

Canadian Northern Economic Development Agency

2021–22

Departmental Plan

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

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From the Minister

The Canadian Northern Economic Development Agency (CanNor) and the Innovation, Science and Economic Development (ISED) portfolio are working to position Canada as an innovation leader on the global stage by fostering a diverse, growing, competitive, sustainable and inclusive economy for all Canadians.

While the Government of Canada's priority continues to be fighting COVID-19 and protecting Canadians' health and safety, the ISED portfolio is committed to fostering conditions for investment, enhancing Canadian innovation, and driving growth in key sectors. Together, we will strengthen the Canadian economy and restore consumer confidence through strategic actions, including investing in training for workers, and supporting Canadian businesses as they adapt and grow in a knowledge-based economy.

In support of these commitments, CanNor continues on its mission to develop a diversified, sustainable, and dynamic economy across Canada's territories. The Agency maintains and fosters partnerships to better respond to economic challenges and opportunities in the North, and also makes investments that advance economic recovery for businesses across the territories.

In 2021-2022, CanNor is continuing to focus on making strategic investments in the foundations and structures already in place, thereby helping the Northern economy be resilient. Through the Agency's relief and recovery funding, and its economic development programs such as Inclusive Diversification and Economic Advancement in the North (IDEANorth), CanNor is well-positioned to continue supporting businesses and contributing to the development of strong and sustainable economies in Nunavut, Northwest Territories and Yukon.

Finally, in tackling some of today's most pressing challenges, such as climate change, clean growth and a healthy society, ISED and its portfolio will continue to invest in science and research. We will also ensure that federal research is fully available to the public; that researchers can freely share their work; and that evidence-based approaches are utilized when the Government makes decisions. In doing so, we will facilitate the kind of new discoveries made by Canada's leading researchers and academics that help us all.

Together with Canadians of all backgrounds, regions and generations, we are building a strong culture of innovation to position Canada as a leader in the global economy. For more information, it is our pleasure to present the 2021-22 Departmental Plan for the Canadian Northern Economic Development Agency.



The Honourable Mélanie Joly
Minister of Economic
Development and Official
Languages

From the President

In 2021-2022, the Government of Canada is making strategic investments that will help Canada recover from the effects of COVID-19 on our economy. Canada's territories are significantly impacted by the pandemic, and CanNor was there for Northerners from the beginning with immediate support to small- and medium-sized businesses through our direct relief funding. Northerners continue to show their resiliency in the face of the pandemic, and we work alongside our partners and stakeholders to identify and make strategic investments in foundational economic development projects across the territories.

CanNor's Pan-Territorial Growth Strategy, a made-in-the-North plan for economic development, remains relevant and holds the keys to economic recovery in the territories with a focus on four key pillars: a skilled workforce, infrastructure investments, resource development and diversification and innovation.

Our commitment to build diversified and dynamic economies and foster long-term sustainability across the territories can only be achieved by working on the ground and in collaboration with Indigenous and territorial governments, communities, businesses and organizations. CanNor is paving the path for growth and economic prosperity across the territories by making investments that aim to strengthen the Northern economy. Through the Inclusive Diversification and Economic Advancement in the North (IDEANorth) program, CanNor supports sector and capacity development, business scale-up and productivity, and foundational and small-scale economic infrastructure. Our Northern Aboriginal Economic Opportunities Program (NAEOP) continues to foster the capacity of Indigenous businesses and communities, helping position them to contribute to economic recovery and growth. Additionally, CanNor's Northern Isolated Community Initiatives (NICI) fund supports innovative community-led projects for local and Indigenous food production that aim to address challenges in accessing healthy food in the territories.

CanNor's Northern Projects Management Office (NPMO) continues to play a coordinating and convening role which is an important part of the Agency's mandate in the North. NPMO facilitates federal participation in the environmental assessments of infrastructure and resource development projects, while ensuring the adequacy of Crown consultations with Indigenous communities.

Established in 2016, Pilimmaksaivik (the Federal Centre of Excellence for Inuit Employment in Nunavut), hosted within CanNor, leads a government-wide approach to Inuit employment in Nunavut by providing coordination, monitoring and reporting, outreach and awareness, on Inuit employment for federal departments and agencies pursuant to Article 23 of the Nunavut



Paula Isaak

President of the Canadian Northern
Economic Development Agency

Agreement. Looking ahead, Pilimmaksaivik will continue to address barriers to Inuit employment and advancement by working with partners to advance strategic recruitment initiatives and deliver innovative new training and supports.

As we continue on the road to economic recovery, CanNor remains committed to working with Northerners to make sure communities stay resilient, have opportunities to grow and prosper, and that we fulfil our commitments to Indigenous reconciliation.

By working together, we ensure a strong and bright future for the North, which in turn contributes to the success of Canada as a whole.

Plans at a glance

The Canadian Northern Economic Development Agency (CanNor) will continue working with partners to advance economic development in Canada's territories. The Agency supports 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.

Much like all other parts of Canada, the territories were subject to a range of economic challenges due to the COVID-19 pandemic throughout 2020-21. Impacts across sectors, and from one territory to another, have not been uniform, and uncertainties still exist for the territorial economies.

Mining operations, which make up the largest private-sector employers in the territories, have faced increased costs and challenges in operating at capacity, and have faced delays in environmental assessment processes. The construction industry, which is tied to resource extraction and the availability of fly-in fly-out workers, has experienced delays and constraints. The tourism sector, an important source of economic diversification for the North, was hardest hit of all sectors in 2020.

In order to help pave the way for economic recovery, CanNor will continue to make investments that advance various sectors of the economy by providing Northerners with the tools, skills, and infrastructure that they need in order to capitalize on opportunities. In doing so, the Agency will take into consideration the unique circumstances of each territory in the recovery process.

In 2021-22, CanNor will continue its role as a convener of federal, territorial and other partners based on the priorities in the Agency's [Pan-Territorial Growth Strategy](#)ⁱ over the five-year period ending in 2023-24.

The Strategy has four interrelated areas of action that are relevant to economic recovery and will foster long-term sustainability, helping the territories improve their overall self-reliance and continue on a path of prosperity:

- *Skilled Workforce*: Strengthen the northern workforce by equipping Northerners with the tools, skills, and experience they need to succeed in the workforce, now and into the future.
- *Infrastructure Investments and Development*: Leverage future investments in, and the ongoing operation of, major infrastructure projects to maximize local and regional economic opportunities.
- *Resource Development*: Support the sustainable development of the mining and energy sectors throughout the development cycle to increase community capacity, maximize jobs

and wealth within the territories, and produce positive economic impacts in northern communities.

- *Diversification and Innovation*: Foster sustainable growth in other economic sectors with a focus on strengthening entrepreneurship, northern innovation, and tourism.

CanNor's suite of economic development programs will help to advance these priorities. These programs include focused Indigenous programming, support to food systems, and our flagship program, [Inclusive Diversification and Economic Advancement in the North](#)ⁱⁱ (IDEANorth), which invests in foundational and small-scale economic infrastructure, sector development and capacity building to help position Northerners to take advantage of Canada's innovation economy. In 2021-22, as a result of Budget 2019 investments, CanNor will have an additional \$15 million in contribution funding under IDEANorth, allowing the Agency to invest in a wider range of initiatives to address the higher the cost of doing business in the territories.

Resource development is a significant driver of the territorial economy. CanNor, through the [Northern Projects Management Office](#)ⁱⁱⁱ (NPMO), will continue to play an important role by providing support, guidance, and advice to proponents and Indigenous communities as well as coordinating Crown consultation for federal regulators during the environmental assessment of major projects.

In addition to targeted actions in the territories, CanNor will work with other federal departments to help advance broader Government of Canada commitments, including economic reconciliation with Indigenous peoples, the continued implementation of the [Arctic and Northern Policy Framework](#)^{iv} and the advancement of the United Nations 2030 Agenda for Sustainable Development.

Through its work, CanNor will help to position the territories for success, as a strong territorial economy benefits all of Canada.

For more information on CanNor's plans, priorities and planned results, see the "[Core responsibilities: planned results and resources, and key risks](#)" section of this report.

Core responsibilities: planned results and resources, and key risks

This section contains detailed information on the department's planned results and resources for each of its core responsibilities. It also contains information on key risks related to achieving those results.

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.

Planning highlights

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 communities with a high quality of life for residents across Canada's territories. To achieve this goal, investments in foundational and small-scale infrastructure and a skilled workforce are needed. In 2021-22, CanNor will continue working to strengthen the northern workforce and equip Northerners with the tools, skills, and experience they need to succeed now and into the future.

CanNor's [Northern Aboriginal Economic Opportunities Program](#)^v (NAEOP) increases the capacity of northern Indigenous communities and businesses to participate in economic opportunities. Through NAEOP, CanNor works with Indigenous communities, businesses, entrepreneurs, governments, and other partners by supporting and funding projects that lead to economic development (e.g. planning, research, liaison, advocacy, coordination, monitoring), and the creation of small-scale economic infrastructure. Both of NAEOP's funding streams – the Community Readiness and Opportunities Planning fund, and the Entrepreneurship and Business Development fund – are directly aligned with the Government of Canada's objectives by providing support and funding for the promotion of Indigenous economic development in Canada's North.

CanNor's Northern Isolated Community Initiatives (NICI) fund supports innovative and practical solutions to increase food security across the North. It is intended to support local, community-led projects that reduce dependence on the southern food industry and the associated costs (e.g. transportation and storage) for isolated communities in the territories. In 2017-2018, household food insecurity was 57% in Nunavut, 21.6% in the Northwest Territories, and 16.9%

in Yukon, and interconnected factors such as remoteness and the high costs of transportation and labour contribute to these rates. In 2021-22, the NICI program will continue building Northerners' capacity to address these challenges by funding northern businesses and communities in order to promote a strong territorial food industry and reduce food insecurity. In 2021-22, CanNor will also continue with the next steps of NICI's Northern Food Innovation Challenge, which is described in greater detail under the [Experimentation section](#) of this document.

In 2021-22, CanNor will continue to deliver the [Northern Adult Basic Education Program](#)^{vi} (NABEP). This program, delivered through the northern post-secondary institutions, was created to assist northern adults in achieving sufficient levels of literacy, numeracy, and other essential skills to obtain a job or benefit from occupational training. It addresses unique challenges faced by Northerners to ensure that they have improved access to literacy and numeracy education within training programs and are better positioned to participate in the labour market.

[Pilimmaksaivik](#),^{vii} hosted within CanNor, is the Federal Centre of Excellence for Inuit Employment in Nunavut. This Centre focuses on the Government of Canada's commitments under Article 23 of the Nunavut Agreement to increase Inuit employment in government to levels that are consistent with Inuit demographic representation.

In 2021-22, Pilimmaksaivik will continue to increase services and training as part of the federal Inuit Employment Plans, and introduce new training measures and supports by coordinating the finalization and implementation of the whole-of-government pre-employment training plan. While Pilimmaksaivik focuses on continuing to grow the representative level of Inuit in the federal public service in Nunavut, coordinated investments in training will also support the development of transferable skills applicable across a variety of sectors.

Departmental Result: Businesses are Developing in the Territories
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CanNor supports the growth and expansion of northern businesses, including small- and medium-sized enterprises (SME), through training opportunities, advisory services, and flexible contribution programs that build capacity for businesses and communities. The objective is to encourage a competitive, diverse northern business sector with a strengthened capacity for innovation.

CanNor's flagship economic development program, [Inclusive Diversification and Economic Advancement in the North](#)^{viii} (IDEANorth), focuses on four priority areas: economic growth and sector development; business scale-up, productivity and innovation; small-scale economic infrastructure development; and foundational economic infrastructure. In 2021-22, CanNor will

continue work to capitalize on the diverse range of economic opportunities that exist in the North, with particular support to the following areas:

- *Business Scale-up and Market Expansion:* Support for projects that help businesses accelerate their growth and assist with the adoption of innovative technologies that support scale-up, productivity and global competitiveness.
- *Regional Innovation Ecosystems:* Investing in projects that help create, grow and develop strong and inclusive regional networks to support business growth and innovation, foster the entrepreneurial environment, and increase the competitiveness of SMEs.
- *Emerging Sectors Development:* Support for projects that foster the development and growth of key sectors (e.g. tourism, fisheries) in a manner which increases community capacity and maximizes jobs and wealth within the territories.

In 2021-22, CanNor will place emphasis not only on foundational economic priorities, but on advancing economic recovery in the wake of the COVID-19 pandemic as well. While it is difficult to predict the extent to which the economic fallout of the pandemic will reverberate through the fiscal year, CanNor is well-positioned to continue its work on the recovery effort as the situation evolves.

Women Entrepreneurship Strategy (WES)

In 2021–22, Innovation, Science and Economic Development Canada (ISED) and Regional Development Agencies (RDAs) will work collectively to deliver the [Women Entrepreneurship Strategy Ecosystem Fund](#)^{ix} – a total of up to \$100 million over five years (2018–19 to 2022–23) – to be invested collectively through RDAs (including the Canadian Northern Economic Development Agency) to help not-for-profit organizations support women-led businesses.

Regional Economic Growth through Innovation (REGI)

The government will continue to facilitate support for innovative companies in 2021–22 through the [Regional Economic Growth through Innovation](#)^x (REGI) National Program. This funding program is delivered by Regional Development Agencies (RDAs) taking into account the specific needs of businesses and regional innovation ecosystems. RDAs, including the Canadian Northern Economic Development Agency, are one of the government's four flagship platforms¹ to support innovation. We work with other federal agencies – including the National Research Council Canada (NRC), the Canadian Trade Commissioner Service and Innovation Canada – along the innovation and commercialization continuum. REGI enables companies and the organizations that support them to benefit from targeted investments to enhance their

^[1] The other three platforms are: the [National Research Council of Canada Industrial Research Assistance Program](#),^{xi} the [Strategic Innovation Fund](#)^{xii} and the [Canada Trade Commissioner Service](#).^{xiii}

competitiveness and grow through technology adoption, development and adaptation, productivity improvements, and commercialization and market expansion.

Regional Air Transport Initiative

Recognizing that regional air transport is a critical success factor to regional socio-economic development and well-being of communities, the new Regional Air Transportation Initiative is part of an interdepartmental effort involving RDAs, Transport Canada, and Innovation, Science and Economic Development Canada to identify measures to mitigate the impacts of the COVID-19 pandemic on the air sector. The Fall Economic Statement 2020 provided RDAs with \$206M in funding over the next two years (2020-21 and 2021-22) to contribute to maintaining and enhancing regional airport, local air carrier operations/services and related regional ecosystems to ensure they remain operational and adapt to new realities, as well as support efforts to develop short-term economic opportunities to better serve the regions and the people who call them home.

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

At CanNor, both the [Northern Projects Management Office](#)^{xiv} (NPMO) and the regional Operations teams work with industry, territorial governments, communities, Indigenous groups and other partners to promote resource development and infrastructure projects that create economic growth and sustainable prosperity for Northerners and all Canadians.

CanNor's NPMO plays an important convener role through its coordination of federal input into the environmental assessment and regulatory review process for proposed major resource development and infrastructure projects in the territories. NPMO has a mandate to ensure that the timeliness, predictability and transparency of federal participation in the northern regulatory processes foster a more stable and attractive investment climate. In 2021-22, CanNor, through NPMO, is expecting to oversee and ensure the adequacy of Crown consultations for seven major projects.

As the COVID-19 pandemic has caused delays in the environmental review processes of certain major projects, NPMO will work with proponents and partners to best address resultant challenges and will continue to co-chair an intergovernmental mining sector working group that is exploring post-pandemic recovery strategies.

Other Activities to Support CanNor's Core Responsibility

Through the Policy and Advocacy program, CanNor will continue its role as a convener of other federal departments and levels of government in the territories to facilitate economic recovery through the advancement of the Pan-Territorial Growth Strategy, by supporting a green economy, by promoting diversity and inclusion, and by advancing other Government of Canada priorities.

Specifically, the Agency expects to:

- Continue to foster economic recovery by addressing gaps and making investments that position the territorial economies for inclusive growth as the pandemic abates.
- Contribute to and support the work of the Department of Crown-Indigenous Relations and Northern Affairs to implement the Arctic and Northern Policy Framework through the co-development of governance mechanisms and the implementation plan.
- Support other Government of Canada departments and agencies by sharing northern-based knowledge and expertise that enhances the effectiveness of federal policy initiatives for the territories, and by delivering whole-of-government programs related to economic recovery for sectors like regional air transportation and to support a green economy.
- Continue contributing to the Inuit-Crown Partnership Committee Food Security, Infrastructure, and Economic Development working groups in collaboration with other federal partners.
- Complete an evaluation of the Northern Adult Basic Education Program (NABEP). Also, conduct a broader review to identify the needs of the northern labour force and in the accessibility of skills acquisition in the North.
- Support the Arctic Cooperation Advisory Committee in 2021-22 as the Russian Federation assumes the chairmanship of the Arctic Council.

Gender-based analysis plus

CanNor operates in a region where Indigenous peoples form a significant proportion of the population (86% in Nunavut, 51% in Northwest Territories and 23% in Yukon). Given CanNor's mandate and operating realities, programs and policies incorporate the experiences and realities of Indigenous peoples. The Agency delivers economic development programming in collaboration with local and regional Indigenous entrepreneurs, organizations, governments and businesses to support improved socio-economic outcomes for communities and community members.

CanNor offers a suite of business development programs that support diverse groups, including youth, women and Indigenous peoples. Programs include the Northern Aboriginal Economic Opportunities Program (NAEOP), Women Entrepreneurship Strategy (WES), and the Inclusive Diversification and Economic Advancement in the North (IDEANorth). Business development programs are designed to increase the capacity of these diverse groups and individuals to fully engage in economic development opportunities within the territories. Through these programs, CanNor continues to track and report on the labour participation rate of women and Indigenous peoples in the territories.

As part of CanNor's GBA+ Action Plan, for 2021-22 the Agency will continue to build capacity by increasing the proportion of employees who have completed GBA+ training. The GBA+ Action Plan guides how CanNor will integrate GBA+ into its program design and delivery, and internal services.

United Nations' 2030 Agenda for Sustainable Development and the UN Sustainable Development Goals (SDGs)

CanNor is committed to the development of its Departmental Sustainable Development Strategy that will position the Agency to help advance the Government's commitment to implement the United Nations' 2030 Agenda for Sustainable Development. Through the Agency's economic development programming, we will support the advancement of the following SDGs and targets:

- ▶ *Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all* (SDG 8), more specifically target 8.3 (promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services).
- ▶ *Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation* (SDG 9), more specifically target 9.1 (develop quality, reliable, sustainable and resilient infrastructure, including regional and trans border infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all).
- ▶ *Ensure sustainable consumption and production patterns* (SDG 12), more specifically 12.6 (encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle).

- ▶ *Zero Hunger* (SDG 2), more specifically target 2.4 (ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change).

Experimentation

In 2021-22, under the Northern Isolated Community Initiatives (NICI) fund, CanNor will implement its Northern Food Innovation Challenge. This challenge will support community-led projects for local and Indigenous food production to help enhance food security in the territories, with the goal of spurring innovation and highlighting new techniques. This includes social innovations or service delivery models as well as technologies to be adopted in northern food systems. Key challenge areas will include food production and harvesting, food processing, distribution, and transportation. In 2021-22, under Phase I, challenge participants will be testing the feasibility of their project concept moving it from the conceptual stage to proof concept. In addition, CanNor will be hosting a catalyst workshop for participants where they will receive support to further develop their ideas and learn about other food-related initiatives in the territories.

Key risks

The following are the key risks and response strategies associated with achieving CanNor's results on the Core Responsibility of Economic Development in the Territories:

1. *Limited Economic Diversification:* A high degree of reliance on the public service and resource development sectors have resulted in limited diversification and an increased vulnerability to the cyclical changes in commodity prices.
 - CanNor will make investments to leverage other regional economic advantages (e.g. tourism, fisheries, arts and culture) in order to help mitigate the cyclical nature of the resource sector and expand the private sector. Given the stresses that the COVID-19 pandemic has placed upon tourism in the territories, support for this sector will focus on relief and recovery, as the industry is not expected to make a full recovery in the immediate term. In addition, CanNor will continue to implement its Pan-Territorial Growth Strategy to advance inclusive economic growth based on the unique strengths and opportunities of the region.
2. *Infrastructure Deficit:* Higher capital and operating costs compared to southern Canada and the challenges of distance and geography have resulted in a core infrastructure deficit, including connectivity, and constrained opportunities for northern economic development which impact the effectiveness of CanNor's programming.

- CanNor will continue working with partners to inform and advocate with respect to territorial infrastructure priorities. The Agency will make investments in a range of economic infrastructure projects in order to increase community readiness.
3. *Labour Market:* Due to the shortage of a local skilled workforce, northern employers across sectors rely on workers from outside of the territories. This shortage also increases the competition for the limited local talent pool. At the same time, there are Northerners who could help address these shortages provided that they have access to skills training, including post-secondary education.
- CanNor is making investments that support skills development in the North, in order to help strengthen and increase the labour force availability for the private and public sectors and decrease dependency on labour from outside of the territories.
4. *COVID-19 Impact:* While the rollout of a COVID-19 vaccine is expected in 2021, certain industries (such as tourism) have suffered disproportionately due to the pandemic, and the lasting effects upon these sectors post-vaccine remains unknown.
- CanNor will continue to contribute to the economic recovery effort in the territories by addressing gaps and facilitating Northerners' capacities to emerge from the pandemic well-positioned to benefit from economic opportunities.

Planned results for Economic Development in the Territories

Departmental Results	Departmental Result Indicators	Target	Date to achieve target	2017–18 Actual results	2018–19 Actual results	2019–20 Actual results
People and communities participate in the economy in the Territories	Labour participation rate for women and Indigenous peoples in the Territories	Equal or higher than the national average	March 31, 2022	Women: 68.1% Indigenous: 60.0%	Women: 68.8% Indigenous: 59.6%	Women: 67.9% Indigenous: 58.4%
	Amount leveraged per dollar invested in community projects in the Territories	1.25	March 31, 2022	0.85	1.14	2.59
Business are developing in the Territories	Number of businesses by business locations in the Territories	4,425	March 31, 2022	4,343	4,322	4,367
	Number of investments in clean tech projects supported by CanNor in the Territories	15	March 31, 2022	12	16	14
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	40	March 31, 2022	20	39	29
	Percent of environmental assessments in the Territories that are completed within the scheduled time frame	100%	March 31, 2022	80%	100%	100%

Financial, human resources and performance information for the Canadian Northern Economic Development Agency's program inventory is available in the [GC InfoBase](#).^{xv}

Planned budgetary financial resources for Economic Development in the Territories

2021–22 budgetary spending (as indicated in Main Estimates)	2021–22 planned spending	2022–23 planned spending	2023–24 planned spending
73,066,784	73,066,784	66,477,948	63,433,827

The sunseting of NABEP (\$4.9 million), offset by a portion of the funding measures announced in the Fall Economic Statement released November 2020 (\$1.9 million), accounts for the majority of the net decrease in planned spending beginning in 2022–23.

Financial, human resources and performance information for the Canadian Northern Economic Development Agency’s program inventory is available in the [GC InfoBase](#).^{xvi}

Planned human resources for Economic Development in the Territories

2021–22 planned full-time equivalents	2022–23 planned full-time equivalents	2023–24 planned full-time equivalents
89	90	91

Financial, human resources and performance information for the Canadian Northern Economic Development Agency’s program inventory is available in the [GC InfoBase](#).^{xvii}

Internal Services: planned results

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 services that support Program delivery in the organization, regardless of the Internal Services delivery model in a department. These services are:

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

Planning highlights

In support of continuous improvement of its Internal Services, the Agency plans to undertake the following:

- Work with partner departments and suppliers to improve cloud-based technology adoption, network connectivity, infrastructure, and performance in the Agency Headquarters and regional offices;
- Develop a Strategic Human Resources Plan to support the Agency's expanding program requirements;
- Work with partner departments (including PSPC) to set up a new physical space for the Federal Centre of Excellence for Inuit Employment in Nunavut (*Pilimmaksavik*) that will be more accessible to the public; and
- Review and update financial management and procurement controls and processes.

In addition, CanNor will continue to build on its efforts to improve how the Agency communicates and reports on its activities, opportunities and results to Canadians. These efforts will include the ongoing design and modernization of its Web presence, as well as the continued use of its social media platforms to provide easy access to its programs and services. This will allow the Agency to respond more effectively to the needs of proponents and stakeholders while promoting the positive impact that CanNor's funding is having for businesses and communities across the territories.

Planned budgetary financial resources for Internal Services

2021–22 budgetary spending (as indicated in Main Estimates)	2021–22 planned spending	2022–23 planned spending	2023–24 planned spending
6,483,917	6,483,917	6,718,312	6,718,312

Planned human resources for Internal Services

2021–22 planned full-time equivalents	2022–23 planned full-time equivalents	2023–24 planned full-time equivalents
31	31	31

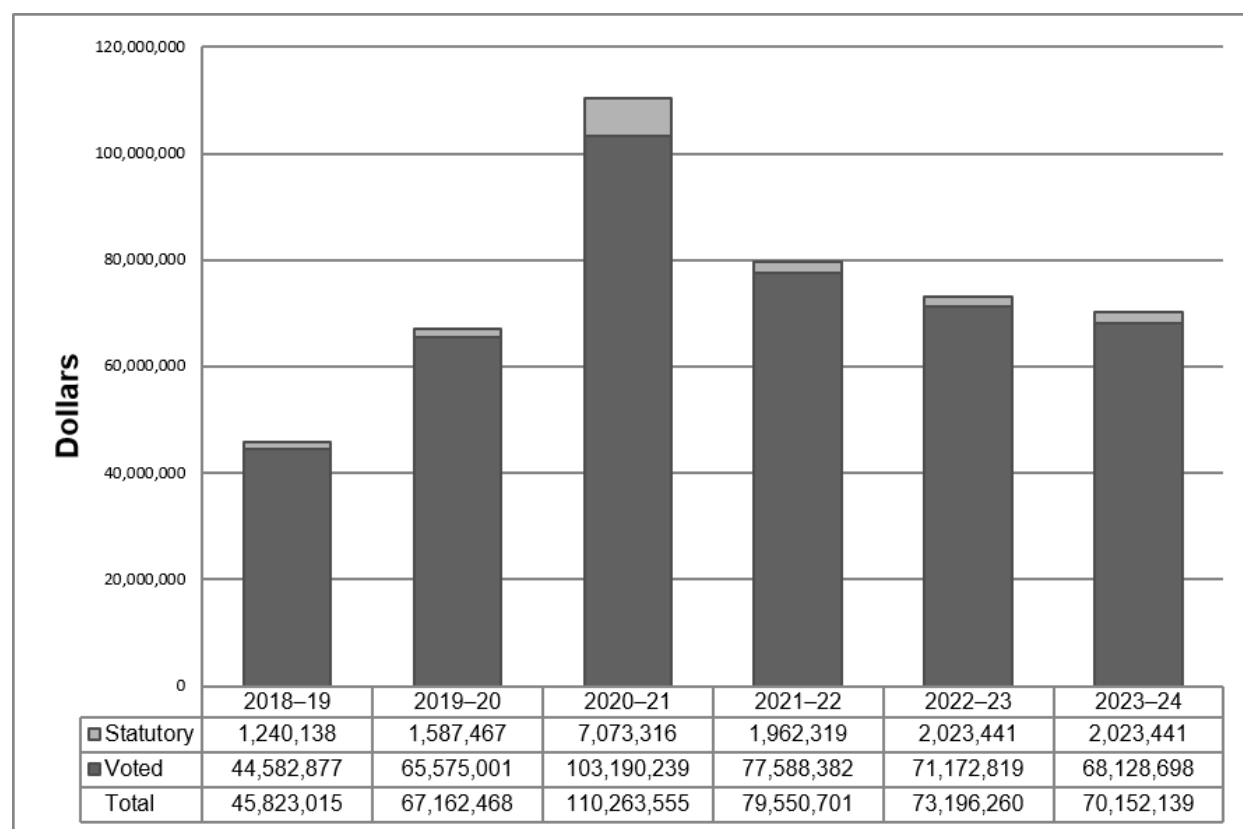
Spending and human resources

This section provides an overview of the department's planned spending and human resources for the next three consecutive fiscal years and compares planned spending for the upcoming year with the current and previous years' actual spending.

Planned spending

Departmental spending 2018–19 to 2023–24

The following graph presents planned (voted and statutory) spending over time.



Various funding initiatives announced in Budget 2019 (\$14.7 million in 2019–20 to \$24.7 million by 2022–23, and \$22.7 million in 2023–24) account for the significant increase in actual, forecasted, and planned spending that began in 2019–20. Specifically, the three funding [Measures Announced in Budget 2019](#)^{xviii} include (i) A Food Policy for Canada – \$15 million over five years; (ii) Launching a Federal Strategy on Jobs and Tourism – \$5 million over two years; and (iii) Strong Arctic and Northern Communities – \$75 million over five years.

To address the economic impact of COVID-19, funding of \$37.3 million (\$32.3 million voted and \$5.0 million statutory) accounts for the additional increase in forecast spending in 2020–21.

The sunseting of NABEP (\$4.9 million), partially offset by a portion of the funding measures announced in the Fall Economic Statement released November 2020 (\$1.9 million), accounts for the majority of the net decrease in planned spending beginning in 2022–23.

Budgetary planning summary for core responsibilities and Internal Services (dollars)

The following table shows actual, forecast and planned spending for CanNor’s core responsibility and to Internal Services for the years relevant to the current planning year.

Core responsibilities and Internal Services	2018–19 expenditures	2019–20 expenditures	2020–21 forecast spending	2021–22 budgetary spending (as indicated in Main Estimates)	2021–22 planned spending	2022–23 planned spending	2023–24 planned spending
Economic Development in the Territories	39,227,565	59,410,413	103,771,239	73,066,784	73,066,784	66,477,948	63,433,827
Subtotal	39,227,565	59,410,413	103,771,239	73,066,784	73,066,784	66,477,948	63,433,827
Internal Services	6,595,450	7,752,055	6,492,316	6,483,917	6,483,917	6,718,312	6,718,312
Total	45,823,015	67,162,468	110,263,555	79,550,701	79,550,701	73,196,260	70,152,139

Economic Development in the Territories and Internal Services experience the greatest variability in actual, forecast and planned spending relevant to the current planning year, largely as a result of the additional funding measures announced in Budget 2019 of up to \$24.7 million through 2022–23, and \$22.7 million in 2023–24.

Economic Development in the Territories reflects an additional \$37.3 million in forecast spending in 2020–21 to address the economic impact of the COVID-19 global pandemic, as well as a portion of the funding measures announced in the Fall Economic Statement released November 2020 (\$1.9 million) to come into effect in 2022-23. This increase is offset slightly by the sunseting of NABEP (\$4.9 million).

Planned human resources

The following table shows actual, forecast and planned full-time equivalents (FTEs) for each core responsibility in the Canadian Northern Economic Development Agency's departmental results framework and to Internal Services for the years relevant to the current planning year.

Human resources planning summary for core responsibilities and Internal Services

Core responsibilities and Internal Services	2018–19 actual full-time equivalents	2019–20 actual full-time equivalents	2020–21 forecast full-time equivalents	2021–22 planned full-time equivalents	2022–23 planned full-time equivalents	2023–24 planned full-time equivalents
Economic Development in the Territories	51	73	82	89	90	91
Subtotal	51	73	82	89	90	91
Internal Services	28	26	29	31	31	31
Total	79	99	111	120	121	122

Actual, forecasted, and planned full-time equivalents are expected to increase by up to 43 through 2023–24, largely due to the hiring of new staff to deliver on Budget 2019 initiatives, and other existing programs, which began in earnest in 2019–20.

Estimates by vote

Information on the Canadian Northern Economic Development Agency's organizational appropriations is available in the [2021–22 Main Estimates](#).^{xix}

Future-oriented Condensed statement of operations

The future-oriented condensed statement of operations provides an overview of the Canadian Northern Economic Development Agency's operations for 2020–21 to 2021–22.

The amounts for forecast and planned results in this statement of operations were prepared on an accrual basis. The amounts for forecast and planned spending presented in other sections of the Departmental Plan were prepared on an expenditure basis. Amounts may therefore differ.

A more detailed future-oriented statement of operations and associated notes, including a reconciliation of the net cost of operations to the requested authorities, are available on the [Canadian Northern Economic Development Agency's website](#).^{xx}

Future-oriented Condensed statement of operations for the year ending
March 31, 2022 (dollars)

Financial information	2020–21 forecast results	2021–22 planned results	Difference (2021–22 planned results minus 2020–21 forecast results)
Total expenses	109,591,396	77,101,878	(32,489,518)
Total revenues	0	0	0
Net cost of operations before government funding and transfers	109,591,396	77,101,878	(32,489,518)

The difference between 2020–21 and 2021–22 total expenses reported for financial statement purposes is largely a direct result of the additional \$37.3 million in forecast spending in 2020–21, to address the economic impact of the COVID-19 global pandemic.

Corporate information

Organizational profile

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

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*^{xxi}

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 [Canadian Northern Economic Development Agency’s website](#).^{xxii}

For more information on the department’s organizational mandate letter commitments, see the [Minister’s mandate letter](#).^{xxiii}

Operating context

Information on the operating context is available on the [Canadian Northern Economic Development Agency’s website](#).^{xxiv}

Reporting framework

The Canadian Northern Economic Development Agency’s approved departmental results framework and program inventory for 2021–22 are as follows.

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

Supporting information on the program inventory

Supporting information on planned expenditures, human resources, and results related to the Canadian Northern Economic Development Agency's program inventory is available in the [GC InfoBase](#).^{xxv}

Supplementary information tables

The following supplementary information tables are available on the [Canadian Northern Economic Development Agency's website](#).^{xxvi}

- ▶ Departmental Sustainable Development Strategy
- ▶ Details on transfer payment programs
- ▶ Gender-based analysis plus
- ▶ Up-front multi-year funding

Federal tax expenditures

The Canadian Northern Economic Development Agency's Departmental Plan does not include information on tax expenditures that relate to its planned results for 2021–22.

Tax expenditures are the responsibility of the Minister of Finance, and the Department of Finance Canada publishes cost estimates and projections for government-wide tax expenditures each year in the [Report on Federal Tax Expenditures](#).^{xxvii} This report provides detailed information on tax expenditures, including objectives, historical background and references to related federal spending programs, as well as evaluations, research papers and gender-based analysis. The tax measures presented in this report are solely the responsibility of the Minister of Finance.

Organizational contact information

Mailing address

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Website(s): 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 a department over a 3-year period. Departmental Plans are tabled in Parliament each spring.

departmental priority (priorité ministérielle)

A plan or project that a department has chosen to focus and report on during the planning period. Departmental priorities represent the things that are most important or what must be done first to support the achievement of the desired departmental results.

departmental result (résultat ministériel)

A consequence or outcome that a department seeks to achieve. 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)

A framework that consists of the department's core responsibilities, departmental results and departmental result indicators.

Departmental Results Report (rapport sur les résultats ministériels)

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

experimentation (expérimentation)

The conducting of activities that seek to first explore, then test and compare, the effects and impacts of policies and interventions in order to inform evidence-based decision-making, and improve outcomes for Canadians, by learning what works and what doesn't. Experimentation is related to, but distinct from innovation (the trying of new things), because it involves a rigorous comparison of results. For example, using a new website to communicate with Canadians can be an innovation; systematically testing the new website against existing outreach tools or an old website to see which one leads to more engagement, is experimentation.

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 assess how diverse groups of women, men and gender-diverse people experience policies, programs and services based on multiple factors including race, ethnicity, religion, age, and mental or physical disability.

government-wide priorities (priorités pangouvernementales)

For the purpose of the 2021–22 Departmental Plan, government-wide priorities refers to those high-level themes outlining the government's agenda in the 2020 Speech from the Throne, namely: Protecting Canadians from COVID-19; Helping Canadians through the pandemic; Building back better – a resiliency agenda for the middle class; The Canada we're fighting for.

horizontal initiative (initiative horizontale)

An initiative in which two or more federal organizations 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 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.

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.

program inventory (répertoire des programmes)

Identifies all of the department's programs and describes how resources are organized to contribute to the department's core responsibilities and results.

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

- i. Pan-Territorial Growth Strategy: Working together for a better future, <https://www.cannor.gc.ca/eng/1562247400962/1562247424633>
- ii. Inclusive Diversification and Economic Advancement in the North (IDEANorth), <https://www.cannor.gc.ca/eng/1385477070180/1385477215760#chp1>
- iii. Northern Projects Management Office (NPMO), <https://www.cannor.gc.ca/eng/1370267347392/1370267428255>
- iv. Canada's Arctic and Northern Policy Framework, <https://www.rcaanc-cirnac.gc.ca/eng/1560523306861/1560523330587>
- v. Northern Aboriginal Economic Opportunities Program (NAEOP), <https://www.cannor.gc.ca/eng/1385486556734/1385486648146>
- vi. Northern Adult Basic Education Program (NABEP), <https://www.cannor.gc.ca/eng/1386781838257/1386781934840>
- vii. Pilimaksaivik, the Federal Centre of Excellence for Inuit Employment in Nunavut, <https://www.cannor.gc.ca/eng/1386010541881/1386010818127>
- viii. Inclusive Diversification and Economic Advancement in the North (IDEANorth), <https://www.cannor.gc.ca/eng/1385477070180/1385477215760>
- ix. Women Entrepreneurship Strategy Ecosystem Fund, <https://www.ic.gc.ca/eic/site/129.nsf/eng/home>
- x. Regional Economic Growth through Innovation (REGI), <https://www.cannor.gc.ca/eng/1544468675997/1544468795408>
- xi. Industrial Research Assistance Program, <https://cnrc.canada.ca/en/support-technology-innovation>
- xii. Strategic Innovation Fund, <http://www.ic.gc.ca/eic/site/125.nsf/eng/home>
- xiii. Canada Trade Commissioner Service, <https://www.tradecommissioner.gc.ca/index.aspx?lang=eng>
- xiv. Northern Projects Management Office (NPMO), <https://www.cannor.gc.ca/eng/1370267347392/1370267428255>
- xv. GC InfoBase, <https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start>
- xvi. GC InfoBase, <https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start>
- xvii. GC InfoBase, <https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start>
- xviii. 2019–20 Main Estimates, <https://www.canada.ca/en/treasury-board-secretariat/services/planned-government-spending/government-expenditure-plan-main-estimates/2019-20-estimates/main-estimates.html>
- xix. 2019–20 Main Estimates, <https://www.canada.ca/en/treasury-board-secretariat/services/planned-government-spending/government-expenditure-plan-main-estimates.html>
- xx. CanNor's Website, <https://www.cannor.gc.ca/eng/1351104567432/1351104589057>
- xxi. Public Service Rearrangement and Transfer of Duties Act, <https://laws.justice.gc.ca/eng/acts/P-34/>
- xxii. CanNor's Website, <https://www.cannor.gc.ca/eng/1351104567432/1351104589057>
- xxiii. Minister of Economic Development and Official Languages Mandate Letter, <https://pm.gc.ca/en/mandate-letters/2019/12/13/minister-economic-development-and-official-languages-mandate-letter>
- xxiv. CanNor's Website – Operating Context, <https://www.cannor.gc.ca/eng/1583857400043/1583857420205>
- xxv. GC InfoBase, <https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start>
- xxvi. 2021-22 Departmental Plan – Supplementary Information Tables, <https://www.cannor.gc.ca/prev-prev/eng/1611070796082/1611071060250>
- xxvii. Report on Federal Tax Expenditures, <https://www.canada.ca/en/department-finance/services/publications/federal-tax-expenditures.html>