



Indian and Northern  
Affairs Canada

Affaires indiennes  
et du Nord Canada

# ***STRATEGIC INVESTMENTS IN NORTHERN ECONOMIC DEVELOPMENT***

***Presentation to Nunavut Economic Forum  
June 11, 2008***

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Canada

# Purpose

- Provide an overview of the Strategic Investments in Northern Economic Development (SINED) programs
- Highlight end of main block of program funding and identify key issues facing program evaluation
- Solicit views on programs to date

# Northern Affairs Organization has regional development mandate for the territories

- Both federal and provincial/territorial governments have economic development roles
- Section 5 of *Department of Indian Affairs and Northern Development Act* makes Minister responsible for:
  - “undertaking, promoting and recommending policies and programs for the further economic and political development of Yukon, the Northwest Territories and Nunavut
  - “coordinating the activities in Yukon, the Northwest Territories and Nunavut of the several departments, boards and agencies of the Government of Canada”
- Similar role to regional development agencies (i.e. Western Economic Diversification, Fed Nor, Canadian Economic Development for Quebec, Atlantic Opportunities Agency)

# NAO's management of regional development responsibilities has varied over time

## Mid 1970s – mid 1990s:

- multi-party economic development agreements coordinated by INAC

## 1997 – 2004:

- NAO lacked financial resources for substantive regional economic development programming.
- advocacy; Innovation & Knowledge Fund; federal delivery partner for federal infrastructure programs

## 2004 - 2009

- \$90M announced for northern economic development to fulfill federal mandate for regional economic development

## **SINED promotes economic development by:**

- Strengthening the driver sectors of territorial economies
- Broadening the economic base of each territory
- Strengthening Northerners' abilities to take advantage of economic opportunities
- Increasing coordination amongst partners and programs

# **SINED program suite includes:**

## **1. Targeted Investment Program (TIP)**

- \$90M for five years announced in Budget 2004

## **2. Innovation and Knowledge Fund (I&K)**

- \$360k/yr per territory

## **3. Partnership Advisory Forums program (PAF)**

- \$79k/yr NWT only

# Program focus on strategic investments

- ***Building the Knowledge Base***
  - in key economic sectors or areas of activity that will help set the stage for further economic opportunities and investments
- ***Enhancing the Infrastructure Base***
  - by supporting the planning and development of multi-user physical infrastructure critical to economic growth;
- ***Capacity Development***
  - of organizations, associations, small and medium sized enterprises (SMEs) including social enterprises and individuals so that they can take advantage of economic opportunities;
- ***Economic Diversification***
  - within regions and sectors with a focus on the development of new sectors, products and markets.

# Nunavut Investment Plan guides spending

- Investment Plan tailors pan-territorial program objectives to Nunavut specific approach and aligns with Nunavut Economic Development Strategy
- Initial Plan (2005) developed with Government of Nunavut with input from Nunavut Economic Forum
  - Focus on time sensitive investments pending final plan
- Final Plan (2006-2009) developed with Government of Nunavut and Nunavut Economic Forum

# Nunavut Investment Plan invests in sectors and cross-cutting issues

## Economic Sectors

- Fisheries (\$2.5M)
- Mining/ Geoscience (\$7.5M)
- Tourism/ Parks (\$3.4M)
- Cultural Industries (\$1.9M)

## Cross-Cutting

- Broadband (\$1.9M)
- Trade (\$3.6M)
- Community and Organizational Capacity (\$4.3M)

# **SINED investments part of broader approach**

- Northern Strategy identifies theme of “social and economic development of northerners”
- SINED investments have been key deliverables under this priority
- Nunavut Regional Office also coordinates aboriginal-specific programming and infrastructure programs
- Broader role of federal coordination

# Timelines

- TIP funding ends March 31, 2009
- I&K funds are ongoing
- External evaluation of programs underway
  - To be finalized September 2009
- Key meetings now with partners to assess SINED delivery and determine whether approach is “close to right”
- Should new funding be available, need to develop new round of investments

# Key issues from program evaluation

- How can SINED better contribute to regional development mandate
- SINED as more than a contribution funding program
  - Recognition of role of regional office in federal leadership and coordination
- Determine key federal investment interests (e.g. pan-territorial/ pan-regional investments)
- Strengthen and broaden partnerships
- Better align with longer term strategies
- Address process issues
  - Initial slow roll-out
  - Importance of alignment to strategies
  - Timelines for federal approvals are problematic in northern context (shorter building season, sea-lift dates, etc.)
- Investments should seek to build from “addressing bottlenecks” to “promoting a northern advantage”

# Key Questions

- Broadly, how should Government of Canada deliver a regional development mandate in the territories
  - Federal decision-making and accountability
  - Role of Regional Office
  - Engagement with partners
- What Program Framework needs to be in place to effectively promote northern economic development
  - Amount and duration of funding
  - Structure and content of Investment Plans
  - Program management
- What should be the key federal interests in new investments
  - Role of pan-territorial/ pan-regional investments
  - How to support partnerships
- Can investments promote a “northern advantage” in addition to “addressing bottlenecks”