/A*	N/A*	4,408,658	3,780,871	3,686,597	3,949,912
Subtotal	44,102,311	44,102,311	43,653,752	43,783,855	49,408,535	47,940,588	47,035,861	40,620,674
Internal Services	5,978,872	5,978,872	5,978,872	5,978,872	6,098,165	6,479,465	6,603,188	6,327,746
Total	50,081,183	50,081,183	49,632,624	49,762,727	55,506,700	54,420,053	53,639,049	46,948,420

2017-18 planned spending does not include \$4.9 million for the renewal of NABEP, provided through Supplementary Estimates (B) 2017-18.

Planned spending in 2018-19 and 2019-20 includes \$20 million per year for the renewal of northern economic development programming further to Budget 2018.

*For 2018-19 and future years, CanNor will be reporting under the new Departmental Results Framework. Planned spending under Economic Development and Policy and Alignment programs will be reported on under a single core responsibility: Economic Development in the Territories.

Actual human resources

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

Programs and Internal Services	2015–16 Actual full-time equivalents	2016–17 Actual full-time equivalents	2017–18 Planned full-time equivalents	2017–18 Actual full-time equivalents	2018–19 Planned full-time equivalents	2019–20 Planned full-time equivalents
Economic Development	26	29	28	29	54*	54*
Policy and Alignment	26	26	26	24	N/A*	N/A*
Subtotal	52	55	54	53	54	54
Internal Services	28	27	26	26	26	26
Total	80	82	80	79	80	80

Planned FTEs in 2018-19 and 2019-20 have been adjusted to reflect the renewal of northern economic development funding in Budget 2018.

*For 2018-19 and future years, CanNor will be reporting under the new Departmental Results Framework. Planned FTEs under Economic Development and Policy and Alignment programs will be reported on under a single core responsibility: Economic Development in the Territories.

Expenditures by vote

For information on CanNor’s organizational voted and statutory expenditures, consult the [Public Accounts of Canada 2017–2018](#).ⁱⁱⁱ

Government of Canada spending and activities

Information on the alignment of CanNor’s spending with the Government of Canada’s spending and activities is available in the [GC InfoBase](#).ⁱⁱ

Financial statements and financial statements highlights

Financial statements

CanNor’s financial statements (unaudited) for the year ended March 31, 2018, are available on the [departmental website](#).^v

Financial statements highlights

Condensed Statement of Operations (unaudited) for the year ended March 31, 2018 (dollars)

Financial information	2017–18 Planned results	2017–18 Actual results	2016–17 Actual results	Difference (2017–18 Actual results minus 2017–18 Planned results)	Difference (2017–18 Actual results minus 2016–17 Actual results)
Total expenses	50,782,363	51,961,865	53,316,219	1,179,502	(1,354,354)
Total revenues	0	5,228	0	5,228	5,228
Net cost of operations before government funding and transfers	50,782,363	51,956,637	53,316,219	1,174,274	(1,359,582)

The \$1.2 million increase between 2017-18 actual and planned total expenses reflects efforts CanNor undertook to reduce lapses in contribution funding and better utilize operational funds.

The \$1.4 million decrease in 2017-18 actual total expenses compared to 2016-17 reflects the return of unspent contribution funding that was advanced to proponents in a previous fiscal year.

Condensed Statement of Financial Position (unaudited) as of March 31, 2018
(dollars)

Financial information	2017–18	2016–17	Difference (2017–18 minus 2016–17)
Total net liabilities	16,146,559	15,539,492	607,067
Total net financial assets	15,155,298	14,629,300	525,998
Departmental net debt	991,261	910,192	81,069
Total non-financial assets	422,863	585,794	(162,931)
Departmental net financial position	(568,398)	(324,398)	(244,000)

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](#)^{vi}

Year of incorporation / commencement: 2009

Reporting framework

The CanNor Strategic Outcome and Program Alignment Architecture (PAA) of record for 2017–18 are shown below:

1. **Strategic Outcome:** Developed and diversified territorial economies that support prosperity for all Northerners.

1.1 Program: Economic Development

1.1.1 Sub-Program: Business Development

1.1.2 Sub-Program: Community Development

1.2 Program: Policy and Alignment

1.2.1 Sub-Program: Policy and Advocacy

1.2.2 Sub-Program: Coordination and Alignment

Internal Services

Supporting information on lower-level programs

Supporting information on lower-level programs is available on the [GC InfoBase](#).ⁱⁱ

Supplementary information tables

The following supplementary information tables are available on the [CanNor's website](#):^v

- ▶ Departmental Sustainable Development Strategy
- ▶ Details on transfer payment programs of \$5 million or more
- ▶ Evaluations
- ▶ Internal audits

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](#).^{iv} 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

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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.

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 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.

evaluation (évaluation)

In the Government of Canada, the systematic and neutral collection and analysis of evidence to judge merit, worth or value. Evaluation informs decision making, improvements, innovation and accountability. Evaluations typically focus on programs, policies and priorities and examine questions related to relevance, effectiveness and efficiency. Depending on user needs, however, evaluations can also examine other units, themes and issues, including alternatives to existing interventions. Evaluations generally employ social science research methods.

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 approach used to assess how diverse groups of women, men and gender-diverse people may experience policies, programs and initiatives. The “plus” in GBA+ acknowledges that the gender-based analysis goes beyond biological (sex) and socio-cultural (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. Examples of GBA+ processes include using data disaggregated by sex, gender and other intersecting identity factors in performance analysis, and identifying any impacts of the program on diverse groups of people, with a view to adjusting these initiatives to make them more inclusive.

government-wide priorities (priorités pangouvernementales)

For the purpose of the 2017–18 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.

Management, Resources and Results Structure (structure de gestion, des ressources et des résultats)

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

non-budgetary expenditures (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 that receive Treasury Board approval by February 1. Therefore, planned spending may include amounts incremental to planned expenditures presented in the Main Estimates.

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

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

Program Alignment Architecture (architecture d'alignement des programmes)

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

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.

sunset program (programme temporisé)

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

target (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

- i. The Minister's mandate letter, <https://pm.gc.ca/eng/mandate-letters>
- ii. GC InfoBase, <https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start>
- iii. Public Accounts of Canada 2017–2018, <http://www.tpsgc-pwgsc.gc.ca/recgen/cpc-pac/index-eng.html>
- iv. Report on Federal Tax Expenditures, <http://www.fin.gc.ca/purl/taxexp-eng.asp>
- v. CanNor Departmental Website, <https://www.cannor.gc.ca/>
- vi. Public Service Rearrangement and Transfer of Duties Act, <https://laws-lois.justice.gc.ca/eng/acts/P-34/index.html>