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A Functional Review of Decentralization
Government of Nunavut

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consulting matrix

Nunavut

Contents

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Executive Summary

Approach to the Review

Consulting firm Oliver Wyman was contracted in March 2011 by the Department of Executive and Intergovernmental Affairs to conduct an independent functional review of decentralization as part of the government's continuing efforts to strengthen the public service. The purpose of the functional review is to identify strengths and weaknesses of decentralized offices as well as opportunities for realizing the initial intent of decentralization in Nunavut.

Our approach was designed to yield credible findings for the Government of Nunavut (GN) based on evidence, stakeholder engagement, and research. In addition to reviewing data and background materials, we met with GN personnel in departments and agencies, from staff to executives. We visited Arviat, Baker Lake, Kugluktuk, and Pond Inlet. We invited all mayors of communities with decentralized offices to respond to a survey. In addition, we met with the mayors in Arviat, Kugluktuk, and Pond Inlet.

Highlights of Our Findings

How Was Decentralization Implemented?

The concept of a decentralized model of government with a representative workforce was conceived long before the territory of Nunavut came into existence on April 1, 1999. In 1995, the Nunavut Implementation Commission provided recommendations for the creation of Nunavut in a report called "Footprints in New Snow" which emphasized the goals of decentralization to:

- Bring government decision-making closer to Nunavummiut;

- Provide employment and training opportunities in communities to increase Inuit employment;

- Assist in building capacity to promote healthy communities; and

- Strengthen and diversify local economies to increase self-reliance.

To implement decentralization, the government identified 10 designated communities to receive positions with headquarters or territorial responsibilities. By 2004, GN departments and agencies had committed to decentralize certain functions or divisions for a combined total of 459 positions in the 10 designated communities: Arviat, Baker Lake, Cambridge Bay, Cape Dorset, Gjoa Haven, Igloolik, Kugluktuk, Pangnirtung, Pond Inlet, and Rankin Inlet.

What Is the Current Status of Decentralized Positions?

The primary data set provided by the Government of Nunavut in support of this review is dated September 30, 2010. As of that date:

- The capacity of decentralized functions averaged 69 per cent, in contrast to the capacity of the GN as a whole at 78 per cent.

- The overall vacancy rate of decentralized functions was 31 per cent (143 positions). This is an increase from 29 per cent in 2006 and 23 per cent in 2008. The overall vacancy rate of the GN as a whole was 22 per cent.

- Inuit employment in the GN as a whole was 50 per cent. Inuit employment in decentralized positions was 60 per cent.

Our analysis of trends over time shows that although the number of decentralized positions has remained the same since 2004, the proportion of all GN positions outside Iqaluit has remained steady at approximately 62 per cent. This suggests that even as the number of GN positions in Iqaluit is growing, the number of positions outside Iqaluit is growing at a similar rate.

How is Decentralization Working Today?

The GN has assessed how the decentralized model of government is working at various stages of implementation – in 2002, 2007, and 2009 (through Qanukkanniq – The GN Report Card). Our findings were consistent with these earlier assessments: The problem is

more with the execution than the concept. Nunavummiut and GN employees support the intent of decentralization but the government has not yet developed the capacity or the capability to make it work effectively.

The people that we spoke with offered a strong critique of the current state of decentralization. Many of them also spoke positively about the intent of decentralization and expressed support for the model. In general, what we heard from respondents is not new.

- **What's working?** Progress is being made towards the achievement of some goals. The decentralized model of government is contributing to the goals of Inuit employment. There is evidence of some economic benefits to communities. Some report that their decentralized offices are strong and capable, with good information flows across the department.

- **What's not working?** The goals are not fully met. Decisions are, for the most part, made at the highest levels and centralized in Iqaluit. Infrastructure, tools, and supports are not fully adequate for a modern organization, particularly in the communities. Qualified Inuit candidates are in short supply, so many headquarters positions are being filled by non-Inuit or are vacant.

All respondents provided ideas about how decentralization can be improved. We have considered these ideas in developing our own recommendations.

Highlights of Our Observations

In our view, the question today is not whether to pursue decentralization, but how to pursue decentralization so that the potential benefits are realized.

There is great urgency to address substantive gaps in the GN's capacity, capability, and management controls, particularly as Nunavut is now engaged in the early stages of devolution negotiations. **In our view, improving the effectiveness of the public service and its community-based employees cannot be achieved by focusing on the locations and numbers of a subset of 459 positions, but must emphasize capacity-building and capability-building in the GN as a whole.**

Many actions have been taken or are currently underway to address identified issues and opportunities. However, the capacity and capability of Nunavut's young government continue to get in the way of building momentum and sustaining effective corrective action. Despite these challenges, the vision of Nunavut remains alive and real for many GN employees in the communities that we visited. They demonstrate resilience and express hope for improvement in the working environment. **In our view, maintaining and**

promoting an optimistic outlook through visible, practical action is vital to achieving the goal of a stronger, more effective public service.

A majority of the GN's positions (61 per cent or 2,390 out of a total of 3,909 positions) is located outside Iqaluit, including the 459 that are designated as decentralized. **In our view, the Government of Nunavut should maintain and strengthen its commitment to situating the work of the public service where Nunavummiut live, throughout Nunavut**.

Highlights of Our Recommendations

Based on our review, we offer a set of recommendations to enable the GN's decentralized model of government. Highlights of our recommendations are provided here. Our report includes more detailed recommendations along with practical actions for each.

Move Forward with Decentralization

Making changes in decentralization policy and governance:

We recommend that the Government of Nunavut maintain a decentralized public service and take pride in its presence in all 25 communities, without exclusive focus on differentiating the 459 positions that are currently designated as decentralized from all other GN positions in communities and regional centres.

The GN can strengthen the decentralized model of government by making changes to decentralization policy and governance:

- Express the achievement of a decentralized Government of Nunavut in positive terms.

- Establish a more accurate count of government positions to help manage expectations about local access to GN jobs and services.

- Ensure all GN functions are staffed and located in the best way to deliver programs and services by applying criteria for decisions.

- Ensure that decision-makers have strategic advice, analysis, and accurate information to support decisions about positions.

Continue to Take Action to Strengthen the Public Service

Strengthening the decentralized model:

- Articulate a vision and plan for a fully-effective public service, including functions and resources outside of Iqaluit.

- Establish a local managers' network in each community to encourage interdepartmental collaboration and to provide peer support for manager orientation and development.

- Improve the visibility and transparency of GN activities in communities to help connect Nunavummiut to their public service.

Improving structures and supports for a decentralized public service:

- Enable strategic leadership and focus on filling the gaps in middle management capacity.

- Increase flexibility in HR rules and processes in order to staff positions more efficiently and encourage local hiring.

- As bandwidth and connectivity are improved, provide employees with tools to enable inter-office connection.

Enabling decision-making and influence:

- Help GN employees to understand how their work fits in with the entire business of government, and how it contributes to the present and future of Nunavut.

- At the executive level, determine within each department and agency the individuals who need to be involved in policy and program decisions and the process for engaging them in decision-making and implementation.

- At the executive level, determine within each department and agency what operational and administrative decisions can be delegated to directors or managers, within the GN's guidelines.

Promoting Inuit employment:

- Ensure that the GN human resources (HR) strategy is well-aligned with Nunavut's annual plan for its labour market agreements with the federal government, which sets out a structured approach to developing the territory's labour force.

- Include in the GN HR strategy and its implementation plan a comprehensive analysis of the potential for Inuit employment in various employment categories, along with departmental plans for developing an Inuk successor or Inuit candidate pool. Also include a targeted recruitment strategy for difficult-to-fill positions in the GN HR strategy and its implementation plan.

- Develop an internship program to target entry-level professional and paraprofessional positions with limited pools of qualified candidates.

- Develop an employment marketing campaign that targets potential candidates differentially.

Practising Inuit societal values (ISV):

- Assess whether candidates will fit with the GN and the community when hiring from outside Nunavut, particularly for management positions.

- Encourage and support social integration of new hires into the workplace and the community through a variety of mechanisms.

- Develop leaders who can engage others in dialogue about common goals and culturally-appropriate ways of getting there.

Building capacity and capability to deliver programs and services more effectively:

- Demonstrate leadership commitment to all GN staff, wherever they are located.

- Create the management capacity to manage people and work.

- Build staff capacity and capability to deliver services effectively.

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Overview of Findings, Observations and Recommendations

Introduction to the Functional Review of Decentralization

Objectives of the Review

The Government of Nunavut (the GN), now in its third mandate, has reaffirmed its commitment to the goals of decentralization. Consulting firm Oliver Wyman was contracted in March 2011 by the Department of Executive and Intergovernmental Affairs (EIA) to conduct an independent functional review of decentralization as part of the government's continuing efforts to strengthen the public service. The consulting team consisted of Stephanie Merrin, from the firm Oliver Wyman, and Judy Wolfe, from the firm Consulting Matrix.

The primary objectives of the 2011 functional review of the Government of Nunavut's decentralized model of government are to:

- Identify strengths and weaknesses of decentralized offices, to improve conditions and supports for staff; and

- Identify opportunities for improving the decentralization model, to realize the initial intent.

The GN expects this review to lead to the creation of systems and structures that are more coordinated, efficient and effective, while at the same time remaining sensitive to the needs of Nunavummiut.

Methodology

Our approach was designed to yield credible findings for the GN based on evidence, stakeholder engagement, and research. Our methodology focused on three sets of activities: research; data collection and analysis; and validation of findings and recommendations.

We met with a total of 94 GN personnel in departments and agencies, from staff to executives. We visited Arviat, Baker Lake, Kugluktuk, and Pond Inlet as a sample of communities with decentralized offices. We invited all mayors of communities with decentralized offices to respond to a survey, which we provided to them in English and Inuktitut or Inuinnaqtun. In addition, we met with the mayors and their chief administrative officers in Arviat, Kugluktuk, and Pond Inlet.

Our report addresses seven key questions:

- What was decentralization intended to do for Nunavut?

- How was GN decentralization implemented?

- What is the status of decentralized positions?

- How is decentralization working today?

- What immediate issues need attention?

- What can we learn from other jurisdictions?

- What can the GN do to improve decentralization?

This summary provides an overview of each area that we address.

Summary of Findings

What Was Decentralization Intended to Do for Nunavut?

The concept of a decentralized model of government with a representative workforce was conceived long before the territory of Nunavut and its government came into existence on April 1, 1999.

The *Nunavut Land Claims Agreement Act* and the *Nunavut Act* were passed in 1993, establishing a path for the creation of Nunavut and a representative public government in Canada's eastern Arctic. Article 23 of the Nunavut Land Claims Agreement (NLCA)[1] establishes the commitment to a representative government with employees drawn from a skilled labour market in Nunavut.

The Nunavut Implementation Commission (NIC), created in 1993 to advise on the process of division from the Northwest Territories, provided recommendations for the creation of Nunavut in a comprehensive report called "Footprints in New Snow" ("Footprints")[2] which emphasized the underlying goals of decentralization to:

- Bring government decision-making closer to Nunavummiut;

- Provide employment and training opportunities in communities to increase Inuit employment;

- Assist in building capacity to promote healthy communities; and

- Strengthen and diversify local economies to increase self-reliance.

NIC subsequently set out a detailed design for the headquarters functions of the new Government of Nunavut in its second comprehensive report, "Footprints 2" (October 1996)[3] which emphasized the fundamental principle that Nunavut's public service should be representative of the people that it serves.

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[1] Nunavut Tunngavik Incorporated, *Nunavut Land Claims Agreement* (2000).

[2] Nunavut Implementation Commission, *Footprints in New Snow* (1995).

[3] Nunavut Implementation Commission, *Footprints 2* (1996).

How Was GN Decentralization Implemented?

Following the transition period and Nunavut's first territorial election, the newly-formed Government of Nunavut affirmed its commitment to a decentralized model of government, representative of Nunavummiut and operating in a way that is consistent with Inuit societal values. A small Decentralization Secretariat coordinated implementation in three phases.

From the outset, GN departments were required to go to Cabinet for any decisions related to the number, type, or location of decentralized positions.

By December 2001, the first two phases of decentralization were completed as planned.[4] A total of 340 positions had been created or approved for transfer from the capital to designated communities, with 131 positions vacant and 209 filled. *Nunavut Land Claims Act* beneficiaries ("beneficiaries") occupied approximately 59 per cent of the decentralized positions that were filled, in contrast to 41 per cent in the GN as a whole. A further 78 positions were scheduled for decentralization in 2002-2003, for a total of 418 positions to be decentralized by March 31, 2003.

Even as the GN was making these additional commitments, it was encountering challenges that began to affect the pace and timing of implementation, including shortages of staff housing or office space in a number of communities; and a reluctance on the part of some departments and agencies to relocate. These challenges caused the government to consider alternatives to the planned decentralization of some positions. The government eventually settled on a commitment of 459 positions to be decentralized to the 10 designated communities. By 2004, GN departments and agencies had committed to decentralize certain functions or divisions for a combined total of 459 positions in the 10 designated communities: Arviat, Baker Lake, Cambridge Bay, Cape Dorset, Gjoa Haven, Igloolik, Kugluktuk, Pangnirtung, Pond Inlet, and Rankin Inlet.

The GN has assessed how the decentralized model of government is working at various stages of implementation. These assessments reported similar findings, which can be summarized simply: The problem is more with the execution than the concept. GN employees support the intent of decentralization but the government has not yet developed the capacity or the capability to make it work.

What Is the Current Status of Decentralized Positions?

The primary data set provided by the Government of Nunavut in support of this review is dated September 30, 2010.

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[4] Millenium Partners, *Building Nunavut Through Decentralization: Evaluation Report* (2002, p.2).

As of September 30, 2010:

- The capacity of decentralized functions averaged 69 per cent, in contrast to the capacity of the GN as a whole at 78 per cent.

- The capacity of non-decentralized functions in the 10 designated communities was generally higher than the capacity of decentralized functions in the same community. If the 459 decentralized positions are taken out of the GN calculation, the overall capacity of non-decentralized functions in the 10 designated communities is 81 per cent.

- The overall vacancy rate[5] of decentralized functions was 31 per cent (143 positions). The 2010 rate is an increase from 29 per cent in 2006 and 23 per cent in 2008. The overall vacancy rate of the GN as a whole was 22 per cent in September 2010.

Our analysis of the data on capacity and vacancies confirms what GN personnel told us: many decentralized offices are under-staffed and appear to have more difficulty filling vacancies than other local GN offices or the GN as a whole. That said, the GN's practice of including unidentified, unfunded, and obsolete positions as vacancies results in an inflated vacancy rate and may contribute to the perception that the GN is chronically under-staffed.

We do not know the rationale behind the categorization of decentralized positions as unidentified, unfunded, or obsolete. The number of unidentified, unfunded, and obsolete positions rose sharply from 17 in 2006 (13 per cent of all vacant decentralized positions) to 45 in 2010 (31 per cent of all vacant decentralized positions). These are positions that are not available to be filled by indeterminate (permanent) or term staff. Our analysis of the departmental data suggests that some unidentified positions are a result of the recentralization of positions from a designated community to Iqaluit, without a defined replacement in the community. This may contribute to the perception that there has been a withdrawal of commitment to decentralization over time.

- As of September 30, 2010, almost 10 per cent of decentralized positions (45 positions) were identified by departments as unidentified (31 positions), unfunded (1 position), or obsolete (13 positions).

- Of the remaining 98 vacant decentralized positions, 15 were filled by contract employees (5 positions), casual employees (9 positions), or consultants (1 position). This leaves 83 positions as "true" vacancies – positions that are defined and funded, but

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[5] We use the term "overall vacancy rate" to include all types of vacant positions, including: positions that are filled by contract employees, casual employees, or consultants; and positions that are unidentified, unfunded, or obsolete. This allows direct comparison of decentralized positions and the GN as a whole, based on available data.

temporarily without an incumbent to do the work. It suggests that 18 per cent of decentralized positions were defined and funded but not staffed. These data are not available for the GN as a whole, so a direct comparison is not possible.

Our analysis of the data on Inuit employment suggests that by placing GN positions in regional centres and communities, the government is creating employment opportunities for beneficiaries. It also confirms that the GN as a whole has a long way to go to reach its target of 85 per cent Inuit employment to achieve a representative public service.

- As of September 30, 2010, Inuit employment in the GN as a whole was 50 per cent, which means that half of the filled positions were filled by beneficiaries. The Inuit employment rate in Iqaluit was 36 per cent.

- Inuit employment in decentralized positions was 60 per cent, which is higher than the GN as a whole, but comparable to the GN as a whole in designated communities (58 per cent).

- In the 10 designated communities, the rate of Inuit employment in non-decentralized functions was generally higher than the Inuit employment rate in decentralized functions in the same community.

Our analysis of trends over time shows that in every designated community, the total number of GN positions has grown over time while the number of positions designated as decentralized has remained the same (2004 to 2010). This means that the proportion of decentralized positions has diminished relative to the GN as a whole. However, the proportion of all GN positions outside Iqaluit has remained relatively steady at approximately 62 per cent. This suggests that even as the number of GN positions in Iqaluit is growing, the number of positions outside Iqaluit is growing at a similar rate.

A summary analysis of the current status of decentralized positions is provided in Section 6 of this report. Our detailed analysis is included in Appendix D.

How is Decentralization Working Today?

In this review of decentralization, we contemplated seven indicators of effective functioning. Some of these are unique to Nunavut's decentralized model while others are relevant to any government organization. A brief summary of what we heard from respondents – GN personnel and mayors – is provided here.

- **Achieving the Goals of Decentralization:** Progress is being made towards the achievement of some goals, however goals are not fully met.

- **Applying the Decentralized Model:** As a relatively young government, the GN is still maturing, continues to face challenges and is not yet culturally attuned. The decentralization process did not fully consider impacts on communities and people. The decentralized model has not been implemented fully or effectively.

- **Establishing Structures and Supports for Decentralized Work:** The experience of decentralization varies within and across departments. Infrastructure, tools, and supports are generally inadequate for a modern organization.

- **Enabling Decision-making and Influence:** Decisions are, for the most part, made at the highest levels and centralized in Iqaluit.

- **Promoting Inuit Employment:** Decentralization is contributing to the goals of Inuit employment, however qualified Inuit candidates are in short supply.

- **Practising Inuit Societal Values:** Inuit Societal Values are important to people in decentralized offices, however there is a fundamental tension between southern organizational practices and ISV.

- **Delivering Programs and Services Effectively:** Capacity and productivity are recognized issues that affect the delivery of services.

What we heard from respondents is not new – the same concerns were identified in the 2002 and 2007 reviews of decentralization and echoed in 2009 in Qanukkanniq. Nonetheless, we believe that it is important for the GN to continue to probe what is working and what is not working in order to identify root causes and potential solutions. We also believe that it is important to continue telling the story in the words of Nunavummiut, based on their direct experience. We report on our findings in Section 7 of this report and include quotes from our interviews and meetings, intended as evidence for our summary observations.

The people that we spoke with offered a strong critique of the current state of decentralization. Many of them also spoke positively about the intent of decentralization and expressed support for the model. All respondents provided ideas about how decentralization can be improved through:

- Clarity on the vision and plan;

- Flexibility in defining and staffing positions;

- Fit between positions and communities;

- Development of people;

- Strong leadership for decentralized functions; and

- Enhanced capacity.

Many of these ideas for improvement are consistent with the best practices in decentralization that we identified through our literature review. The practices we identified focus on clarity, capacity, and criteria – themes that are also of concern to GN employees.

What Issues Need Immediate Attention?

The scope of our review did not include detailed analyses of particular programs or decentralized offices. In the course of our work, however, many people reported on issues with two decentralized functions that are not currently delivering programs and services effectively:
- The Department of Environment's Wildlife Management Division in Igloolik; and

- The Department of Economic Development and Transportation's Motor Vehicles Division in Gjoa Haven.

In addition, we met with and observed two decentralized functions that appear to be at risk of decline:

- The Department of Education's Curriculum Services Division in Arviat; and

- The Nunavut Housing Corporation's headquarters functions in Arviat.

The situations of these functions are not unique – they are examples of the challenges faced by GN offices throughout Nunavut. We have selected them because there is some urgency to resolve the identified issues. All four functions have vital roles to play in the territory and a lead role in achieving government commitments. We have discussed the issues and potential solutions with the executives of the four offices. In Section 8 of this report, we summarize our observations on each situation and propose solutions.

Summary of Observations

What Can the GN Do to Improve Decentralization?

Footprints in New Snow and Footprints 2 put forward a compelling vision for Nunavut and its government. The goals articulated in those two documents have shaped the expectations of Nunavummiut and challenged politicians and public servants to deliver on ambitious commitments. The strength of the vision may have diminished over time and with the practical challenges of establishing a new government in a vast territory with limited infrastructure, capacity, and capability for execution. However, the commitment to decentralization has been sustained, despite the recognized barriers, since long before the creation of Nunavut.

In our view, the question today is not *whether* to pursue decentralization, but *how* to pursue decentralization so that the potential benefits are realized.

In setting the action plan for the government's Third Legislative Assembly, Tamapta[6] recognizes the accomplishments of Nunavut's first decade and identifies priorities for the next 20 years, including continued commitment to decentralization and a more effective public service. Decentralized functions that have headquarters or territorial responsibilities may experience some distinct challenges. However, many of the issues that were reported are shared by the GN's regional and community-based offices. Our recommendations – and those of the participants in this review – have the potential to assist Nunavut to achieve its goals for a more effective public service as well as to improve how decentralized functions work.

To achieve the necessary improvements, a forward-looking strategy for Nunavut must embrace a forward-looking model of decentralization, rather than one that is based on an historically significant, but now dated, structure.

The GN's decentralized functions are facing new demands and new opportunities:

- Tamapta recognizes the urgent social, health, economic, and infrastructure needs of Nunavummiut. A variety of strategies have been developed or are in preparation to address these challenges. In some departments and agencies, decentralized functions will have a role in implementing these strategies through contributions to policy and program development, through delivery of programs and services, and through changes to their own processes and procedures.

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[6] Government of Nunavut, *Tamapta: Building Our Future Together 2009-2013* (2009, p.3).

- The need to adjust programs and structures to meet the changing needs of Nunavummiut is driving a structural review of the GN. This has the potential to affect decentralized offices in some departments, and may create opportunities to consider options for greater effectiveness.

- Internal strategies recognize the challenges that the public service is facing. Decentralized functions will benefit from these efforts, which include implementation of the new Inuit language legislation, a human resources strategy, and a plan for learning and development.

There is great urgency to address substantive gaps in the GN's capacity, capability, and management controls, particularly as Nunavut is now engaged in the early stages of devolution negotiations – discussions with the federal government to achieve the transfer of greater powers in support of political and economic self-determination.

The potential benefits of the GN's decentralized model will be realized only if the public service as a whole is strengthened. Improving the effectiveness of the public service and its community-based employees cannot be achieved by focusing on the locations and numbers of a subset of positions, but must emphasize capacity-building and capability-building in the GN as a whole.

Many actions have been taken or are currently underway to address identified issues and opportunities. However, the capacity and capability of Nunavut's young government continue to get in the way of building momentum and sustaining effective corrective action. Despite these challenges, the vision of Nunavut remains alive and real for many GN employees in the communities that we visited. They demonstrate resilience and express hope for improvement in the working environment.

Maintaining and promoting an optimistic outlook through visible, practical action is vital to achieving the goal of a stronger, more effective public service.

61 per cent of the GN's positions (2,390 out of a total of 3,909 positions) are located outside Iqaluit, including the 459 that are designated as decentralized. Based on our literature review, we would argue that the GN is currently operating under a model of administrative decentralization in the form of "deconcentration," with the majority of its positions decentralized, or located outside the capital.

It is our firm belief that the Government of Nunavut should maintain and strengthen its commitment to situating the work of the public service where Nunavummiut live, throughout Nunavut.

The goal of a forward-looking model should be to locate a majority of Government of Nunavut functions and positions outside the capital in order to:

- Enhance employment, training and career development opportunities for local residents;

- Strengthen and diversify local economies; and

- Improve the relationship between Nunavummiut and their government.

Summary of Recommendations

We summarize our recommendations here and provide in Section 11 of this report detailed key actions for each recommendation. We recognize that the GN is facing resource constraints. In our view, some recommendations can be undertaken with little or no additional cost. These are identified with (✔) in the chart that follows.

Move Forward with Decentralization

We recommend that the Government of Nunavut maintain a decentralized public service and take pride in its presence in all 25 communities, without exclusive focus on differentiating the 459 positions that are currently designated as decentralized from all GN positions in communities and regional centres.

The GN can strengthen the decentralized model of government by making the following changes to decentralization policy and governance:

Recommendations for Making Changes in Decentralization Policy and Governance	Actions with Little or No Added Cost
1. Express the achievement of a decentralized Government of Nunavut in positive terms.	✔

Recommendations for Making Changes in Decentralization Policy and Governance	Actions with Little or No Added Cost
2. **Establish a more accurate and realistic count of government positions to help manage expectations about local access to GN jobs and services.**	✔
3. **Ensure that all GN functions are structured, staffed and/or located in the best way to deliver programs and services by applying criteria to decisions.**	✔
4. **Ensure that decision-makers have strategic advice, analysis, and accurate information to support decisions about positions and people.**	✔

Continue to Take Action to Strengthen the Public Service

Recommendations for Strengthening the Decentralized Model	Actions with Little or No Added Cost
5. **Articulate a forward-looking vision and plan for a fully-effective public service, including GN functions and resources located outside of Iqaluit (public service improvement plan.**	✔
6. **Establish a local managers' network in each community to encourage interdepartmental collaboration and to provide peer support for manager orientation and development (see a proposed Terms of Reference in Appendix G).**	✔
7. **Improve the visibility and transparency of GN activities in communities to help connect Nunavummiut to their public service.**	✔

Recommendations for Improving Structures and Supports for a Decentralized Public Service	Actions with Little or No Added Cost
8. **Enable strategic leadership.**	

Recommendations for Improving Structures and Supports for a Decentralized Public Service	Actions with Little or No Added Cost
9. Focus on filling the gaps in middle management capacity.	
10. Increase flexibility in HR rules and processes in order to staff positions more efficiently and encourage local hiring.	✔
11. Promote and encourage an optimistic outlook.	✔
12. As bandwidth and connectivity are improved, provide employees with tools to enable inter-office connection.	

Recommendations for Enabling Decision-making and Influence	Actions with Little or No Added Cost
13. Help GN employees to understand how their work fits in with the entire business of government, and how it contributes to the present and future of Nunavut.	✔
14. At the executive level, determine within each department and agency the individuals who need to be involved in policy and program decisions and the process for engaging them in decision-making and implementation.	✔
15. At the executive level, determine within each department and agency what operational and administrative decisions can be delegated to directors or managers, within the GN's guidelines.	✔
16. Involve regional and community-based offices in user needs assessment and pilot testing to ensure that new information systems or technology upgrades are usable outside Iqaluit.	

Recommendations for Promoting Inuit Employment	Actions with Little or No Added Cost
17. Ensure that the GN human resources (HR) strategy (as called for in Tamapta) is well-aligned with Nunavut's annual plan for its labour market agreements (LMA) with the federal government,[7] which sets out a structured approach to developing the territory's labour force.	✔
18. Include in the GN HR strategy and its implementation plan a comprehensive analysis of the potential for Inuit employment in various employment categories, along with departmental plans for developing an Inuk successor or Inuit candidate pool.	
19. Include a targeted recruitment strategy for difficult-to-fill positions in the GN HR strategy and its implementation plan.	
20. Develop an internship program to target entry-level professional and paraprofessional positions with limited pools of qualified candidates.	
21. Develop an employment marketing campaign that targets potential candidates differentially.	

Recommendations for Practising Inuit Societal Values (ISV)	Actions with Little or No Added Cost
22. Assess whether candidates will fit with the GN and the community when hiring from outside Nunavut, particularly for management positions.	
23. Encourage and support social integration of new hires into the workplace and the community through a variety of mechanisms.	✔

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[7] Government of Nunavut, *Nunavut STFF-LMA-LMDA 2010-11 Annual Plan* (2010).

Recommendations for Practising Inuit Societal Values (ISV)	Actions with Little or No Added Cost
24. Develop leaders who can engage others in dialogue about common goals and culturally-appropriate ways of getting there.	

Recommendations for Building Capacity and Capability to Deliver Programs and Services	Actions with Little or No Added Cost
25. Demonstrate leadership commitment to all GN staff, wherever they are located.	
26. Create the management capacity to manage people and work.	
27. Build staff capacity and capability to deliver services effectively.	

Address the Issues in At-Risk Decentralized Functions

Recommendations	Actions with Little or No Added Cost
28. Address the issues related to two decentralized functions that are not currently delivering programs and services effectively.	
29. Rebuild the capacity of two decentralized functions that are currently at risk of decline.	✔

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What Does the 2011 Review of Decentralization Intend to Achieve?

Objectives

The Government of Nunavut, now in its third mandate, has reaffirmed its commitment to the goals of decentralization and commissioned an independent functional review of decentralization as part of its continuing efforts to strengthen the public service. In describing its decentralized model of government, the GN focuses on 459 positions with headquarters or territorial responsibilities that were created in or transferred to 10 designated communities over the four years following the division of Nunavut from the Northwest Territories.

The primary objectives of the 2011 functional review of the Government of Nunavut's decentralized model of government are to:

- Identify strengths and weaknesses of decentralized offices, to improve conditions such as vacancy rates and current supports for existing staff and offices; and

- Identify opportunities for improving the decentralization model, to realize the initial intent of bringing government decision-making closer to the people.

The GN expects this review to lead to the creation of systems and structures that are more coordinated, efficient and effective, while at the same time remaining sensitive to the needs of Nunavummiut.

Scope

This independent functional review provides an impartial assessment of the effectiveness of the GN's current model of decentralization, with a view towards making improvements and recommending solutions to unsolved problems. Through collection and analysis of qualitative and quantitative data, the review considers whether the delivery of various programs and services within the decentralized model work in an effective manner, analyzes whether the current model is achieving the intended results, analyzes whether the model is reasonably cost-effective, and provides feedback for improvements, potentially generating specific policy implications to ensure a more successful decentralized government.

Methodology

The Department of Executive and Intergovernmental Affairs (EIA) contracted with consulting firm Oliver Wyman to conduct the functional review of decentralization. The consulting team consisted of Stephanie Merrin, from the firm Oliver Wyman, and Judy Wolfe, from the firm Consulting Matrix.

Inuit societal values provide the context in which the GN develops a culturally-relevant, open, responsive, and accountable government. EIA is guided in its work by the vision and principles set out in Tamapta,[8] the government's action plan for the Third Legislative Assembly. We aimed to conduct this review in a way that recognizes and respects the values that EIA emphasizes:

- Inuuqatigiitsiarniq – respecting others, relationships and caring for people

- Tunnganarniq – fostering good spirit by being open, welcoming and inclusive

- Pijitsirniq – serving and providing for family and/or community

- Aajiiqatigiinniq – decision making through discussion and consensus

- Piliriqatigiinniq/Ikajuqtigiinniq – working together for a common cause

- Qanuqtuurniq – being innovative and resourceful

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[8] Government of Nunavut, *Tamapta: Building Our Future Together 2009-2013* (2009)

Our approach to the functional review of decentralization was designed to yield credible findings for the GN based on evidence, stakeholder engagement, and research. Our methodology focused on three sets of activities: research, data collection and analysis, and validation of findings and recommendations.

- **Research:** Our approach began with a research phase that included reviews of background material related to the GN and its strategic objectives; background material related to GN decentralization, including previous evaluations of the decentralized model of government; and mandates, priorities, and structures of GN departments with decentralized offices. We then conducted a review of literature on decentralized models of government and the experience of other jurisdictions in implementing decentralization, to identify potential lessons from which the GN could learn.

- **Collection and Analysis of Qualitative Data:** Working with EIA and with input from the deputy ministers, we identified key sources of information about the current state of decentralized offices. Our interviews and meetings involved a total of 94 GN personnel in departments and agencies, from staff to executives.

  – We interviewed senior personnel in GN departments and agencies, including deputy ministers, presidents, assistant deputy ministers, vice presidents, and directors. Our interviews and meetings included individuals in Iqaluit, regional centres, and communities with decentralized offices. We also interviewed the president of the Nunavut Employees Union.

  – We visited Arviat, Baker Lake, Kugluktuk, and Pond Inlet as a sample of communities with decentralized offices. We met with groups of directors, staff, and managers in the GN offices, including some staff that are not in decentralized positions.

  – We invited all mayors of communities with decentralized offices to respond to a survey, which we provided to them in English and Inuktitut or Inuinnaqtun. In addition, we met with the mayors and their chief administrative officers in Arviat, Kugluktuk, and Pond Inlet.

- **Collection and Analysis of Quantitative Data:** Detailed quantitative data on the status of decentralized positions over time was provided to us by EIA, working with the Department of Human Resources. We also reviewed the GN's quarterly Inuit employment reports, the GN's Public Service Annual Reports, and labour market analyses from the Nunavut Bureau of Statistics. EIA provided GN financial data on the cost of the decentralization initiative.

- **Validation of Findings and Recommendations:** While an unbiased third party analysis is the foundation of this independent review, we believe that it is important to actively involve internal stakeholders in order to improve the quality of the review

– The first two validation meetings followed the research phase and the analysis of qualitative data. We met separately with the Deputy Ministers' Committee and with a group of assistant deputy ministers and directors (all of whom had participated in interviews or focus group meetings) to share key findings and observations, to respond to questions, to receive feedback to improve accuracy and clarity, and to discuss opportunities to improve decentralization.

– In the third validation meeting, we met with the Deputy Ministers' Committee to review the contents of our draft report and discuss our recommendations before finalizing the report.

Our report addresses seven questions:

- **What was decentralization intended to do for Nunavut?**
- **How was GN decentralization implemented?**
- **What is the status of decentralized positions?**
- **How is decentralization working today?**
- **What issues need immediate attention?**
- **What can we learn from other jurisdictions?**
- **What can the GN do to improve decentralization?**

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What Was Decentralization Intended To Do for Nunavut?

Committing to a Decentralized Model of Government

Creating a New Territory

The concept of a decentralized model of government with a representative workforce was conceived long before the territory of Nunavut itself was established.

Nunavut and its government came into existence on April 1, 1999, following five years of preparation and almost 20 years of negotiations between Inuit organizations and the governments of Canada and the Northwest Territories. An initial agreement on the process for designing the government was set out in the 1992 "Nunavut Political Accord" signed by the Government of Canada, the Government of the Northwest Territories (GNWT) and Tungavik Federation of Nunavut – predecessor to Nunavut Tunngavik Incorporated (NTI), the organization subsequently established to manage the funds received under the Nunavut Land Claims Agreement and, along with regional Inuit organizations, for safeguarding Inuit interests regarding its implementation.

"For the first time in Canadian history, with the partial exception of the creation of Manitoba in 1870, a member of the federal-provincial-territorial club is being admitted for the precise purpose of supplying a specific aboriginal people with an enhanced opportunity for self-determination." [9]

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[9] From a speech by Mary Simon, quoted in Nunavut Implementation Commission, *Footprints in New Snow* (1995).

The *Nunavut Land Claims Agreement Act* and the *Nunavut Act* were passed in 1993, establishing a path for the creation of Nunavut and a representative public government in Canada's eastern Arctic. The *Nunavut Land Claims Agreement* (NLCA)[10] reinforces the commitment to a representative government with employees drawn from a skilled labour market in Nunavut:

- Article 23 sets out objectives to increase Inuit participation in government employment in Nunavut to a representative level;

- Article 24 recognizes that Nunavut's economy is heavily dependent on the public sector and requires all levels of government to use public contracting to stimulate economic growth in the territory; and

- As part of the plan to implement the NLCA, Article 37 identifies the need for a Nunavut Implementation Training Committee to conduct a study of Inuit training requirements, plan a response, oversee implementation, and administer training funds.

Articulating a Principled Foundation

The Nunavut Implementation Commission (NIC) was created in 1993 to advise on the process of division from the Northwest Territories. NIC provided recommendations for the creation of Nunavut in a comprehensive report called "Footprints in New Snow" ("Footprints")[11] which emphasized the underlying goals of decentralization to:

- Bring government decision-making closer to Nunavummiut;

- Provide employment and training opportunities in communities to increase Inuit employment;

- Assist in building capacity to promote healthy communities; and

- Strengthen and diversify local economies to increase self-reliance.

> *NIC's role was to work toward:*
>
> *"…an equitable distribution of government activities among Nunavut communities; appropriate utilization of information management systems and supporting technology to support a decentralized and efficient government delivery system; and employment of local residents in new government positions through strong emphasis on training and work support programs."* [12]

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[10] Nunavut Tunngavik Incorporated, *Nunavut Land Claims Agreement* (2000).

[11] Nunavut Implementation Commission, *Footprints in New Snow* (1995)

[12] *Nunavut Political Accord*, Part 7.3 (1992).

Guided by the fundamental principle that Nunavut's public service should be representative of the people it serves, NIC recommended that:

- Nunavut's government should be highly decentralized, with programs and services delivered at the regional and community level to the fullest extent possible;

- The administrative structure of government should be as simple as possible, in keeping with Nunavut's relatively small population;

- The size of the headquarters staff in the capital of Nunavut should be kept to a minimum to provide government employment opportunities in various communities;

- The community selected to be the capital should not continue to be a regional centre, i.e., regional offices should be situated in communities other than Iqaluit; and

- Managers in regional and community offices should have a high level of delegated authority and accountability for program, financial, and personnel matters.

Following a process of consultation and feedback on the optional models of government outlined in Footprints, the core recommendations became the basis for a Government of Canada decision in April 1996 that:

- Confirmed the decentralized model of government;

- Identified Iqaluit as the future capital of Nunavut;

- Approved 600 new full-time equivalent positions (FTEs) for headquarters roles in the Government of Nunavut, in addition to the existing base of territorial positions in regional and community offices;

- Established a goal of 50 per cent Inuit hires at all levels by the start-up of the Nunavut Territory and Government on April 1, 1999;

- Committed to put in place a four-year training strategy to train Inuit for jobs in the future Government of Nunavut;

- Set out an expectation that a private-public partnership would be pursued to secure supplies and services and construct infrastructure, including government facilities; and

- Approved transition funding to March 31, 1999.

Developing a Recommended Model for GN Headquarters

Guided by this federal government decision, NIC set out a more detailed design for the Government of Nunavut in its second comprehensive report, "Footprints 2" (October 1996).[13] The report included a recommended organizational model for the new headquarters functions of the Government of Nunavut, including the office of the Legislative Assembly, 10 departments and eight boards, commissions, and corporations of various types. The decentralized model allocated 624 headquarters full-time equivalent positions (FTEs) to departments and agencies, identifying by position 374 FTEs to be located in Iqaluit and 250 FTEs to be situated outside the capital.

In describing the requirements for the new government, NIC outlined four types of government jobs. New headquarters roles were of greatest interest:

- **Headquarters functions** were defined as those involved in legislation, policy, and program development; long-range planning; overall budget development and management; policy and program evaluation; allocation of resources among programs, services, regions, and communities; monitoring of policy, program, and service implementation in the regions; management support to ministers, Cabinet and the various committees of Cabinet; and professional and technical support for regional staff.[14]

The other three types were defined as:[15]

- **Regional employees**, who work in the regional offices of the various departments;

- **Facilities employees**, who work in facilities that serve an entire region or Nunavut as a whole; and

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[13] Nunavut Implementation Commission, *Footprints 2* (1996).

[14] *Footprints 2* (1996, p.40).

[15] *Footprints 2* (1996, Appendix D).

▪ **Community-level employees**, who work in jobs that serve a specific community (e.g., teachers, nurses).

Considerable research, analysis, and consultation went into the development of this organizational model and related commentary on enablers and supports such as design of work, telecommunications, infrastructure, language, staffing and recruitment, and training. However, NIC developed the GN model under pressure of time and during a period when the GNWT was making major changes in departmental structures and service delivery models to address a reduction in revenues due to changes in the federal funding formula. Footprints 2 recognized that the recommended model represented "the best assessment possible at the date of this report as to the location and number of FTEs"[16] and advised that while time was of the essence in establishing the Government of Nunavut by April 1, 1999, the model should be subject to adjustment following implementation.

Preparing for a Representative Public Service

The Nunavut Implementation Training Committee (NITC) completed its seven-volume training study in 1994. The study identified six priority training needs for Inuit organizations and "institutions of public government," including training for boards of directors, staff that support the management of Inuit-owned lands, senior managers, administrative staff, support staff, and community liaison workers. A training implementation plan followed in 1996, with a set of five core programs designed to respond to the identified high priority training needs. NITC did not deliver the training but provided eligible client organizations with funding, resources, and expertise to enable them to identify their training needs and select appropriate programs to meet them.

In 1996, concurrent with the development of Footprints 2, the federal Department of Indian Affairs and Northern Development (DIAND), the GNWT and NTI formed a partnership to develop and implement a comprehensive training plan to prepare for the creation of Nunavut and the staffing of its new government.

NIC and NITC were also involved in the development of the Nunavut Unified Human Resources Development Strategy, which was included as an appendix in Footprints 2. The strategy envisioned a territory in which the Inuit language would become the working language of government and business, with Inuit culture valued, protected, and

"The federal and territorial governments, Inuit organizations and agencies must cooperate, coordinate their efforts, and maintain an open dialogue with communities in order to prepare Nunavut residents for employment in the Nunavut public service and to achieve a representative public service." [17]

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[16] *Footprints 2* (1996, p.58).

[17] Nunavut Implementation Commission, *Nunavut Unified Human Resources Development Strategy* (1996, p.17).

prominent. It assumed a strong and ongoing partnership among local, territorial, and federal governments.

The partners designed the strategy to expand the pool of qualified Inuit, by providing training opportunities for unemployed Inuit wishing to enter the public service in Nunavut, as well as in-service training for Inuit public servants who wished to broaden their career options in government. The federal government contributed funding of $39.8 million to implement the strategy, as part of the start-up budget for the creation of Nunavut.

Nunavut Arctic College delivered a variety of programs to prepare Inuit for administrative, middle management, senior management, trades, policing, and other public administration positions. The Sivulliuqtit Senior Management Training Program, jointly delivered by the College and the Canadian Centre for Management Development, graduated more than 60 Inuit, most of whom attained senior positions in government or land claims organizations.

Enabling a Culturally-Attuned Government

Footprints 2 recognized the inherent cultural challenges in Nunavut's shift from a land-based economy to a wage-based economy. NIC proposed that flexible work arrangements be considered to assist Nunavummiut in balancing government jobs with household and community responsibilities, and with a way of life that remains close to the land for many. The suggested arrangements included:[18]

- Part-time employment, in which an employee is scheduled to work less than full-time e.g., several days a week instead of five;

- Job sharing, in which two part-time employees share a job and coordinate work efforts;

- Compressed work time, which schedules employees to work longer days and complete their full-time work hours in less than five days (a typical compressed work arrangement allows 10 days work to be completed in nine days);

- Seasonal work, which is work that an employee does annually for a period of less than 12 months;

- Flexible hours of work, in which employees are scheduled to start and finish work at different times; and

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[18] *Footprints 2* (1996, p.69).

- Home-based work (or telework), in which an employee works regularly-scheduled hours from home, using technology and tools provided by the employer.

Footprints 2 recognized that Inuit self-determination was a key driver for the creation of Nunavut, but maintained a practical perspective on designing and establishing the new government. The document did little to resolve two difficult questions that continue to challenge the GN today:

- How can a government intended to be staffed largely by Inuit, but modeled on the GNWT and federal systems, be shaped to fit within the context of Inuit societal values?

- Given the central importance of language in cultural identity, what Inuit language policy should the new territorial government adopt, and how can it be implemented effectively when the GN continues to rely on non-Inuit hired from outside Nunavut?

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How Was GN Decentralization Implemented?

Establishing the Decentralized Model of Government

Managing the Transition Period

To ensure a smooth transition leading up to the establishment of the Government of Nunavut, the federal government appointed an Interim Commissioner in April 1997 with the powers to make binding commitments on behalf of the future Nunavut government, in consultation with the various Inuit and government entities involved in the formation of the new territory. Decentralization quickly became a focal point of discussions about the structure and staffing of the GN in public domains, and in the Interim Commissioner's consideration of the pace and timing of implementation.

In mid-1998, the office of the Interim Commissioner (OIC) commissioned an assessment of community readiness to accept the proposed decentralized model of government, even as it put the finishing touches on an implementation plan. The OIC received the report on the potential social impacts of decentralization[19] in January 1999, after it had completed a community tour to explain plans for decentralization and manage expectations about how quickly the jobs might materialize. There was little time to absorb or act on any of the report's recommendations as the election of Nunavut's inaugural government was underway.

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[19] Nunavut Consulting and Ekho Inuit Originals report to the OIC, "Report on the Social Impact Study of Decentralization in Nunavut" (1999).

Decentralization featured strongly in Nunavut's first election campaign, with candidates emphasizing the importance of decentralizing government jobs – not only to the 10 designated communities, but also to other communities that might seek them.

Implementing Decentralization

In May 1999, the newly-formed Government of Nunavut affirmed its commitment to a decentralized model of government, representative of Nunavummiut and operating in a way that is consistent with Inuit societal values. A small Decentralization Secretariat coordinated implementation as planned by the OIC.

From the outset, GN departments were required to go to Cabinet for any decisions related to the number, type, or location of decentralized positions.

The Initial Plan (1999-2000)

When the Government of Nunavut was established on April 1, 1999, headquarters functions were minimally staffed and vacancy rates approached 80-90 per cent. By the end of its first year of operation, the GN had a total of 1,382 positions (not including Health Boards and Divisional Educational Councils), and an overall vacancy rate of 23 per cent.[20]

A July 1999 announcement established 340 decentralized positions in 10 designated communities: Arviat, Baker Lake, Cambridge Bay, Cape Dorset, Gjoa Haven, Igloolik, Kugluktuk, Pangnirtung, Pond Inlet, and Rankin Inlet. This initial group of decentralized positions constituted approximately 25 per cent of the GN's total positions.

In February 2000, the Premier wrote letters to the mayors of the 10 designated communities, specifying the number of GN positions to be decentralized to the community over a three-year period ending in 2002-2003. Where confirmed, the positions were listed. Otherwise, the government made a commitment to identify the remaining positions before the end of the implementation period.

The GN intended the decentralized positions to be a combination of new positions that were created as additional capacity for the new government and jobs transferred from one of the GNWT's administrative centres (Cambridge Bay, Iqaluit, and Rankin Inlet). As a result, the implementation plan had to address the prospect of moving GN employees and their families to a new community.

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[20] Government of Nunavut, *Public Service Annual Report: Combined 1999-2000 and 2000-2001* (2001).

At the End of Phase 2 (2001-2002)

By December 2001, the first two phases of decentralization were completed as planned.[21] A total of 340 positions had been created or approved for transfer from the capital to designated communities, with 131 positions vacant and 209 filled. *Nunavut Land Claims Act* beneficiaries ("beneficiaries") occupied approximately 59 per cent of the decentralized positions that were filled, in contrast to 41 per cent in the GN as a whole.[22] As of March 31, 2002, the GN had 2,927 positions, so the decentralized positions constituted approximately 12 per cent of the total.[23]

A further 78 positions were scheduled for decentralization in 2002-2003, for a total of 418 positions to be decentralized by March 31, 2003. These included:

- New headquarters functions and positions created in locations other than Iqaluit (228 positions – a number close to the 250 that had been estimated in Footprints 2);

- Existing regional offices moved out of the capital to designated communities (175 positions); and

- New regional offices, not in existence under GNWT (15 positions).

An additional 50.5 positions were committed to Arviat, Gjoa Haven, Pangnirtung, and Pond Inlet for a final total of 468.5 positions planned for decentralization at the time.

Even as the GN was making these additional commitments, it was encountering challenges that began to affect the pace and timing of implementation:

- Shortages of staff housing or office space in a number of communities slowed the pace of implementation in 2002-2003; and

- The reluctance of some departments and agencies to relocate required the government to consider alternatives to the planned decentralization of some positions.

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[21] Millenium Partners, *Building Nunavut Through Decentralization: Evaluation Report* (2002, p.2).

[22] Government of Nunavut, *Towards a Representative Public Service: Statistics as of December 31st, 2001* (2002).

[23] Government of Nunavut, *Public Service Annual Report: 2001-2002* (2002).

On Completion of Decentralization (2004)

As Cabinet made decisions, the GN eventually settled on a commitment of 459 positions to be decentralized to the 10 designated communities. By 2004, virtually all government departments and agencies had contributed to the total. As of March 2004, the GN totaled 2,945 positions,[24] with 62 per cent located outside of Iqaluit, including the 16 per cent that were designated as decentralized.

Breakdown of the 459 Decentralized Positions by Community, Region and Department															
Department	**CGS**	**CLEY**	**EDT**	**EDU**	**ENV**	**EIA**	**FIN**	**HSS**	**HR**	**JUS**	**NAC**	**NDC**	**NHC**	**QEC**	**TOTAL**
Cape Dorset	22	2	7										19		**50**
Igloolik	1	24			22		17		5						**69**
Pangnirtung	1		10	23	6	6		25							**71**
Pond Inlet	31		8	17						1					**57**
Qikiqtaaluk	*55*	*26*	*25*	*40*	*28*	*6*	*17*	*25*	*5*	*1*	*0*	*0*	*19*	*0*	**247**
Arviat	1		2	32							13		18		**66**
Baker Lake	8	11												31	**50**
Rankin Inlet	7		15		1				5			4			**32**
Kivalliq	*16*	*11*	*17*	*32*	*1*	*0*	*0*	*0*	*5*	*0*	*13*	*4*	*18*	*31*	**148**
Cambridge Bay	7								5						**12**
Gjoa Haven	1		8				4			5					**18**
Kugluktuk	10	10						14							**34**
Kitikmeot	*18*	*10*	*8*	*0*	*0*	*0*	*4*	*14*	*5*	*5*	*0*	*0*	*0*	*0*	**64**
TOTAL	**89**	**47**	**50**	**72**	**29**	**6**	**21**	**39**	**15**	**6**	**13**	**4**	**37**	**31**	**459**

(A full analysis of decentralization data by community and department is provided in Appendix D, and a summary analysis is the focus of Section 6 of this report).

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[24] Government of Nunavut, Public Service Annual Report: 2003-2004 (2004).

Meeting Article 23 Commitments

The designers of the Government of Nunavut intended the decentralized model to be a key mechanism for achieving a representative government and meeting Article 23 obligations. Concurrent with establishing itself as a new government and decentralizing positions, the Government of Nunavut developed an Inuit employment plan and began tracking progress towards its target. In 2002, NTI joined NITC and the GN on a working group, mandated to develop strategies for training and employing Inuit within the territorial government. NTI also participated on a federal committee to address the federal government's obligations under Article 23.

In its negotiations to renew federal funding for NLCA implementation, NTI argued for a more substantial investment in Inuit employment training to meet Article 23 commitments. To support these arguments, NTI and the GN commissioned a review by the consulting firm PricewaterhouseCoopers to assess the costs of not building a representative public service in Nunavut. The study[25] deemed the direct and indirect costs to be substantial, with the value of lost wages alone estimated at \$2.5 billion over the next 18 years (to 2020), if representation rates remained at the 2002-2003 level. The report also noted a range of indirect social and economic benefits to be derived from increased representation and increased Inuit employment.

The issue of additional NLCA training funds remained unresolved, with the federal government refusing to provide targeted funds beyond those contained in the territorial funding formula. Justice Thomas Berger was appointed as a conciliator in 2006, in an effort to address the two-year deadlock in NLCA implementation negotiations involving NTI, the GN, and the federal government. Following extensive consultations, Berger concluded that the issue went beyond targeted funding for Inuit training. He asserted that current training and development initiatives were focused on the demand-side of realizing Article 23, which had drawn attention away from supply-side issues – a declining pool of educated Inuit available for employment in Nunavut generally, with fundamental causes rooted in the education system.[27]

> *"… the two external reports highlight the structural issues, rooted in the education system, that make the achievement of a representative public service so complex in Nunavut. Indeed, the Nunavut experience suggests that the quantitative dimension of creating an ethnically reflective public service in Aboriginal communities cannot simply be considered as a project to be addressed by those responsible for the development of the public sector workforce. Only if this project is viewed as part of a longer-term and adequately funded education and training strategy, will both the supply-side and the demand-side of creating a public service that represents Aboriginal people prove possible."* [26]

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[25] PricewaterhouseCoopers, *The Cost of Not Successfully Implementing Article 23: Representative Employment for Inuit within the Government* (2003).

[26] Annis May Timpson, *Building an Aboriginal-Oriented Public Service in Nunavut* (2008, p.13).

[27] Thomas R. Berger, *Conciliator's Final Report: The Nunavut Project* (2006).

In late 2006, with a continuing impasse in negotiations, NTI filed a $1.0 billion lawsuit against the federal government for breach of the NLCA implementation contract. The lawsuit has not yet been settled.

Nunavut's education and training needs still exceed its budget and lack of Inuit training and education continue to be at the root of many of the challenges that the GN is facing.

Becoming a Truly Representative Government

From its start, the GN had difficulty reconciling southern systems of government and institutional culture with Inuit societal values and culture. Adopting a pre-existing model of public government enabled the GN to be established relatively quickly. However, while there was a clear intent to transform this model into a more culturally-attuned model of government, the GN had little spare capacity to address institutional culture in the challenges of setting up a new government. As a result, the dominant systems and GNWT institutional culture shaped the GN and continue to influence it as a government institution today.

In Pinasuaqtavut – The Bathurst Mandate, Nunavut's First Legislative Assembly set out Healthy Communities, Simplicity and Unity, Self-Reliance, and Continuing Learning as strategic priorities for Nunavut. Inuit Qaujimajatuqangit (IQ) was identified as a guiding principle to "provide the context in which we develop an open, responsive and accountable government."[28]

In 2001, the GN set up an Inuit Qaujimajatuqanginnut task force to determine the extent to which departments were incorporating the principles of IQ into their day-to-day activities and to make recommendations to the government on how to incorporate IQ to meet its Bathurst Mandate. The task force defined IQ as "the Inuit way of doing things: the past, present and future knowledge, experience and values of Inuit Society"[29] and came to a conclusion in 2001 that we too have drawn in our review of decentralization, 10 years later:

> "We discovered that, although most departments are involved in cultural-related and language-related activities that we applaud, they are generally failing to incorporate IQ in a significant way into their departments. They are not sure what IQ is or how to incorporate it into the day-to-day workings of their departments."[30]

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[28] Government of Nunavut, *Pinasuaqtavut – The Bathurst Mandate* (1999, p.4).

[29] Government of Nunavut, *The First Annual Report of the Inuit Qaujimajatuqanginnut (IQ) Task Force* (2002, p.7).

[30] *The First Annual Report of the Inuit Qaujimajatuqanginnut (IQ) Task Force* (2002, p.4).

Perhaps more important, the IQ task force identified a fundamental question that remains unresolved to this day:

> "Should the Nunavut Government try to incorporate the Inuit Culture into itself, or… Should the Nunavut Government incorporate itself into the Inuit Culture?"[31]

Evaluating the GN's Decentralized Model of Government

2001 Evaluation of Decentralization

Following the first two years of the implementation period, the GN decided to undertake a preliminary evaluation of the decentralized model of government. EIA's Evaluation and Statistics Division contracted with Millenium Partners to assess the results up to December 15th, 2001. The intent of the evaluation was to assess progress and to document the results in order to identify the strengths and weaknesses of what had been done so far, along with potential solutions to continuing challenges with decentralization. Millenium Partners carried out the evaluation over the period September to December, 2001 and reported on the findings in February 2002.[32]

Using a mix of qualitative and quantitative research methods, Millenium Partners:

- Invited GN employees to provide their points of view on decentralization and to comment on their experiences in decentralized offices;

- Asked community residents a series of questions aimed at assessing their perceptions of the effects of decentralization on their communities; and

- Discussed the impact of decentralization with community governments, Inuit organizations, and businesses.

> *"The logistics of physically establishing new offices in 10 communities across Nunavut have resulted in an enormous drain on the organization, making it difficult for involved managers to focus their limited resources on anything but operational issues… Without a cohesive strategy, the focus has been on doing everything possible to get the new offices up and running without a great deal of consideration for how the government will position itself to do business with a high proportion of the public service outside the capital."* [33]

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[31] *The First Annual Report of the Inuit Qaujimajatuqanginnut (IQ) Task Force* (2002, p.7).

[32] Millenium Partners, *Building Nunavut Through Decentralization: Evaluation Report* (2002).

[33] *Building Nunavut Through Decentralization: Evaluation Report* (2002, p.5).

The consultants visited three communities: Arviat, Pangnirtung, and Pond Inlet. More than 100 respondents in Iqaluit and across Nunavut contributed to this initial evaluation of decentralization.

The evaluation recognized the challenges of building a new government from the ground up and noted that the GN had made excellent progress in decentralizing both headquarters and regional operations to the 10 designated communities. Inuit employment was reported as significantly higher in the decentralized positions than across the government as a whole, although many positions were filled by non-Inuit.

The evaluation noted that the most successful decentralization initiatives had considered the community skill base in determining which jobs would be decentralized. The least successful were those in which existing offices were transferred without assessing the local labour market. Government departments were not undertaking coordinated planning and outreach efforts to prepare local residents for GN job opportunities, as had been envisioned in the NLCA and Footprints 2.

Despite initial success in decentralizing positions, employee morale in decentralized operations was reported as consistently low, due to factors such as:

- Inconsistent staff training and orientation;

- A sense of isolation stemming from a lack of information, limited involvement in departmental planning processes, and limited contact with staff from the capital;

- Poor quality of online communications and systems access in smaller communities affecting productivity;

- Low levels of delegated authority to make decisions; and

- Overly bureaucratic administrative processes.

The report identified staff housing shortages as a barrier to relocating government offices and staffing decentralized positions. It also noted that community residents did not yet feel a sense of connection to government and that economic benefits to communities had yet to be realized.

2002 Meeting on "Managing Our Decentralized Operations"

In October 2002, the GN's Decentralization Secretariat held a meeting in Rankin Inlet to share information about decentralized functions and to identify the tools that are needed to operate effectively in a decentralized model of government. The Decentralization Secretariat had been established in 1999, with funding for three fiscal years, to coordinate the decentralization of positions. This meeting on managing decentralized operations was among the secretariat's last activities, as it was disbanded shortly after.

Meeting participants exchanged information and developed a report[34] with a series of recommendations, including:

▪ Review the overall decentralized model of government, as well as the allocation of decentralized positions to communities;

▪ Establish a GN advisory committee on decentralization to provide advice and assist with problem-solving;

▪ Hold annual meetings to help plan, manage, and report on the progress of decentralization;

▪ Create an inter-agency community plan in each community, with reference to the GN Wellness Strategy, the Nunavut Economic Development Strategy and the Inuit Employment Plan, involving representatives of the municipality, Nunavut Arctic College, the Government of Nunavut, and the Government of Canada;

▪ Consider the basic needs of employees in each community for municipal services and work infrastructure;

▪ Consider a total incentives package, including housing, to attract specialists to decentralized positions in communities, where required; and

▪ Delegate to managers in decentralized operations more authority to make decisions, for greater efficiency.

2007 Pangnirtung Decentralization Assessment Pilot Project

In March 2007, EIA's Nunavut Evaluation Office conducted an assessment of GN offices in Pangnirtung as a follow-up to the 2006 GN Employee Satisfaction Survey. It used methods designed to be applied in other decentralized offices as needed. GN employees in Pangnirtung identified the following recommendations:[35]

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[34] Government of Nunavut, internal notes from the meeting on Managing Our Decentralized Operations (2002).

- Improve communication within GN departments at all levels, especially with Iqaluit;

- Provide a more comprehensive employee orientation, not only to job duties but also to the department's roles and responsibilities and to the GN as a whole;

- Make training programs more accessible to staff in decentralized offices;

- Develop awareness and understanding of Inuit societal values (ISV) to put ISV into action in the workplace;

- Increase hiring through open competition for greater transparency; and

- Build translation capacity to reduce translation time and improve the availability of materials in Inuktitut.

2009 Qanukkanniq – The GN Report Card

As the Government of Nunavut has evolved and grown, departments have been reorganized and new government jobs created in decentralized and non-decentralized communities. In 2009, the government commissioned North Sky Consulting to review the effectiveness of its programs and services through a broad-based public consultation.

From June to September 2009, North Sky Consulting visited 25 communities and involved more than 2,100 people in public meetings, interviews, and radio phone-in shows. An extensive online survey provided additional feedback on perceptions of government. The resulting Qanukkanniq GN Report Card[36] identified serious challenges facing the territory in areas related to self-reliance, community wellness, education, and governance.

The consultation provided insights into how Nunavummiut view government programs and services, what is working and what is not meeting their expectations. GN staff also participated and were outspoken in their criticism of departmental operations and performance, including their concerns about decentralization. GN staff noted:

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[35] Government of Nunavut, internal evaluation report (2007).

[36] North Sky Consulting, *Qanukkanniq: What We Heard* (2009).

- Operational decision-making was made more difficult as a result of decentralization;

- Some decentralized offices have not been properly integrated into their departmental operations and lack the information to provide effective services;

- The tools to do the work effectively are lacking in decentralized offices and throughout the GN generally, with issues of internet bandwidth and IT systems affecting productivity and information-sharing; and

- Under-staffing and poorly-trained staff add workload for colleagues and managers.

"While much of the commentary was critical of the government's performance, people everywhere said they supported Nunavut, and remained inspired by the dream that had created it. Many acknowledged that it was still early days for Nunavut and that ultimately government performance would align with public expectations." [37]

Members of the public acknowledged that decentralized jobs provided limited economic stimulus for some communities, but many characterized decentralization as expensive and wasteful. People in the communities noted that few local people were qualified for decentralized jobs other than entry level positions. Furthermore, the anticipated benefits of bringing decision-making closer to the people had not yet been realized.

Among its recommendations, North Sky Consulting recommended that the GN conduct an operational review of decentralization "to determine what can be salvaged… and what has to be changed."[38] Now in its third mandate, the Government of Nunavut has reaffirmed its commitment to the goals of decentralization and has commissioned this independent functional review of decentralization as part of its continuing efforts to strengthen the public service.

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[37] North Sky Consulting, *Qanukkanniq: Analysis and Recommendations* (2009, p.1).

[38] *Qanukkanniq: Analysis and Recommendations* (2009, p.9).

6

What Is the Status of Decentralized Positions?

A Summary Analysis as of September 2010

In this section, we provide a summary analysis of the current status of decentralized positions within the context of the GN as a whole. Our detailed analysis is included in Appendix D.

The primary data set provided by the Government of Nunavut in support of this review is dated September 30, 2010. At the writing of the report in August 2011, much of the data on positions and vacancies are a full year out of date. That said, there are clear trends in the status of decentralized positions that have probably not changed in the past 12 months. Additional data sources include:

▪ Historical data on decentralized positions provided by the Department of Executive and Intergovernmental Affairs and

▪ Government of Nunavut published Inuit employment reports and Public Service Annual Reports.

Note that positions filled with contract and casual workers are included as vacancies, in accordance with the GN's standard practice. For 2010, EIA has identified decentralized positions that have not been defined (unidentified), positions that are not currently funded (unfunded), and positions that are no longer needed (obsolete). These are a type of vacancy but listed separately from defined and funded vacant positions. These data were not available for the GN as a whole for the purposes of this review. The overall vacancy rate includes vacant positions and those that are unidentified, unfunded, and obsolete. This allows direct comparison of decentralized positions and the GN as a whole.

Summary of the Status of the 459 Decentralized Positions Relative to the GN as a Whole

Designated Community Statistics as of Sept. 30, 2010	GN Decentralized Positions										Government of Nunavut				
	Status of Positions					Beneficiary		Hire Location			Status of Positions			Beneficiary	
	Commitment	Unidentified, unfunded or obsolete	Vacant	Overall vacancy rate (per cent)	Filled	Yes	Inuit employment rate (per cent)	Local community	Nunavut	Outside Nunavut	Total	Overall vacancy rate (per cent)	Filled	Yes	Inuit employment rate (per cent)
Cape Dorset	50	9	3	24%	38	13	34%	28	1	9	113	12%	99	46	46%
Igloolik	69	7	26	48%	36	22	61%	22	2	12	156	26%	116	75	65%
Pangnirtung	71	8	12	28%	51	27	53%	37	5	9	140	27%	102	64	63%
Pond Inlet	57	1	8	16%	48	31	65%	30	7	11	147	14%	127	78	61%
Arviat	66	10	15	38%	41	31	76%	37	4	0	204	19%	166	108	65%
Baker Lake	50	0	10	20%	40	29	73%	31	1	8	156	13%	136	77	57%
Rankin Inlet	32	0	7	22%	25	14	56%	23	1	1	401	24%	305	177	58%
Cambridge Bay	12	0	3	25%	9	5	56%	6	0	3	266	38%	166	75	45%
Gjoa Haven	18	5	4	50%	9	9	100%	9	0	0	101	19%	82	53	65%
Kugluktuk	34	5	10	44%	19	10	53%	13	0	6	138	15%	118	65	55%
	459	**45**	**98**	**31%**	**316**	**191**	**60%**	**236**	**21**	**59**	**1822**	**22%**	**1417**	**818**	**58%**
Iqaluit											1519	25%	1147	410	36%
Other*											568	15%	482	299	62%
TOTAL											**3909**	**22%**	**3046**	**1527**	**50%**

* Other includes GN positions in non-designated communities and positions in locations outside of Iqaluit (e.g., Ottawa, Winnipeg).

Breakdown of the 459 Decentralized Positions by Community, Region and Department

Breakdown of the 459 Decentralized Positions by Community, Region and Department														
Department	**CGS**	**CLEY**	**EDT**	**EDU**	**ENV**	**EIA**	**FIN**	**HSS**	**HR**	**JUS**	**NAC**	**NDC**	**NHC**	**QEC**	**TOTAL**
Cape Dorset	22	2	7										19		**50**
Igloolik	1	24			22		17		5						**69**
Pangnirtung	1		10	23	6	6		25							**71**
Pond Inlet	31		8	17						1					**57**
Qikiqtaaluk	*55*	*26*	*25*	*40*	*28*	*6*	*17*	*25*	*5*	*1*	*0*	*0*	*19*	*0*	***247***
Arviat	1		2	32							13		18		**66**
Baker Lake	8	11												31	**50**
Rankin Inlet	7		15		1				5			4			**32**
Kivalliq	*16*	*11*	*17*	*32*	*1*	*0*	*0*	*0*	*5*	*0*	*13*	*4*	*18*	*31*	***148***
Cambridge Bay	7								5						**12**
Gjoa Haven	1		8				4			5					**18**
Kugluktuk	10	10						14							**34**
Kitikmeot	*18*	*10*	*8*	*0*	*0*	*0*	*4*	*14*	*5*	*5*	*0*	*0*	*0*	*0*	***64***
TOTAL	**89**	**47**	**50**	**72**	**29**	**6**	**21**	**39**	**15**	**6**	**13**	**4**	**37**	**31**	**459**

Changes in Decentralized Functions

Departments have reorganized since the original decentralization commitments were made. In some cases, this resulted in a simple transfer of functions and positions from one department to another. In other cases, decentralized positions have been relocated.

As departments reorganize, there has been an intent to maintain the commitment to the number of decentralized positions in the communities. In practice, however, departments have relocated decentralized positions without identifying other positions in place of those being relocated. This has led to an increasing number of vacant positions that are unidentified and possibly unfunded as functions move away from the designated communities. Functions that have been relocated without identified replacements include:

- Department of Finance (FIN) – finance in Igloolik relocated to Iqaluit;

- Department of Health and Social Services (HSS) – medical travel relocated from Pangnirtung to Iqaluit; and

- Nunavut Housing Corporation (NHC) – finance in Arviat relocated to Iqaluit.

Capacity

As of September 30, 2010:

- The capacity of decentralized functions averaged 69 per cent. Capacity ranged from a high of 84 per cent in Pond Inlet to a low of 50 per cent in Gjoa Haven.

- The capacity of non-decentralized functions in the 10 designated communities was generally higher than the capacity of decentralized functions in the same community – in some cases, significantly higher. If the 459 decentralized positions are taken out of the GN calculation, the overall capacity of non-decentralized functions in the 10 communities is 81 per cent.

- The capacity of functions in Iqaluit (headquarters and non-headquarters) was 75 per cent, which is higher than the average capacity of decentralized functions but a little lower than the capacity of the GN as a whole.

- The capacity of the GN as a whole was 78 per cent. If the 459 decentralized positions are taken out of the GN calculation, the capacity in the balance of the GN was 79 per cent.

Vacancies

The GN's use of the term "vacant" covers a variety of situations. A vacant position may be:

- Occupied temporarily by a contract or casual employee;

- Without an incumbent, but funded;

- Not currently funded or never funded (unfunded);

- Not currently defined or never defined (unidentified); or

- No longer needed (obsolete).

We are using the term "overall vacancy rate" to include all types of vacant positions, including those that are unidentified, unfunded, and obsolete. This allows direct comparison of decentralized positions and the GN as a whole.

As of September 30, 2010:

- The overall vacancy rate of decentralized functions was 31 per cent (143 positions). The rate ranged from a low of 16 per cent in Pond Inlet to a high of 50 per cent in Gjoa Haven. The 2010 rate is an increase from 29 per cent in 2006 and 23 per cent in 2008.

- The overall vacancy rate of non-decentralized functions in the 10 designated communities was generally lower than the vacancy rate of decentralized functions in the same community – in some cases, significantly lower:

  - In Kugluktuk, the overall vacancy rate for non-decentralized functions was only 5 per cent, in contrast to a rate of 44 per cent for decentralized functions.

  - In Igloolik, the overall vacancy rate for non-decentralized functions was only 8 per cent, in contrast to a rate of 48 per cent for decentralized functions.

  - In Arviat, the overall vacancy rate for non-decentralized functions was only 9 per cent, in contrast to a rate of 38 per cent for decentralized functions.

- Almost 10 per cent of decentralized positions (45 positions) were identified by departments as unidentified (31 positions), unfunded (1 position) or obsolete (13 positions). This leaves 98 vacant positions, including those filled by contract and casual employees, for a vacancy rate closer to 21 per cent. These data were not available for the GN as a whole for the purposes of this review, so a direct comparison is not possible.

- Of the 98 vacant decentralized positions, 15 were filled by contract employees (5 positions), casual employees (9 positions) or consultants (1 position). This leaves 83 positions as "true" vacancies – positions that are defined and funded, but temporarily

without an incumbent to do the work. It suggests that 18 per cent of decentralized positions were defined and funded but not staffed. These data were not available for the GN as a whole for the purposes of this review, so a direct comparison is not possible.

- The overall vacancy rate of functions in Iqaluit (headquarters and non-headquarters) was 25 per cent, which is lower than the average vacancy rate of decentralized functions but a little higher than the vacancy rate of the GN as a whole.

- The overall vacancy rate of the GN as a whole was 22 per cent. If the 459 decentralized positions are taken out of the GN calculation, the overall vacancy rate in the balance of the GN was 21 per cent.

Inuit Employment

Inuit employment is the employment of *Nunavut Land Claims Act* beneficiaries (beneficiaries).

As of September 30, 2010:

- Inuit employment in the GN as a whole was 50 per cent, which means that half of the filled positions were filled by beneficiaries. If the 459 decentralized positions are taken out of the GN calculation, the rate in the balance of the GN was 49 per cent.

- In the 10 designated communities:

  - Inuit employment in the GN as a whole was 58 per cent. The rate ranged from a low of 45 per cent in Cambridge Bay to a high of 65 per cent in Arviat, Igloolik and Gjoa Haven.

  - Inuit employment in decentralized positions was 60 per cent, which is higher than the GN as a whole. The rate ranged from a low of 34 per cent in Cape Dorset to a high of 100 per cent in Gjoa Haven.

  - The Inuit employment rate in non-decentralized functions was generally higher than the Inuit employment rate in decentralized functions in the same community.

- Inuit employment in Iqaluit (headquarters and non-headquarters) was 36 per cent, which is much lower than the rate for decentralized functions and the rate for the GN as a whole.

Trends in Decentralized Positions Over Time (2004-2010)

▪ In every designated community, decentralized positions were less than 55% of the total GN positions (2004 to 2010).

▪ In every designated community, the total number of GN positions has grown over time while the number of positions designated as decentralized has remained the same (2004 to 2010). This means that the proportion of decentralized positions has diminished relative to the GN as a whole, although the proportion of all GN positions outside Iqaluit has remained relatively steady. It suggests that even as the number of GN positions in Iqaluit is growing, the number of positions outside Iqaluit is growing at a similar rate.

  – In March 2000, at the end of its first year of operation, the GN had 1,382 positions (not including Health Boards and Divisional Educational Councils). The initial group of 340 decentralized positions constituted approximately 25 per cent of the GN's total positions.

  – By December 2004, the GN had 3,198 positions. The 459 decentralized positions constituted approximately 14 per cent of the GN's total positions. 62 per cent of all GN positions were located outside Iqaluit, including decentralized and non-decentralized functions.

  – In September 2006, the GN 3,601 positions. The 459 decentralized positions constituted approximately 13 per cent of the GN's total positions. 62 per cent of all GN positions were located outside Iqaluit.

  – In September 2010, the GN 3,909 positions. The 459 decentralized positions constituted approximately 12 per cent of the GN's total positions. 61 per cent of all GN positions were located outside Iqaluit.

▪ Except in regional centres, a greater per cent of decentralized positions were vacant than other GN positions in the designated communities from 2004-2010. This includes positions that were filled temporarily and positions that were unidentified, unfunded, or obsolete.

▪ The number of unidentified, unfunded, and obsolete positions rose sharply from 17 in 2006 (13 per cent of all vacant decentralized positions) to 45 in 2010 (31 per cent of all vacant decentralized positions). These are positions that are not available to be filled by indeterminate (permanent) or term staff.

Observations

Our analysis of the data on capacity and vacancies confirms what GN personnel told us: many decentralized offices are under-staffed and appear to have more difficulty filling vacancies than other local GN offices or the GN as a whole. That said, the GN's practice of including unidentified, unfunded and obsolete positions as vacancies results in an inflated vacancy rate and may contribute to the perception that the GN is chronically under-staffed.

We do not know the rationale behind the categorization of decentralized positions as unidentified, unfunded, or obsolete. The number of unidentified, unfunded, and obsolete positions rose sharply from 17 in 2006 (13 per cent of all vacant decentralized positions) to 45 in 2010 (31 per cent of all vacant decentralized positions). These are positions that are not available to be filled by indeterminate (permanent) or term staff. Our analysis of the departmental data suggests that some unidentified positions are a result of the recentralization of positions from a designated community to Iqaluit, without a defined replacement in the community. This may contribute to the perception that there has been a withdrawal of commitment to decentralization over time.

Our analysis of the data on Inuit employment suggests that by placing GN positions in regional centres and communities, the government is creating employment opportunities for beneficiaries. It also confirms that the GN as a whole has a long way to go to reach its target of 85 per cent Inuit employment to achieve a representative public service.

Our analysis of trends over time shows that in every designated community, the total number of GN positions has grown over time while the number of positions designated as decentralized has remained the same (2004 to 2010). This means that the proportion of decentralized positions has diminished relative to the GN as a whole. However, the proportion of all GN positions outside Iqaluit has remained relatively steady. This suggests that even as the number of GN positions in Iqaluit is growing, the number of positions outside Iqaluit is growing at a similar rate.

7

How Is Decentralization Working Today?

Introduction

In this section, we summarize our findings from interviews and meetings with GN personnel and mayors of communities with decentralized positions. We note differences in perspectives or distinct views (e.g., mayors) where these arise. We call those who contributed to our review "respondents."

In our interviews and meetings, we contemplated seven indicators of effective functioning. Some of these are unique to Nunavut's decentralized model while others are relevant to any government organization:

- **Achieving the goals of decentralization;**
- **Applying decentralization policy and governance;**
- **Establishing structures and supports for decentralized work;**
- **Enabling decision-making and influence;**
- **Promoting Inuit employment;**
- **Practising Inuit societal values; and**
- **Delivering programs and services effectively.**

Summary of Findings

In general, what we heard from respondents is not new – the same concerns were identified in the 2002 and 2007 reviews of decentralization and echoed in a broader context in Qanukkanniq. Nonetheless, we believe that it is important for the GN to continue to probe what is working and what is not working in order to identify root causes and potential solutions. We also believe that it is important to continue telling the story in the words of Nunavummiut, based on their direct experience. The quotes in this section are from our interviews and meetings, intended as evidence for our summary observations.

Achieving the Goals of Decentralization

- **Progress is being made towards the achievement of some goals.** There is awareness of the original goals of decentralization. Decentralization has increased local employment opportunities and related economic benefits to communities are observed. Decentralization has given the GN a visible presence in the communities.

- **Goals are not fully met.** Local employment opportunities for beneficiaries are limited. The expected economic benefits of decentralization have not been fully realized. Government has not been brought closer to the people in any meaningful way and decision-making remains centralized in Iqaluit.

Applying the Decentralized Model

- **As a relatively young government, the GN is still maturing, continues to face challenges and is not yet culturally attuned.**

- **The decentralization process did not fully consider impacts on communities and people.** Increasing the number of government employees in communities has affected local infrastructure, culture, and relationships, particularly where there has been an influx of GN hires from outside Nunavut. Issues of "fit" create tensions and turnover undermines the effectiveness of decentralized functions.

- **The decentralized model has not been implemented fully or effectively.** There is lack of a shared vision and clear plan. Decisions about decentralization are politicized. Decentralized functions were not well-matched to communities. Positions and work are now migrating to Iqaluit, formally and informally.

Establishing Structures and Supports for Decentralized Work

- **The experience of decentralization varies within and across departments.** Some departments report that aspects of decentralization are working well. Visible leadership and on-site management contribute to effectiveness.

- **Infrastructure, tools and supports are generally inadequate for a modern organization.** Technology and tools are inadequate. Issues of bandwidth and connectivity undermine productivity and effectiveness. Nunavut's shortage of housing and office space affects decentralization. HR processes are a source of frustration, particularly in regard to recruitment and staffing.

Enabling Decision-making and Influence

- **Decisions are, for the most part, made at the highest levels and centralized in Iqaluit.** Decentralized functions have difficulty influencing policy or contributing to strategic decisions, and often lack the strategic context to do so. Decentralized functions have little authority to make operational or administrative decisions. It takes effort to maintain a productive dialogue across Nunavut's geography and time zones and there is little spare capacity to make that effort.

Promoting Inuit Employment

- **Decentralization is contributing to the goals of Inuit employment.** Decentralization provides opportunities for employment in the places that Inuit want to live.

- **Qualified Inuit candidates are in short supply.** There is limited access to training and development to prepare beneficiaries to enter the labour market. Few beneficiaries are qualified as professionals or specialists. GN staff in decentralized offices have little access to formal training to develop towards larger roles. The GN is increasingly competing with other employers in Nunavut for qualified workers.

Practising Inuit Societal Values

- **Inuit societal values are important to people in decentralized offices.** People expressed pride in their culture and traditional values, while noting that the practice of ISV in the workplace is a subtle thing.

- **There is a fundamental tension between southern organizational practices and ISV.** The structures and processes of a government organization do not always fit well with Inuit traditional culture and values. Many non-Inuit reported that they do not see a difference between ISV and their own values. Those that do see a difference do not know what to do differently.

Delivering Programs and Services Effectively

- **Capacity and productivity are recognized issues that affect the delivery of services.** Productivity and effectiveness do not meet expectations. Frequent travel takes managers and specialist staff out of the office. In many cases, decentralized functions lack leadership. Managers are distracted from their central role of managing people and work.

Achieving the Goals of Decentralization

Progress is being made towards the achievement of some goals

There is awareness of the original goals of decentralization. Respondents generally spoke about the goals of providing local employment for beneficiaries, promoting economic benefits to communities, and bringing government closer to the people.

Decentralization has increased local employment opportunities. Respondents confirmed that government jobs are attractive to many people in communities and noted that communities have observed an increase in local employment opportunities as a result of decentralization. When asked what was attractive about GN jobs, many indicated that stable work with good pay and a collegial working environment were the primary factors. Others cited interesting work and the opportunity to contribute to Nunavut.

There are economic benefits to communities. Respondents from communities identified specific economic benefits, including the benefits to families of a stable income, greater discretionary spending as evidenced by thriving stores and more vehicles on the roads, and more choice of goods in local stores. Communities noted infrastructure improvements, including GN office buildings and staff housing, and hotel renovations. Improved airline service between communities and more frequent flights were also noted.

The initial intent of decentralization:

- **Enhance employment and training opportunities for local residents;**

- **Strengthen and diversify local economies;**

- **Improve access to programs and services by bringing government closer to the people;**

- **Ensure that program, financial, and personnel authority and accountability are delegated to managers and officers at the regional and community level; and**

- **Promote capacity building in the communities.**

"When I first became a Councillor for the Hamlet, I observed that the relationship with the GN is more direct. I can go directly to the office and ask questions. I can have a face-to-face conversation or invite them here for a meeting."

Decentralization has given the GN a visible presence in the communities. Respondents confirmed that government information and services are more readily available in communities. Mayors in particular noted an improved relationship with the GN, due to the increased opportunity for face-to-face contact with GN representatives.

Respondents also noted that community connections have been enhanced as government employees build working relationships within and across regions and convey news and information from one community to another.

Decentralization has other social and educational benefits. Respondents identified: an increase in high school completion rates in some communities; an increased interest in training and adult education programs as residents recognized new opportunities for local employment; and an added "vibrancy" as people from outside the community bring diverse perspectives and experiences.

Goals are not fully met

Local employment opportunities for beneficiaries are limited. Respondents noted that many decentralized positions are filled by non-beneficiaries, including people hired from outside the community. The qualifications and credentials associated with government jobs – particularly those considered headquarters functions – are a barrier to Inuit employment. For Inuit who do attain GN employment, often in entry level positions, there is little opportunity for development and career advancement. (More detail on Inuit employment is provided later in this section.)

The expected economic benefits of decentralization have not been fully realized. Relationships with the private sector are in the very early stages of development in much of Nunavut. The original expectation that private sector partners would play a role in infrastructure development has not been realized. While some economic stimulus is noted (e.g., small business opportunities for local entrepreneurs), communities expressed disappointment in the economic benefits experienced to date.

"Ideally, decentralization should make the community more attractive to private sector interests, but this hasn't happened. It would require us to become a transportation hub, with a jet landing strip and service to other communities."

Government has not been brought closer to the people in any meaningful way.
Respondents reported that the GN is regarded as a "stranger" in communities. Local people do not fully understand or value the work of government and may be intimidated by the large office buildings, which are often set away from the centre of the community. There is optimism, however, that the new government liaison officers (GLOs) will help to connect communities with their territorial government.

Decision-making remains centralized in Iqaluit. Respondents contend that the distance between Iqaluit and communities is growing. Despite sharing office space, departments do not always work together in the communities. Mayors seek an improved relationship with the GN and are looking for more interdepartmental coordination and collaboration at the local level, with more local decision-making on matters that concern the municipalities.

> *"People regard government as a stranger in their communities rather than a public service. It's a large presence, separate from their daily lives and experience. They don't know what goes on in the buildings. They can't make a connection with the complex programs and all the rules. They don't see improvements in their own lives. It's an issue of social inclusion, with tension between Inuit societal values and a colonial model of government from the south."*

Applying the Decentralized Model

As a relatively young government, the GN continues to face challenges

> *"We have a structural problem in Nunavut. Departments struggle on their own, failing to work collaboratively so that change can be accelerated. And employees in decentralized offices get jobs, but aren't sure what to do with them. We need better means to provide leadership to people who should be able to get things done."*

The GN is still maturing as a government. Respondents were keenly aware that as a relatively young government, the GN is still developing its administrative capabilities. Departments do not always work together, so there is much duplication of effort. Many departments depend on a few key individuals, which puts their commitments at risk. Chronic staffing and retention challenges leave the GN with limited capacity and resources for execution.

Respondents also expressed their concern that the GN has not analyzed the supply side of the labour market in Nunavut and still does not have a strategic, actionable plan to address capacity gaps and meet its workforce requirements.

The GN is not yet a culturally-attuned government. Respondents noted that the Inuit culture of Nunavut is in transition, with the traditional land-based economy shifting towards a wage-based economy. There are multiple cultural perspectives within the GN that are difficult to reconcile, which creates tension and reduces the effectiveness of working relationships. The principles of a relatively simple administrative structure and "culturally-attuned" government that were outlined in Footprints 2 have been difficult to put into practice.

"The GN was created to better serve Nunavummiut, but we may not be doing this effectively. People think we have to be complicated and bureaucratic because we are government. We need rigour, but not such complexity."

The decentralized model has not been implemented fully or effectively

"Decentralization is not fully formed as an idea linked to a clear vision. The objectives make sense but there was little thought given to well-run operations and how decentralization would impact efficiency."

There is lack of a shared vision and clear plan for decentralization. Respondents were aware of the initial intent of decentralization, but have lost sight of the vision for a representative government that engages people throughout the territory. Commitment to making decentralization work is uneven, although many express support for the goals. The cost-benefits of decentralization are not well-understood.

Decisions about decentralization are politicized. Respondents were concerned that decision-making continues to focus on numbers and particular positions, which detracts from a much-needed focus on the effectiveness of the public service. Some GN functions may be better suited to decentralization than others, and a rational case for the location of a function needs to take precedence over more emotional factors that often surround decisions about local employment.

"The goals of decentralization are admirable and necessary, but decentralization policy needs to be thought through and implemented strategically, not at the whim of communities and decision-makers."

Decentralized functions were not well-matched to communities. Although there was an intent to consider how jobs might fit with a community, there was little matching of positions with geography, community strengths and interests or labour market. Many respondents provided examples of how decentralized positions are hard to fill, particularly if formal qualifications are required.

"Departments were not always placed in suitable communities. Some are in communities that are very remote for reliable services across the territory; others are isolated by half a continent and two time zones from their clients."

> *"There's no time or energy to fix inefficiencies or other problems in remote HQ functions. If the jobs can't be recentralized, the work shifts back to where it can be done and the decentralized function is effectively abandoned."*

Positions and work are migrating to Iqaluit, formally and informally. Respondents commented that executive and senior management positions remain clustered in Iqaluit, which tends to draw other management positions towards the capital. There is a concern that departments may not fully consider other options before Cabinet is asked to approve a formal request to move positions to Iqaluit. In addition, it appears to many that the work of decentralized functions is being shifted informally to Iqaluit e.g., when there is a vacancy, work is assigned to an employee in the capital and no effort is made to fill the vacant position.

The decentralization process did not fully consider negative impacts on communities and people

Increasing the number of government employees in communities has negatively affected local infrastructure, culture and relationships. Mayors and other respondents noted that population growth has put pressure on community infrastructure. Some also noted that culture, language and traditional values have been eroded due to the influence of transient workers and new residents from outside the community. Some beneficiaries reported that as GN employees, they experience distance from their community, particularly where the job involves saying "no" or communicating policy constraints.

> *"The issue goes beyond acceptance of non-beneficiaries in GN jobs. Higher education is not valued or supported by many in communities. Locals set themselves apart through education."*

> *"We have always had transients for work-related purposes. When their employment ends, they leave and hardly any of them leave anything behind. I myself observed on more than one occasion that transients just came to earn money and were not concerned about benefits to the community."*

An influx of GN hires from outside Nunavut creates challenges for communities. Respondents reported that in some communities, GN hires from outside Nunavut may not be accepted by the community. While some people hired from outside Nunavut contribute to the community, others view the job as temporary and do not participate in the life of the community or invest much in workplace relationships.

In general, hires from outside Nunavut are viewed as "transients" who are unlikely to remain in the job or the community long enough to become known by long-time residents.

"Fit" issues create tensions and turnover undermines the effectiveness of decentralized functions. The GN remains dependent on hiring outside Nunavut for many management, professional, and paraprofessional roles. Respondents commented on the issues of "fit" that arise when southerners bring an inappropriate management or personal style. They also noted the negative effects of turnover, with many hires from outside Nunavut staying only a year or two.

> *"The north has always attracted missionaries, misfits and the misinformed."*
>
> *"We are burned out from welcoming outsiders and then seeing them move on quickly."*

> *"Nothing prepares you for the reality of working here. When you add the lack of amenities in a small community to the challenge of leading a decentralized office, you can understand why qualified people – especially management – are difficult to attract."*

The quality of life in communities does not meet the expectations of many hires from outside Nunavut. Respondents described mixed success in recruiting and retaining qualified people. Reasons for declining a job offer or leaving a job were noted: the lifestyle is not appealing to some; communities offer few job opportunities for spouses; housing is inadequate; education standards are uneven; child care is difficult to find or not available in some communities; and other amenities are limited in communities.

Establishing Structures and Supports for Decentralized Work

The experience of decentralization varies within and across departments

Some departments report that aspects of decentralization are working well. Indicators include: well-managed information sharing to and from Iqaluit; appropriate decision-making authority and flexibility; successful delivery of programs and services; and strong relationships with the local community.

> *"We are passionate about making decentralization work here."*
>
> *"HQ in Iqaluit does ask us for input to policy and if we are persistent, they do listen to what we say."*

> *"Logically, an HQ in this community shouldn't work. But the deputy head makes sure that we are recognized and included. We make it work."*

Visible and effective leadership is a key factor. Decentralized offices that report more successful functioning tend to attribute it to leadership efforts, rather than organizational structures or tools and supports for the work.

"Our manager position has been vacant three years. Employees are rotating through acting assignments to provide supervision for the work, but it's not the same as a permanent manager to build the team."

On-site management contributes significantly to effective decentralized functions. Respondents report that work units struggle without a capable local manager as success depends on a strong local management presence. Effective GN managers provide information, remove barriers, develop a team environment, coach staff in their work, and manage individuals for productivity and performance.

The infrastructure, tools and supports are generally inadequate for a modern organization

Technology and tools are inadequate. Connectivity and bandwidth issues are common throughout Nunavut, which means that large documents cannot be transmitted and remote data systems and servers cannot be accessed as intended. Productivity and effectiveness are reduced and decentralized functions are put at risk. Technology and tools are not standardized or documented, which creates challenges for new hires. Some report that they have set up their own systems and networks to better meet requirements.

"Internet connectivity is crucial to productivity in decentralized communities. When connectivity fails and productivity suffers, we look like we can't do our jobs. It then becomes an excuse to pull back from decentralization."

Nunavut's shortage of housing and office space affects decentralization. A chronic shortage of staff housing constrains recruitment, hiring, and retention. Respondents report that job ads are delayed and job offers declined on the basis of housing. Inadequate housing affects retention. Office space is also described as inadequate and in short supply, with issues of mould and air quality reported by respondents in some communities.

HR processes are a source of frustration, although the HR Department is making changes to improve its programs and services. Respondents commented that staffing takes too long, recruitment and selection processes are cumbersome, and the HR function lacks the capacity to meet their needs.

Enabling Decision-making and Influence

Decisions are, for the most part, made at the highest levels and centralized in Iqaluit

"It's a centralized government. Decisions are made in Iqaluit without input from decentralized management or from those with deep knowledge of the implications."

Decentralized functions have difficulty influencing policy or contributing to strategic decisions. Respondents in communities and in Iqaluit reported that directions are often set by leaders who are co-located in Iqaluit, rather than including community-based leaders of decentralized functions appropriately and proactively.

Decentralized functions often lack strategic context. Respondents noted that decentralized functions may not have the context to provide strategic insights and that the urgency of some requests for information (e.g., for briefing materials) may not be understood or accepted. Some noted that staff in decentralized roles are not proactive in seeking information or guidance.

"When we give assignments to decentralized staff, they need to understand that the work is a challenge to deliver on. We expect that they will be resourceful, tackle the task and ask for advice if needed."

Decentralized functions have little authority to make operational or administrative decisions. Respondents in communities and in Iqaluit report that for the most part, decisions are made in the capital – often at the highest levels. Administrative decision-making authorities are unclear to many and processes are poorly-documented and cumbersome.

"Approval processes are cumbersome and particularly frustrating for staff in remote locations. There are a lot of desks where paper seems to stop. That's difficult when you're trying to get approval for necessary travel."

"Decentralization is a good concept but it impacts normal operations. People travel a lot. You leave a voicemail or send an email, but people forget they haven't completed the response. Then you start to forget to involve that person because they are difficult to reach."

It takes effort to maintain a productive dialogue across Nunavut's geography and time zones. Decentralized functions typically have headquarters or territorial responsibilities and so must often work closely with Iqaluit or regional centres from a distance. Respondents acknowledge that the GN is not yet skilled at managing remote operations. Respondents say that two-way communication could be improved between Iqaluit and decentralized offices, with all parties needing to make a greater effort to share information and respond in a timely way to requests made by email and phone.

Promoting Inuit Employment

Decentralization is contributing to the goals of Inuit employment

Decentralization provides opportunities for employment in the places that Inuit want to live. Overall, Inuit employment is a little higher in decentralized positions (60 per cent) than in the GN as a whole (50 per cent).[39] The rate of Inuit employment is highest in administrative and other entry level positions.

"Even those who go away for post-secondary education want to return here to work and be close to family. Without the GN office, local people would be unemployed or employed elsewhere in Nunavut."

Qualified Inuit candidates are in short supply

There is limited access to training and development to prepare beneficiaries to enter the labour market. Broad-based training of Nunavut's potential work force was initiated with NLCA implementation funding but has not been sustained. Respondents report that summer students and casual workers develop job readiness and become a candidate pool for some types of positions.

"We've exhausted the pool of qualified candidates in this community. Everyone who wants to work and is ready to work is working."

"The intentions and the reality of decentralization don't mesh. We're creating too many positions in communities that can't be filled locally, which defeats the purpose."

Few beneficiaries are qualified as professionals or specialists. Specific knowledge, skills and experience are needed for many decentralized positions with headquarters or territorial responsibilities. Respondents note that few beneficiaries qualify – and even fewer may be residing where the position is located. There is little flexibility in the GN's human resource processes to hire people unless they meet formal requirements.

GN staff in decentralized offices have little access to formal training and development. Respondents reported that few courses are available in designated communities and there is little spare capacity to provide on-the-job training. Lack of job enrichment is an issue for some. Respondents also called for more structured mentoring of beneficiaries to take on larger roles.

"People are put into jobs with a 'sink or swim' attitude – no one has time to provide training locally and there's no budget for travel for training."

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[39] All position and employment data are dated as of September 30, 2010.

"We do not track moves out of GN positions to another employer. We should consider it an indicator of success for decentralization when a beneficiary gets a start with a local GN office and then moves on to the hamlet, for example."

GN is increasingly competing with other employers in Nunavut for qualified workers. Respondents reported that many people start their public service careers in one level of government and then move to another level of government to advance themselves without moving away from their community. Land claim organizations may offer more attractive compensation packages and federal departments offer more housing options for those who are willing to move. Private sector opportunities in fisheries and mining are also drawing GN workers away.

Practising Inuit Societal Values (ISV or IQ)

Inuit societal values are important to people in decentralized offices

People express pride in their culture and traditional values. Respondents reported that Inuit societal values are more evident in the communities than in Iqaluit, so expect ISV to be more evident in community-based workplaces. Many spoke about the progress they have made in creating an open, welcoming, positive work environment and the efforts they are making to bridge communication and cultural gaps with co-workers.

"We refer to ISV in meetings here. Now we have the right to say, 'in our culture, this is how we would think about it.' That didn't happen before. We would just have gone along."

"ISV is not some idyllic, romantic way of life, nor should it be a political tool – it's who we are and it's reflected in simple, everyday life."

The practice of ISV in the workplace is a subtle thing. IQ outings and other cultural activities such as country food days remain the most visible manifestation of ISV for many. Respondents noted that culturally-attuned role models and day-to-day actions demonstrate ISV in practice – it's a set of attitudes and an orientation to life that must be adopted through experience, not learned from a poster. Respondents also commented that use of Inuit languages in the workplace reinforces ISV.

There is a fundamental tension between southern organizational practices and ISV

"The legislation and policies we have adopted from southern government systems clash fundamentally with ISV."

The structures and processes of a government institution do not always fit well with Inuit traditional culture and values. Respondents provided examples of aspects of the GN that do not fit well with ISV, including the emphasis on hierarchical decision-making and the standard GN work hours.

"The GN's systems are all QQ (Qallunaat) so IQ is like the round peg in the square hole."

While some interpret the commitment to ISV as entitlement to different treatment, others – Inuit and non-Inuit – are genuinely concerned about creating a more culturally-attuned work environment.

" ISV is evident to an extent – but what does it really mean in a government workplace? For new employees and people not committed to the North, what does ISV really mean? With a common sense of purpose and some give-and-take, any group can work together."

Many non-Inuit reported that they do not see a difference between ISV and their own values. Although some claim to understand ISV, many respondents acknowledged that they interpret ISV through their own cultural lens. Some interpret ISV as common societal values or good management practice. Those that do see a difference do not know what to do differently. Some declared that they do not accept that ISV has a place in the work environment.

Respondents recognized the importance of orienting non-Inuit to ISV, but noted that there is insufficient capacity and resources to make more than a superficial effort.

Delivering Programs and Services Effectively

Capacity and productivity are recognized issues that affect the delivery of services

Productivity and effectiveness do not meet expectations. Respondents commented that the work ethic in the GN is not strong by the standards of most organizations, although some report that it is improving. Absenteeism is a problem through the GN and undermines productivity. Productivity and effectiveness are also impacted by turnover and vacancies, particularly in decentralized offices that experience difficulties recruiting for some positions.

"We have issues of capacity and competence – capacity because we have hard-to-fill vacancies and competence because we don't train people and then hold them accountable for doing the work."

Frequent travel takes managers and specialist staff out of the office. Respondents note that the demands of frequent and extensive travel get in the way of responsive service delivery and add to the challenge of maintaining a flow of information within work units. Travel also adds to operational costs and stresses the travelling employee.

"We are not spending enough time in decentralized communities to provide support to local managers, who may lack formal education and don't have role models or day-to-day contact with their supervisors."

"I spend a lot of time on recruitment, navigating basic processes, and managing up (to senior managers) when I should be paying attention to my team."

Leadership is lacking. Respondents noted that leaders throughout the GN are doing hands-on work with a short-term view rather than setting expectations and providing strategic leadership for programs and people.

Managers are distracted from their central role of managing people and work. Respondents commented that it takes time and coaching to develop effective managers. The GN's turnover rate is high. Many managers are new to programs and new to a management role, so are on a steep learning curve for much of their time with the GN. Managers reported that they must cover work for absent staff or vacant positions and have little time to focus on people or quality of work.

Improving the Effectiveness of Decentralization – Respondents' Ideas

Respondents generally offered a strong critique of the current state of decentralization. Many of them also spoke positively about the intent of decentralization and expressed support for the model. Without exception, all respondents provided ideas about how decentralization can be improved. Respondents' ideas are summarized here, again with illustrative quotes.

Commit to a shared vision and plan of action

- Articulate a vision and long-term plan for the success of Nunavut.

- Establish a vision and plan for improving decentralization as part of the overall vision.

- Demonstrate commitment to working together to implement actions:

  – Encourage cross-departmental collaboration in communities, and

  – Use government liaison officer positions to enable collaboration.

"We've lost the vision of why the GN was created. People went through the struggle to move control from Yellowknife to Iqaluit and now decentralized communities are struggling with Iqaluit in the same way."

"We need a vision, a long-term plan and some priority-setting."

Focus on effectiveness rather than numbers

"We should focus less on tracking numbers and more on figuring out how to make decentralization work."

"We need to revisit Footprints and establish a better way of making decisions about what positions are decentralized."

"We keep deciding to designate positions without confirming that the local labour market has trained, qualified, interested people."

- Place less emphasis on numbers of decentralized positions.

- Pay more attention to the fit of jobs to communities and/or geographies:

  - Establish criteria to guide thinking about where to locate positions;

  - Understand the nature of the work and the clients that are served;

  - Match decentralized jobs to community strengths and the local labour market;

  - Consider travel and transportation for territorial roles and responsibilities; and

  - Consider community amenities in placing jobs that are likely to be filled by hires from outside Nunavut.

Enable departments to make decisions about positions in communities

- Commit to numbers of community jobs without differentiating decentralized positions from other GN positions in the community.

- Provide greater administrative flexibility to determine where a position should be situated.

- Let qualified people work where they want to live.

- Eliminate long-standing vacant positions that are no longer funded or needed.

"Why waste time holding vacant jobs in communities? Commit to keep a certain number of jobs in the community, but give flexibility to management on what those jobs are."

"There are skilled beneficiaries who want to do the work and stay in their home community. We should hire qualified people where they live and let them live there."

Emphasize and enable Inuit employment in staffing

- Make local hiring a priority.

- Make the work of government understandable and attractive.

- Apply greater flexibility in recruitment and selection.

- Enable secondment, including secondment across bargaining groups.

- Support the use of the Inuit language in the workplace.

"We have to get creative and not be so rigid in how we define jobs and evaluate qualifications. We don't take enough risks in hiring."

"As an optimist, I look at how to make things happen for the future. It's frustrating now to fill decentralized jobs without the needed qualifications locally. We have to get the work done in the short term with whoever we can hire. But at the same time, we have to work towards the long-term benefits that are intended."

Apply a strategic approach to recruitment and selection

"Filling positions with people who are barely qualified or who don't fit will only lead to people leaving the GN, so we should be prepared to train local people who will be long-lasting employees and also to find experienced southerners who will commit to developing local people."

"In recruitment, we need to target two distinct groups: Northerners – come learn with us and grow your career; Southerners – come share with us and give back."

- Promote employment with GN differently to attract the right candidates.

- Be more strategic and proactive in marketing GN employment opportunities:

  - Promote the opportunity to grow and develop on the job to beneficiaries;

  - Promote the Arctic and its outdoor lifestyle to candidates from outside Nunavut who are building a career;

  - Promote unique challenge and opportunity to specialists from outside Nunavut; and

  - Promote the opportunity to help build Nunavut as a way to attract seasoned professionals from outside the territory.

Enable better "fit" of hires from outside Nunavut

- Assess the potential fit of outside hires with GN and community:

  – Use psychometric assessment (standard questionnaires to assess personal style, motivation, and competencies in areas such as leadership or conflict resolution); and

  – Consider a broader application of interview methodologies applied in teacher recruitment and selection to help assess fit.

- Encourage and support social integration in the workplace and the community.

> *"For people hired from outside Nunavut, there should be a fit assessment for the workplace and the community lifestyle."*
>
> *"Work needs to be done to bridge the gap between Quallunaat and Inuit in the workplace and community. While it's a choice for outsiders to get involved in a community or not, there's no expectation or mechanism to encourage them to do that."*

Focus on education and training to build the labour market pool

> *"For unique positions or those with specific qualifications, we could subsidize an individual or a pool of candidates to get the education that's needed e.g., there must be an Inuk who would like to become a biologist with assistance."*

- Act on existing strategies to build capacity in Nunavut and in GN.

- Continue to emphasize education.

- Establish more entry-level and bridging positions in the GN with targeted training to develop beneficiaries.

Invest in the development and retention of GN staff

- Ensure that training is timely, consistent and readily available at each career stage:

  – Provide orientation to the GN and the job to help new hires make a good start;

  – Provide job-specific training for effective performance and to close gaps;

> *"All positions should have a two-year training plan with priorities for development, not haphazard, occasional activities."*

- Plan for ongoing development to prepare employees for larger roles;

- Develop management skills proactively; and

- Establish a more comprehensive approach to mentoring to prepare more beneficiaries for management and leadership roles.

▪ Take action to improve staff retention.

▪ Plan ahead for succession, to identify and develop potential candidates that could replace someone in a key role who may move on or retire.

> *"GN has a mandate to hire beneficiaries and should put in place the career paths, training and mentoring programs to do that successfully."*

> *"Mentoring will help people prepare to move ahead. We tend to push people into broader roles too soon. If they are performing well, we tend to assume they want and are ready for more. But we tend not to follow through with mentoring and support, so they are set up for failure rather than success."*

Demonstrate commitment and leadership at every level

> *"It works when leadership is committed to the principles of decentralization and is willing to stay the course."*

> *"Managers need to demonstrate professionalism and be role models, working alongside staff."*

> *"There are very few opportunities for managers to get together. We should set up a local committee in each community to strengthen personal relationships, and to support and advise one another."*

▪ Show commitment to decentralization at senior levels and provide active local leadership e.g., by placing assistant deputy ministers in communities.

▪ Encourage managers to be effective role models and coaches:

- Promote pride and professionalism;

- Provide close supervision and coaching to staff;

- Improve HR supports and services; and

- Provide greater flexibility to manage effectively.

▪ Set clear expectations and hold people accountable.

Improve the tools and processes to do the work

- Delegate administrative decision-making to managers in decentralized offices.

- Promote communication and information-sharing.

- Establish and document clear processes and procedures.

- Improve the infrastructure, technology and supports, where possible.

> *"People are wearing too many hats, or are not being managed so procedures are not followed properly."*

> *"Communication is one of the toughest challenges with remote management – we try to cascade, but people on the ground are not necessarily getting the information or using it."*

Build capacity throughout Nunavut

> *"Decentralization and community effectiveness are dependent on strong regional structures to bridge HQ and local interests."*

> *"My vision is of the GN getting smaller by giving more authority and money to the communities."*

- Enable strong regional structures.

- Develop community capacity.

- Give communities more authority.

- Take action to protect Inuit languages.

Many of these ideas for improvement are consistent with the best practices in decentralization that we identified through our literature review, which is summarized in the next section of this report. The practices we identified focus on clarity, capacity and criteria – themes that are also of concern to our respondents. We present our recommendations as consultants in Section 11 of this report. We have considered respondents' ideas in developing our recommendations.

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What Issues Need Immediate Attention?

Overview

The scope of our review did not include detailed analyses of particular programs or decentralized offices. In the course of our work, however, many people reported on issues with two decentralized functions that are not currently delivering programs and services effectively:

- The Department of Environment's Wildlife Management Division in Igloolik; and

- The Department of Economic Development and Transportation's Motor Vehicles Division in Gjoa Haven.

In addition, we met with and observed two decentralized functions that appear to be at risk of decline:

- The Department of Education's Curriculum Services Division in Arviat; and

- The Nunavut Housing Corporation's headquarters functions in Arviat.

The situations of these functions are not unique – they are examples of the challenges faced by GN offices throughout Nunavut. We have selected them because there is some urgency to resolve the identified issues. All four functions have vital roles to play in the territory and a lead role in realizing government commitments.

We have discussed the issues and potential solutions with the executives of the four offices. In this section of the report, we summarize our observations on each situation and propose solutions. The factual information was provided by the departments involved and does not represent our independent analysis or review.

Department of Environment, Wildlife Management Division

The situation as we understand it

In 2003, as part of the third phase of decentralization, the headquarters functions of the Wildlife Management Division were transferred from Iqaluit to Igloolik. In total, 22 full-time positions were decentralized. Most of these are in the research section. Since decentralization, the department has experienced ongoing problems with recruitment and retention of qualified managers and staff. It has been unable to establish and maintain a fully-functional headquarters office in Igloolik.

Based on the data provided by the GN for this review, the status of the division's decentralized positions as of September 30, 2010 was as follows:

- Of the 22 decentralized positions in Igloolik:

    – There were 11 positions filled and nine vacant.

    – One position is now obsolete and another unidentified.

- Of the 11 filled positions:

    – Only three of the positions were filled locally.

    – One position was filled from Rankin Inlet and the remainder from outside Nunavut.

    – Two positions were filled by beneficiaries.

Many of the vacancies in the department's Igloolik office are chronic vacancies. The department reports that:

- The sole ecosystem biologist position has been vacant more than two years, despite four competitions.

- The sole polar bear biologist has been chronically vacant. The division is now using a former GN employee as a contractor, which is expensive and not conducive to building long-term relationships with stakeholder groups in communities.

- The manager of wildlife research position was vacant for almost three years, despite running three competitions. The division has recently attracted a manager from the federal government on a two-year secondment.

- The assistant director and one specialist left earlier in 2011, adding to the vacancies.

The department's analysis

The department estimates that the turnover rate in the Igloolik research section has been more than 75 per cent over the past seven years, since decentralization. Positions remain vacant for long periods of time while the staffing process is undertaken, often without success. Various challenges contribute to the difficulty the department experiences in attracting and retaining qualified managers and staff, including:

- The nature of the work;

- The high cost of living in Igloolik;

- A lack of housing and social amenities in the community;

- The logistical challenges of delivering Nunavut-wide programs from a remote location;

- Inadequate IT infrastructure and support; and

- Inadequate physical infrastructure.

The department recognizes that other decentralized GN offices face similar challenges. However, staffing is perhaps more difficult for the Wildlife Management Division because most of the positions based in Igloolik are in its research section. These positions (wildlife biologists and technicians) are technical in nature and require post-secondary qualifications in biology or environmental science, and in some cases graduate degrees in specialized fields. There is a relatively high demand across Canada for these types of qualifications and the labour supply is relatively small, so it is difficult for the GN to attract and retain qualified staff in competition with other

Canadian and international employers. As a result, the division's research section has turnover and vacancy rates that are significantly higher than the GN averages.

The department also notes that duty travel for staff in the research section is extensive and involves significant costs for airfare and accommodations. Staff time could be used more productively and the costs reduced if positions were relocated. For example:

- Most positions in the research section have a key area of focus. The carnivore biologist's focus is the assessment of grizzly bear populations in the Kitikmeot region. There are no grizzly bears in the vicinity of Igloolik, so much of the biologist's time is spent in travel. The biologist must fly through Iqaluit to conduct research and consultations with stakeholder organizations and must rely on other staff at a distance to make logistical preparations for field work. In the department's view, this position would be better situated in Kugluktuk.

- The ecosystems biologist and the legislation and management biologist do not have core areas of research but must interact with numerous stakeholders and co-management partners and participate in territorial, national, and international meetings. None of those stakeholders or co-management partners are situated in Igloolik, which makes it difficult to establish productive working relationships. In the department's view, these positions would be better situated in Iqaluit.

The department asserts that ongoing capacity issues in the decentralized Wildlife Management Division are severely limiting the GN's ability to fulfill legislated responsibilities under the *Nunavut Wildlife Act* and wildlife-related obligations under the NLCA. The Wildlife Management Division is also constrained in its ability to contribute to timely environment impact assessments, at a time when mining interests are adding to the demands for such assessments.

Our observations

We did not visit Igloolik, but our interviews with staff of decentralized offices included representatives of the Wildlife Management Division in the community, who confirmed the department's assessment of the situation. Morale and motivation are clearly affected by the turnover and vacancy rate in the research section.

Based on the information provided by the department, it is our view that economic development interests and devolution negotiations may be put at risk by the GN's inability to deliver on its wildlife management obligations. In addition, we assume that Igloolik is receiving few benefits from the location of this division in the community, as few local beneficiaries are qualified for the specialized work and there are no economic benefits to be gained from vacant positions.

Approach to developing a solution

It is our view that:

- The Wildlife Management Division's research section should be reviewed position by position, using our proposed criteria to assess where to place each position based on factors such as the nature of the work and where it is performed, duty travel requirements and access to transportation, and GN facilities and community amenities. (See Appendix F for the criteria.)

- The research section should not be centralized in Iqaluit, nor should it be relocated to a different community or regional centre as an intact unit. Some positions could be expected to remain in Igloolik. Some positions might be better situated close to where the work is done. Others might be better situated in a regional centre to attract hires from outside Nunavut with community amenities and improved access to transportation. A few positions might be easier to fill if located in Iqaluit. Care must be taken to select an appropriate location for each position without dispersing the research section across a lot of different communities.

- The high number of vacancies should enable decision-making about more suitable locations, as well as reduce the costs of relocating incumbents. To the extent possible, employees not wishing to move from Igloolik should retain their positions and continue to work from Igloolik with full management support.

We also recommend that a targeted recruitment strategy be developed for selected positions in the Wildlife Management Division that are known to be difficult to fill or where retention is a known issue. The recruitment strategy should include actions to mitigate the factors that make the position difficult to fill (e.g., qualifications or accreditations, geographic location, or compensation). Short-term actions might include on-campus recruitment at selected post-secondary institutions. Medium-term actions might include raising the profile of the GN as an employer of choice through tactics such as sponsored research to be presented in national or international settings by employees. Long-term actions might include identification of high potential Inuit youth with an interest in the biological sciences to be employed first as summer students, then subsidized to acquire the formal qualifications needed for the work.

Department of Economic Development and Transportation, Motor Vehicles Division

The situation as we understand it

The Motor Vehicles Division of the Department of Economic Development and Transportation (EDT) has its headquarters in Gjoa Haven. Staffing there has been stable, with a director, manager, and several staff – all locally hired beneficiaries in positions that are designated decentralized.

In our discussions about decentralization, the Motor Vehicles Division was raised repeatedly as an example of what is not working. We heard many stories about delays in delivering motor vehicle and drivers' licences to Nunavummiut, but no evidence was offered to suggest that the issues were caused by the office's location.

The department's analysis

The department recognizes that the Motor Vehicles Division is experiencing customer service performance issues. In the department's opinion, the location of the office's headquarters in Gjoa Haven is contributing to these operational performance problems. However, much of the delay in issuing licences is a result of the current work process, which relies on the hamlet offices. The new government liaison officers are expected to take over that local role, which should reduce complications and shorten delivery times. The department believes that the existing regional and territorial service delivery staff should remain where they are currently located.

There remains a problem with the program functions of the Motor Vehicles Division, which must contribute actively to two major initiatives that will take several years to complete:

- Development and introduction of a new Highway Safety Act; and

- Acquisition or development of a new database to replace the outdated database that can no longer be supported.

In the department's experience, the Motor Vehicles Division cannot effectively engage in the work of modernizing the statutory framework and the information technology to support it from its location in Gjoa Haven.

This challenge is compounded by the department's widely dispersed Transportation Policy and Planning Division, which has its policy and planning positions in Gjoa Haven, Rankin Inlet, and Iqaluit. The ongoing activities of this division, as well as the regulatory modernization initiatives, require a skilled, fully effective team working in close collaboration. The team requires significant interaction with other headquarters functions that are located in Iqaluit, including legislative counsel.

In the department's view, the people that must contribute to work on legislation, policy, and the new database need to be in Iqaluit for the duration of the projects. Those decentralized positions could be relocated to Iqaluit until the work is done. After the projects are completed, the positions can be located in a community that is an air transportation hub and that has a critical mass of other transportation employees to provide mentorship and mutual support. This would require all transportation policy and planning positions to be brought together in one location. While Iqaluit is the department's preferred location, Rankin Inlet would be an option.

Our observations

We recognize that professional positions in the policy and planning functions of any department require a high level of interaction with colleagues and with managers and senior managers. We strongly prefer an organizational structure that keeps policy work units intact, with an onsite manager.

Approach to developing a solution

It is our view that EDT should examine options for creating the capacity it needs in Iqaluit for its regulatory modernization and information technology initiatives. These options may include, but are not limited to:

- Temporary relocation of positions and incumbents who are willing to move;

- Creation of new project-specific positions in Iqaluit or another community to be filled by term employees with the knowledge and skills to contribute to the initiatives; and/or

- Use of supplementary resources on a casual or contract basis.

Department of Education, Curriculum and School Services Division

The situation as we understand it

The Curriculum and School Services (CSS) Division has a total of approximately 50 positions in 10 offices in six communities, including 17 decentralized positions in Arviat. Overall, the division has a broad scope of responsibilities, including:

- Original cultural research with elders;

- Curriculum development, including design and production of teaching materials and learning resources;

- Student assessment;

- Program monitoring and evaluation;

- Early childhood program and materials development;

- Educator development;

- Student records; and

- Teacher certification.

The Arviat office is primarily responsible for cultural research and curriculum development.

Based on the data provided by the GN for this review, the status of the division's decentralized positions as of September 30, 2010 was as follows:

- Of the 17 decentralized CSS positions located in Arviat, there were 10 positions filled and seven vacant.

- Of the 10 filled positions:

  – Eight positions were filled locally in Arviat and two were hired and moved from other communities in Nunavut.

  – Nine positions were filled by beneficiaries.

The manager of curriculum position has been vacant for three years, following the retirement of the previous incumbent. CSS has made repeated efforts to staff this position:

- The first competition took approximately eight months to complete. There were few applicants and no successful candidates who screened in for interviews.

- Following a second competition, the department conducted one interview and made an offer to the candidate, who declined because of the high cost of living in Arviat.

- Staffing was affected from 2008-2010 due to reorganization and growth of the division, changes to personnel in the HR department, and a territorial government election.

- During the 2009-2010 fiscal year, there was no staff housing available in Arviat, so the position could not be advertised.

- When the third competition was held in 2010-2011, no candidates screened in.

- The division is currently waiting for confirmation of staff housing in order to launch a fourth competition.

The division has been rotating staff through acting assignments to provide administrative support for project work. Morale and motivation suffer from a lack of permanent, onsite management to assign work, coach staff, and ensure the quality of work products.

The department's analysis

Made-in-Nunavut curriculum, based on Inuit culture and Inuit language, has been a government priority since 1999. The new *Education Act* requires it, and along with the *Inuit Language Protection Act*, directs the department to produce bilingual graduates. The department reports that it is proceeding to meet these mandates in the short term with current staff and with the assistance of experienced educators working on contract.

Greater administrative flexibility and alternative approaches are needed to address technology, housing, recruitment, and staffing challenges in the Curriculum and School Services Division in Arviat, as well as other departments. Issues include:

- Similar to other departments, CSS positions require experienced Inuit and northern educators with specialized skills who often do not want to leave their home community. Incentives may be needed to encourage relocation.

- Recruitment of staff in decentralized communities should be coordinated across departments in each community to ensure both spouses have work. If preferred, one spouse should be supported to work remotely.

- Private housing is limited for purchase in Arviat and other smaller communities. Staff housing is limited in quantity, quality, and size for different family arrangements. Management of staff housing needs to be coordinated across Nunavut to ensure it is well maintained and clean. Single employees should pay the single bedroom rate when they are over-accommodated because of lack of smaller units. Education staff should not be required to share housing, when other departments do not.

- Bandwidth needs to be increased. Software solutions that are now widely available elsewhere need to be allowed on the GN system to enable and support communications and project work across communities.

- Management, security, cleanliness, and size of office space are also factors in staff morale.

It is the department's view that greater administrative flexibility and improved HR processes and practices are needed to address its recruitment and staffing challenges:

- The GN should allow flexibility for departments to hire qualified candidates to work wherever the individuals are located within Nunavut.

- The GN should review job evaluation processes to ensure that specialized positions offer competitive salaries similar to those in other parts of Canada in order to attract qualified candidates.

- The time and effort to staff vacant positions need to be reduced through speedier processes to confirm the availability of staff housing and through consistent, streamlined recruitment processes in the HR Department.

- Curriculum and School Services should be supported to staff positions through a combination of permanent Nunavut Employees Union positions and term secondments of teachers in Nunavut Teachers' Association positions, as well as with contracts when necessary.

Approach to developing a solution

This is but one example of a story that we heard repeatedly during our interviews and meetings about decentralization.

It is our view that:

- The issue of the vacant manager position must be addressed to strengthen the capacity and effectiveness of the Arviat Curriculum and School Services office.

- If a qualified candidate can be identified anywhere in Nunavut through competition or any other means, we suggest that the individual be hired to manage the group remotely from his or her current location with the full support of the division.

- Attention to the issues identified by the department should assist with achieving a successful staffing action for this position and for others in the division that are vacant.

Nunavut Housing Corporation, Arviat Office

The situation as we understand it

The Nunavut Housing Corporation (NHC) maintains decentralized headquarters functions in Arviat and Cape Dorset. When we visited the Arviat offices of NHC, we found a group with strong commitment, declining numbers, and declining morale. The group was clearly concerned about the potential for centralizing NHC in the capital, following a decision in 2010 to move NHC's finance functions to the Directorate office in Iqaluit.

Based on the data provided by the GN for this review, the status of the decentralized positions in NHC's Arviat office as of September 30, 2010 was as follows:

- Of the 18 decentralized positions in Arviat:

    – There were seven positions filled and four vacant.

    – Seven positions were unidentified.

- Of the seven filled positions:

    – All positions were filled locally in Arviat.

    – Four positions were filled by beneficiaries.

- The seven vacant, unidentified positions are the result of a 2010 decision to move NHC's finance functions to the Directorate office in Iqaluit. No replacement positions were identified in the decision process.

The agency's analysis

NHC remains committed to its decentralized headquarters functions. The finance positions were centralized in Iqaluit to improve financial management controls in the agency by ensuring that executive and senior management have access to timely and accurate financial data and analysis. The lack of bandwidth in Arviat and the lack of a shared file server resulted in inefficient file-sharing and communications between the Arviat and Iqaluit offices, which were key factors in the decision.

NHC recognizes the concerns of staff in Arviat and understands the need for a critical mass of positions in each of its offices. A vacancy in the Arviat office has recently been filled.

Approach to developing a solution

The agency is currently undertaking a structural review to develop an operating model for the future. In our view, the structural review provides an ideal opportunity to assess the structure and staffing of the Arviat office with the aim of strengthening its capacity and presence. Our proposed criteria may be helpful in assessing where to place each position based on factors such as the nature of the work and where it is performed, duty travel requirements and access to transportation, and GN infrastructure and community amenities. (See Appendix F for the criteria.)

9

What Can We Learn From Other Jurisdictions?

Introduction to a Literature Review

Decentralization is the process of transferring certain responsibilities from the central government to local governments or authorities. While jurisdictions have and continue to pursue decentralization for a variety of reasons, the essence of decentralization is changing the balance of power by moving authority away from the centre. Decentralization policies are typically politically motivated.[40] The literature on decentralization shows that motivation for decentralization may include, but is not limited to promoting:

- Autonomy;

- Efficiency (e.g., improved service delivery);

- Effectiveness (e.g., greater responsiveness to local needs);

- Participation at the local level (e.g., greater citizen involvement in decision-making); and/or

- Economic development.

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[40] The World Bank, "Decentralization" http://www1.worldbank.org/publicsector/decentralization/what.htm

Many developed and developing jurisdictions around the world have opted for a decentralized governance model, as the notion of dispersing power has broad appeal. Yet, while decentralization is quite common, the concept itself has multiple meanings and applications. According to the World Bank, "Decentralization…is a complex multifaceted concept. Different types of decentralization should be distinguished because they have different characteristics, policy implications, and conditions for success."[41]

Our literature review, which is provided in full in Appendix C, begins with an overview of the main types of decentralization to highlight the approach that Nunavut has taken, before proceeding into case studies and best practices to illuminate opportunities for growth and improvement.

Terminology and Assumptions

The literature on decentralized models of government distinguishes between three types of decentralization: political, fiscal, and administrative. Administrative decentralization is the process of transferring administrative authority from the central government to local governments or authorities. Fundamentally, administrative decentralization changes how the government operates, as Nunavut has done in its efforts towards a decentralized model of government.

Three forms of administrative decentralization are described in the literature: deconcentration, delegation and devolution.

- **Deconcentration** is the process of moving administrative authority away from the centre by locating central government functions outside the capital region (e.g., locating positions with headquarters responsibilities in a community rather than Iqaluit).

- **Delegation** is the process of transferring administrative authority away from the centre by empowering local governments or authorities to perform functions that were previously handled by the central government, while they remain under the purview of the central government (e.g., transferring responsibilities from a provincial or territorial government to the municipal level).

- **Devolution** is the process of transferring administrative authority away from the centre by empowering local governments or authorities to perform functions that were previously handled by the central government, without requiring that they report back to the central government (e.g., transferring federal administration and control over lands and resources to a province or territory).

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[41] The World Bank, "Decentralization" http://www1.worldbank.org/publicsector/decentralization/what.htm

Based on these definitions, it is clear that Nunavut has pursued a policy of deconcentration. The geographic dispersal of headquarters functions was not intended to lessen the authority of the central government. Rather, it was intended to bring the central government closer to the people. Any movement towards devolution would entail a significant change in the balance of power. This would have implications for the central government, as well as local authorities. In effect, the central government would be expanding the role of the local authorities by delegating or devolving responsibilities that it currently performs. Nunavut has not sought to devolve responsibilities to the municipalities, therefore, we can conclude that Nunavut is pursuing deconcentration.

Case Studies

Nunavut's approach to decentralization is characterized by a commitment to administrative decentralization in the form of deconcentration. With this understanding, we have a perspective from which to consider the decentralization policies of other jurisdictions.

As earlier noted, decentralization is a widespread political phenomenon, so there is no shortage of examples to draw upon. Yet, every jurisdiction is different and decentralization policies are tailored to suit local circumstances. We have selected three jurisdictions that are worthy of comparison because they have similar characteristics or concerns to Nunavut: Ontario, Bolivia, and Greenland:

- In **Ontario**, decentralization was viewed as a means to achieve regional economic development. As in Nunavut, the geographic dispersal of government headquarters functions was not intended to diminish the authority of the central government. Rather, it was intended to "bring the government closer, in a very tangible way, to the people it represents,"[42] and allow for a more equitable distribution of government head office jobs throughout the province. We can therefore consider Ontario to be exercising a form of administrative decentralization, just like Nunavut.

- The **Bolivia** case study demonstrates that outreach and capacity-building are critical and that political institutions must be made relevant to citizens. It is clear that the Bolivian government has transferred administrative authority away from the centre by empowering municipal governments to perform functions that were previously handled by the central government. Yet, while the municipal governments have gained autonomy, they are still accountable to the central government. We therefore conclude that Bolivia has delegated, but not devolved, responsibilities to the municipalities.

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[42] Ontario Hansard, "Members' Statements" http://hansardindex.ontla.on.ca/hansardeissue/34-2/l053_90.htm

- The **Greenland** case study shows that administrative decentralization can alter the balance of power within a jurisdiction. The Greenland government has transferred administrative authority away from the centre by empowering the municipalities to perform functions that were previously handled by the central government. Furthermore, the municipalities have been granted the creative license to perform their responsibilities in an autonomous manner while the central government has retained its supervisory role. Therefore, we conclude that Greenland has delegated, but not devolved, responsibilities to the municipalities.

Best Practices in Decentralization

Through our review of the literature on decentralization, we have identified some guiding principles around administrative decentralization that may be relevant to Nunavut. We have classified these guiding principles according to three overarching themes: clarity, capacity, and criteria.

Of these, the most important is probably establishing criteria to determine which communities are suitable for receiving decentralized functions. As Donald Savoie, a professor of public administration notes:

> "One of the most difficult considerations to resolve in planning government decentralization is to select a receiving community. Such a decision will invariably give rise to an explosive political debate… As a result, one should select communities with as much objectivity as possible and have in hand solid data to support the selection."[43]

Clarity
- **Establish clarity around:**
  - **Objectives,**
  - **The division of powers,**
  - **Knowledge transfer, and**
  - **Reporting relationships.**
- **Ensure that a reliable communications infrastructure is in place.**

Capacity
- **Ensure that capacity is sufficient at the local level and the central level.**

Criteria
- **Establish criteria to determine which communities are suitable for receiving decentralized functions.**

The full literature review, including detailed case studies, is provided in Appendix C.

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[43] Donald J. Savoie, "Government decentralization: a review of some management considerations" (1985, p.445).

10

What Can the GN Do To Improve Decentralization?

Looking Back

A Sustained Commitment

Footprints in New Snow and Footprints 2 articulated a compelling vision for Nunavut and its government. The goals set out in those two documents have shaped the expectations of Nunavummiut and challenged politicians and public servants to deliver on ambitious commitments. The guiding principles underlying the decentralized model of government have been a reference point for key decisions over the past 15 years.

The strength of the vision may have diminished over time and with the practical challenges of establishing a new government in a vast territory with limited infrastructure, capacity, and capability for execution. However, the commitment to decentralization has been sustained, despite the recognized barriers, since long before the creation of the territory. Nunavut's government, in three successive mandates, has recognized that decentralization is fundamental to achieving a representative public service and Article 23 commitments to Inuit employment.

In our view, the question today is not *whether* to pursue decentralization, but *how* to pursue decentralization so that the potential benefits are realized.

Looking Ahead

A Forward-looking Strategy

In setting the action plan for the government's Third Legislative Assembly, Tamapta[44] recognizes the accomplishments of Nunavut's first decade and identifies priorities for the next 20 years, including continued commitment to decentralization and a more effective public service.

Decentralized functions that have headquarters or territorial responsibilities may experience some distinct challenges. However, many of the issues that were reported are shared by the GN's regional and community-based offices, as Qanukkanniq made clear.

Our recommendations – and those of the participants in this review – have the potential to assist Nunavut to achieve its goals for a more effective public service as well as to improve how decentralized functions work.

To achieve the necessary improvements, a forward-looking strategy for Nunavut must embrace a forward-looking model of decentralization, rather than one that is based on an historically significant, but now dated, structure.

> **"Guided by Inuit values and culture, by the year 2030:**
> - **Nunavummiut will continue to have a highly valued quality of life and a much better standard of living for those most in need.**
> - **Individuals and families will all be active, healthy and happy.**
> - **Communities will be self-reliant, based on Inuit societal values, with reduced dependence on government.**
> - **Nunavut will be recognized for our unique culture, our ability to help one another, and for our useful contributions to Canadian and global issues." [45]**

A Response to Urgent and Changing Needs

The GN's decentralized functions are facing new demands and new opportunities:

- Tamapta recognizes the urgent social, health, economic, and infrastructure needs of Nunavummiut. A variety of strategies have been developed or are in preparation to address these challenges, including an adult learning strategy; a crime prevention strategy; a suicide prevention strategy; a public health strategy; a long-term housing strategy; a poverty reduction strategy; Uqausivut, a

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[44] Government of Nunavut, *Tamapta: Building Our Future Together 2009-2013* (2009).

[45] *Tamapta: Building Our Future Together 2009-2013* (2009, p.3).

comprehensive plan to promote and protect the Inuit language; Sanaugait, the economic development strategy for the arts; Parnautit, the strategy for mineral exploration and mining; and Ingirrasiliqta, the strategy for transportation.

- In some departments and agencies, decentralized functions will have a role in implementing these strategies through contributions to policy and program development, through delivery of programs and services, and through changes to their own processes and procedures.

- The need to adjust programs and structures to meet the changing needs of Nunavummiut is driving a structural review of the GN, which is underway at the same time as this functional review of decentralization. This has the potential to affect decentralized offices in some departments, and may create opportunities to consider options for greater effectiveness.

Internal strategies recognize the challenges that the public service is facing. Decentralized functions will benefit from these efforts. Implementation of the new Inuit language laws will promote Inuit societal values in the workplace, as well as enable Inuit employment in communities. A human resources strategy will help to address the GN's capacity and capability gaps, including those experienced by decentralized offices. A plan for learning and development, including improved financial management competencies, will contribute to more effective performance – as long as community-based staff are included in learning activities.

There is great urgency to address gaps in the GN's capacity and capability, wherever they are manifest. A series of critical reports from the federal Auditor General points out failings in financial management and human resources management, as well as issues of accountability in the delivery of programs and services by GN departments and agencies.

Even as a young territory, Nunavut's reputation has suffered as a result of these reports. The identified issues of capacity, capability, and management control must be addressed, particularly as Nunavut is now engaged in the early stages of devolution negotiations – discussions with the federal government to achieve the transfer of greater powers in support of political and economic self-determination.

> *"If devolution negotiations are to be successful, the most significant challenge will be to ensure that the GN has the human resources it needs in order to be fully ready and capable to honour its devolved responsibilities on the devolution effective date. Bluntly said, if this issue cannot be satisfactorily dealt with, then the right conditions will not be in place to transfer federal responsibilities."* [46]

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[46] Paul Mayer, *Mayer Report on Nunavut Devolution* (2007, p.24).

The potential benefits of the GN's decentralized model will be realized only if the public service is strengthened. Improving the effectiveness of the public service and its community-based employees cannot be achieved by focusing on the locations and numbers of a subset of 459 positions, but must emphasize capacity-building and capability-building in the GN as a whole.

An Optimistic Outlook

There is no shortage of strategies and plans on the GN's shelves. Many actions have been taken or are currently underway to address the issues and opportunities identified in the various evaluations, reports of the federal Auditor General, and Qanukkanniq. However, the capacity and capability of Nunavut's young government continue to get in the way of building momentum and sustaining effective corrective action. Signs of progress are evident, but leaders and staff of decentralized functions continue to report the same types of issues as were identified in 2002, 2007, and 2009. Under-staffing due to chronic vacancies, turnover, and inexperienced management make it particularly difficult to address the continuing concerns identified in this review.

Despite these challenges, the vision of Nunavut remains alive and real for many GN employees in the communities that we visited. They demonstrate resilience and express hope for improvement in the working environment.

Maintaining and promoting an optimistic outlook through visible, practical action is vital to achieving the goal of a stronger, more effective public service.

Moving Forward with Decentralization

It is our firm belief that the Government of Nunavut should maintain and strengthen its commitment to situating the work of the public service where Nunavummiut live, throughout Nunavut.

61 per cent of the GN's positions (2,390 out of a total of 3,909 positions) are located outside its capital, including the 459 that are designated decentralized. By definition, the GN is currently operating under a model of administrative decentralization in the form of deconcentration, with the majority of its positions decentralized.

> *"… the federal government and Canadians are accepting that the North is more than a frontier; it is a homeland for the people who live there."* [47]

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[47] Canada. Report of the Auditor General of Canada, *Chapter 8: Indian and Northern Affairs Canada – Transferring Federal Responsibilities to the North* (2003, p.6).

Decentralization as it is currently understood is backward-looking – it represents a view of government that was defined more than 15 years ago. Establishing a forward-looking view will require a shift in policy and perspective.

The goal of a forward-looking model should be to locate a majority of Government of Nunavut functions and positions outside the capital in order to:

- Enhance employment, training, and career development opportunities for local residents;

- Strengthen and diversify local economies; and

- Improve the relationship between Nunavummiut and their government.

In the next section of this report, we recommend a set of practical actions to enable this model of government.

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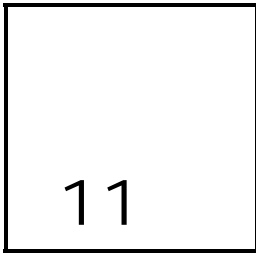
Recommendations

Move Forward with Decentralization

Making Changes in Decentralization Policy and Governance

We recommend that the Government of Nunavut maintain a decentralized public service and take pride in its presence in all 25 communities.

The GN can strengthen the decentralized model of government by making the following changes in decentralization policy and governance:

Recommendations	Key Actions
1. Express the achievement of a decentralized Government of Nunavut in positive terms.	▪ Acknowledge the historic importance of the 459 designated positions. ▪ Describe a model of government that places a majority of all GN positions outside Iqaluit to provide advice to decision-makers in the capital, to develop programs that meet the needs of Nunavummiut, and to deliver services locally.

Recommendations	Key Actions
2. **Establish a more accurate and realistic count of government positions to help manage expectations about local access to GN jobs and services.**	▪ Eliminate vacant positions throughout the GN that are undefined, unfunded, or obsolete. ▪ Aim to situate at least 60 per cent of all public service jobs outside Iqaluit. ▪ Identify a baseline number of government positions that can reasonably be expected to be filled and maintained in each community over the next 3-5 years (not just "designated" communities), without designating a subset as "decentralized." ▪ Discontinue the practice of monitoring and reporting on the 459 positions as a subset of a much larger decentralized public service. Instead, report on all public service jobs outside Iqaluit.
3. **Ensure all GN functions are structured, staffed and/or located in the best way to deliver programs and services.**	▪ Establish and apply criteria for assessing where to locate positions when addressing at-risk decentralized offices and in future decisions about the placement of positions with headquarters or territorial responsibilities (see Appendix F for proposed criteria). ▪ In making decisions about where to locate positions, aim for a better fit between positions and community strengths, characteristics, and labour market.
4. **Ensure that decision-makers have strategic advice, analysis, and accurate information to support decisions about people and positions.**	▪ Establish a single point of central accountability for accurate data on the GN's positions and people, to generate timely and accurate reports including periodic reports on GN size and structure, Inuit Employment Plan reports, and annual Public Service Reports without repeated requests to departments and agencies. ▪ Update the GN human resources (HR) strategy annually to ensure alignment with government priorities. ▪ Report annually on progress towards achievement of specific HR strategy goals.

Continue to Take Action to Strengthen the Public Service

Focus on building the capacity and capability of the public service as a whole, wherever the jobs are located, by:

- Strengthening the decentralized model;

- Improving structures and supports for a decentralized public service;

- Enabling decision-making and influence;

- Promoting Inuit employment;

- Practising Inuit societal values; and

- Building capacity and capability to deliver programs and services more effectively.

Strengthening the Decentralized Model

Recommendations	Key Actions
5. Articulate a forward-looking vision and plan for a fully-effective public service, including GN functions and resources located outside of Iqaluit (public service improvement plan.	- Start to change the language to help shift perceptions of the GN (e.g., refer to "our decentralized government" rather than decentralized offices or positions; refer to "public service jobs" rather than government jobs). - Engage GN employees in regional and community-based offices in implementing the plan.
6. Establish a local managers' network in each community to encourage interdepartmental collaboration and to provide peer support for manager orientation and development.	- Assign an assistant deputy minister to be the champion for the managers' networks, to develop the local sponsors, assist in solving problems, and monitor progress. - Identify a director-level sponsor to provide local leadership for the managers' network, including convening meetings 4-6 times per year.

Recommendations	Key Actions
(See draft Terms of Reference for the managers' network in Appendix G).	▪ Involve the local government liaison officer in coordinating the activities of the managers' network. ▪ Through the Deputy Ministers' Building Capacity Committee, hold the managers' network champion and sponsors accountable for setting annual goals and reporting on activities and progress. ▪ Test and refine the concept in two or three pilot sites during 2011-2012, then set up managers' networks in additional communities over the next two years.
7. Improve the visibility and transparency of GN activities in communities to help connect Nunavummiut to their public service.	▪ Conduct a tour of communities to communicate the vision and plan for a public service with an improved structure to meet the needs of Nunavummiut today and in the future, with representatives including senior public servants, local GN staff, and possibly the local MLA. ▪ Help people to understand what GN does in each community, locally and for the territory (e.g., through community tours; an annual open house at the GN offices; posters showing "a day in the life" of a GN worker; participation in The Learning Partnership's annual Take Our Kids to Work program for Grade 9 students; GN office visits from K-12 students, Nunavut Arctic College students, and adult learners to develop awareness of the government work that is done locally). ▪ Engage municipalities in implementing parts of the plan (e.g., promoting work in the public service; helping to connect new GN employees to the community).

Improving Structures and Supports for a Decentralized Public Service

Recommendations	Key Actions
8. Enable strategic leadership.	▪ Create executive capacity by providing deputy ministers with executive assistants (these positions could be filled through transfer assignment to develop individuals with management potential) and by providing senior managers with access to secretarial support. ▪ Hold an annual GN-wide leadership forum for assistant deputy ministers and directors with regional and community-based offices to exchange best practices, identify potential solutions to common problems, and learn from others with experience (e.g., themes might include managing remotely, coaching and mentoring, integration of new hires from outside Nunavut).
9. Focus on filling the gaps in middle management capacity.	▪ Wherever possible, design community-based functions as intact work units with an on-site manager, rather than isolated positions with remote management. ▪ Place a priority on staffing management positions that have been vacant for a long time, even if it means locating the position in a regional centre or Iqaluit to provide remote management to staff in communities.
10. Increase flexibility in HR rules and processes in order to staff positions more efficiently and encourage local hiring.	▪ Consider options for job design to reduce the requirements for formal qualifications, where possible, or to create more flexible work arrangements (e.g., job sharing, permanent part-time work, home-based employment). ▪ Streamline job evaluation and recruitment processes to speed the staffing process. ▪ Take more risks in hiring; invest resources in the development of people rather than the administration of processes.

Recommendations	Key Actions
11. Promote and encourage an optimistic outlook.	▪ Encourage managers to explain their decision-making processes to staff. ▪ As part of the public service improvement plan, provide GN employees with a view of any local infrastructure improvements planned over the next several years to improve their working conditions and tools (e.g., plans for implementing the GN ICT strategic plan, information system improvements, technology upgrades, scheduled office improvements).
12. As bandwidth and connectivity are improved, provide employees with tools to enable inter-office connection.	▪ Provide access to video-conferencing or net-meeting software to enable more direct contact with colleagues and managers at a distance. ▪ Provide document management solutions and related training to reduce dependence on email attachments.

Enabling Decision-making and Influence

Recommendations	Key Actions
13. Help GN employees to understand how their work fits in with the entire business of government, and how it contributes to the present and future of Nunavut.	▪ Ensure that new hires are oriented to the work and structures of government, as well as to their jobs. ▪ Orient those promoted into management or leadership roles to their new position in the overall GN context, as well as in a program or departmental context. ▪ Develop outcome-based work plans at departmental and divisional levels, driven by the strategic priorities outlined in the department's annual business plan.

Recommendations	Key Actions
14. At the executive level, determine within each department and agency the individuals who need to be involved in policy and program decisions and the process for engaging them in decision-making and implementation.	▪ Identify who needs to be an active contributor to policy and program decisions. ▪ Identify who needs to be consulted prior to implementing decisions. ▪ Identify who needs to be informed of decisions and the implementation plan. ▪ Develop and communicate a process for consultation and information-sharing within the department or agency.
15. At the executive level, determine within each department and agency what operational and administrative decisions can be delegated to directors or managers, within the GN's guidelines.	▪ Recognize that even small administrative decision-making powers will improve the situation in community-based offices. ▪ Provide simple checklists to improve the practice of strategic, longer-term thinking and the development of business cases (see sample checklist in Appendix H). ▪ Ask managers to demonstrate that they have considered options and pros and cons before taking a decision or making a recommendation. ▪ Encourage managers to take appropriate risks by providing opportunities for "no fault" decision-making, followed by constructive feedback from more senior management. ▪ Debrief on the results of decisions to improve judgment over time.
16. Involve regional and community-based offices in user needs assessment and pilot testing to ensure that new information systems or technology upgrades are usable outside Iqaluit.	

Promoting Inuit Employment

Recommendations	Key Actions
17. Ensure that the GN human resources (HR) strategy (as called for in Tamapta) is well-aligned with Nunavut's annual plan for its labour market agreements (LMA) with the federal government,[48] which sets out a structured approach to developing the territory's labour force.	▪ In the HR strategy, identify the current and anticipated demand for qualified workers in the GN to influence supply-side initiatives associated with the labour market agreements and to promote the development of a pool of qualified and interested candidates for work in the public service.
18. Include in the GN HR strategy and its implementation plan a comprehensive analysis of the potential for Inuit employment in various employment categories, along with departmental plans for developing an Inuk successor or Inuit candidate pool.	▪ Provide an analysis of positions in the employment categories where Inuit are least represented (middle management, professional and paraprofessional) to determine which specific positions are most and least likely to be accessible to a beneficiary, based on the existing labour pool within and outside the GN. ▪ Identify priority positions for which an Inuk successor or a pool of Inuit candidates could be developed over time, with education and training supports (e.g., ready within three years, ready within five years, ready within 10 years). ▪ Establish a mechanism for holding departments and agencies accountable for implementing plans to develop an Inuk successor or Inuit candidate pool for priority positions or occupational groups. ▪ Provide tools and supports for departments to use in implementing plans to develop an Inuk successor or Inuit candidate pool (e.g., design a more structured mentorship program; provide more support for departments to use the internship program).

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[48] Government of Nunavut, "Nunavut STFF-LMA-LMDA 2010-11 Annual Plan" (2010)

Recommendations	Key Actions
19. Include a targeted recruitment strategy for difficult-to-fill positions in the GN HR strategy and its implementation plan.	▪ Identify specific positions that are known to be difficult to fill or where retention is a known issue, and prioritize on the basis of risk to a department, agency or the GN as a whole. ▪ Develop a targeted recruitment strategy for each priority position, including short, medium and long-term actions to mitigate the factors that make the position difficult to fill (e.g., qualifications or accreditations, geographic location, compensation).
20. Develop an internship program to target entry-level professional and paraprofessional positions with limited pools of qualified candidates.	▪ Design an entry-level internship program with rotational assignments and group learning activities to enable interns to develop quickly from the junior level towards a more senior level. ▪ Hire small groups of interns annually for 6-month rotational assignments in different departments over an 18-24 month period (e.g., policy analysts, financial analysts, human resource advisers).
21. Develop an employment marketing campaign that targets potential candidates differentially.	▪ Promote the opportunity to grow and develop on the job to beneficiaries. ▪ Promote the outdoor lifestyle of the North to candidates from outside Nunavut who are building a career. ▪ Promote unique challenge and opportunity to specialists from outside Nunavut. ▪ Promote the "leave a legacy" opportunity to help build Nunavut, as a way to attract seasoned professionals from outside the territory.

Practising Inuit Societal Values (ISV)

Recommendations	Key Actions
22. Assess whether candidates will fit with the GN and the community when hiring from outside Nunavut, particularly for management positions.	▪ Use interview protocol to assess candidate fit in all competitions with candidates from outside Nunavut. ▪ Add psychometric assessment (standard questionnaires to assess personal style, motivation and competencies in areas such as leadership or conflict resolution) for preferred management candidates. ▪ Develop short videos, with the involvement of communities, to promote communities and provide a realistic view of community life and amenities for job candidates.
23. Encourage and support social integration of new hires into the workplace and the community through a variety of mechanisms.	▪ Include social integration of new hires in the activities of the local managers' network and the government liaison officer. ▪ Ensure that a GN representative welcomes the new hire on arrival in the community and accompanies the individual to their housing, with the necessary information about who to contact if there are problems. ▪ Provide a mandatory group orientation to be completed within the first 30 days by teleconference or video-conference, if in-person is not practical. ▪ Develop a "first 100 day plan" with the input of the supervising manager to identify who the new hire needs to get to know in the GN and the community, and what orientation needs to be completed. ▪ Match the new hire with a peer coach or "buddy" to help with entry into the workplace and the community over the first several months.

Recommendations	Key Actions
	▪ Establish an inter-department, cross-geography support group for new hires, using available social media or teleconferencing, to connect new hires over their first six months.
	▪ Provide an Inuit language tutor from the community for informal learning and practice.
24. Develop leaders who can engage others in dialogue about common goals and culturally-appropriate ways of getting there.	▪ Help non-Inuit to understand the framework of culture and societal values that they bring to the GN, and how it differs from ISV.
	▪ Offer specific examples of behaviours that would validate and reinforce ISV.
	▪ Provide timely, specific feedback on observed behaviours that are either consistent with or inconsistent with the practice of ISV in the workplace.

Building Capacity and Capability to Deliver Programs and Services More Effectively

Recommendations	Key Actions
25. Demonstrate leadership commitment to all GN staff, wherever they are located.	▪ Expect that deputy ministers and assistant deputy ministers will visit community-based offices over the course of each year.
	▪ Place more directors in regional or community offices over time, using turnover and departures to move vacant positions rather than transferring incumbents.
	▪ Invest in annual face-to-face meetings with management teams, not always in Iqaluit.

Recommendations	Key Actions
26. Create the management capacity to manage people and work.	▪ Address capacity issues through focused and sustained attention to recruitment and retention of valued employees. ▪ Make it a priority to address deficiencies in management due to vacancies or skills gaps. ▪ Develop managers to be effective situational leaders, coaches, communicators, and role models, then hold them accountable for these activities.
27. Build staff capacity and capability to deliver services effectively.	▪ Involve managers' networks in identifying general learning needs and developing a prioritized, interdepartmental local learning plan with the HR Department. ▪ Ensure that professionals and paraprofessionals are connected to a functional community in their department, division, or across departments to promote consistency and to develop specialist expertise (e.g., financial professionals should be linked to other financial professionals across the GN). ▪ Build skills and relationships by including GN staff in special projects that cross geographies and cross departments. ▪ Situate positions where they can be filled. ▪ Situate positions that involve regular travel in transportation hubs to reduce costs, travel time and stress on the travelling employee – all of which detracts from service delivery.

Address the Issues in At-Risk Decentralized Functions

Recommendations	Key Actions
28. Address the issues related to two decentralized functions that are not currently delivering programs and services effectively.	We recommend that: ▪ With the assistance of the HR Department, the Department of the Environment Wildlife Management Division should review the vacant positions in its office in Igloolik, using the criteria proposed in this report for assessing where to locate positions. The department should then develop a proposal to relocate each position to another community, to a regional centre, or to Iqaluit so that positions vital to the government's interests can be filled. ▪ The Department of Economic Development and Transportation should examine options and develop a proposal to temporarily relocate key policy, program and planning resources from its decentralized offices to Iqaluit, to enable the modernization of the statutory framework and related information technology. The department should include in its proposal a plan to return the positions to a regional or community-based office at the conclusion of the work.
29. Rebuild the capacity of two decentralized functions that are currently at risk of decline.	We recommend that: ▪ The Department of Education be given the flexibility to situate the manager of its Curriculum and School Services Division wherever a qualified candidate can be found, with the aim of strengthening the capacity and effectiveness of the CSS office in Arviat. ▪ As part of the structural review that is currently underway at Nunavut Housing Corporation, NHC assess the structure and staffing of the headquarters functions in Arviat with the aim of filling vacancies and strengthening its presence.

<div style="border:1px solid black; display:inline-block; padding:2em;">Appendix A</div>
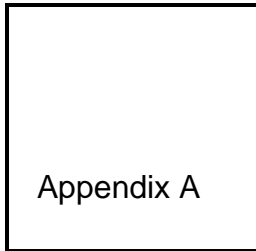
Terms of Reference for the Review

Purpose and Objectives of the Review

Purpose

The Government of Nunavut, in their third mandate, has reaffirmed their commitment to the goals of decentralization and announced intentions to conduct an independent functional review of the decentralized model of government as part of efforts to strengthen the public service. The purpose of the functional review is to identify strengths and weaknesses of decentralized offices as well as opportunities for realizing the initial intent of decentralization in Nunavut.

This work will be conducted by an external consultant under contract to the Department of Executive and Intergovernmental Affairs (EIA). The results of the review will be presented in a final written report.

Objectives

The review will identify opportunities for improvements to decentralization, which will ultimately lead to the establishment of more efficient and effective structures and supports in the government, for the benefit of Nunavummiut. The review will consider strengths and weaknesses of decentralized offices, with a view to improving conditions such as vacancy rates, and current supports for existing staff and offices. In addition, the review will consider the growth of the public service in both decentralized and non-decentralized communities since decentralized occurred.

The review will be conducted with the purpose of identifying opportunities towards realizing the initial intent of decentralization, which was to:

- Improve access to programs and services by bringing government closer to the people;

- Ensure program, financial, and personnel authority and accountability are delegated to managers and officers at the regional and community level;

- Enhance employment and training opportunities for local residents;

- Promote capacity building in the communities; and

- Strengthen and diversify local economies.

Scope and Timing

Scope of the Review

The consultant will provide an impartial assessment of the effectiveness of the current decentralization model of the Government of Nunavut. The primary objective of the review is to assess decentralization with a view towards making improvements and recommending solutions to unsolved problems. It will:

- Determine which aspects of decentralization have been successful (and why), and which aspects have been less successful (and why);

- Determine whether decentralization is having the desired impacts; and,

- Determine what lessons can be learned from the years since decentralization occurred.

A key component of the consultant's work will be the gathering and evaluating of quantitative and qualitative data as set out below:

Quantitative Data

The review will involve an analysis of the number of government positions in Nunavut in 1999, the number of positions since completion of the decentralization initiative in 2004, as well as the current number of positions in the GN. This data will differentiate between decentralized and non-decentralized positions.

The review will identify the functions and levels of authority of decentralized offices. It will also consider departmental reorganizations that have taken place since completion of the decentralization initiative. It will provide an up-to-date status on decentralized positions.

The data regarding the status of positions will identify decentralized positions, by employing entity and community. Regarding current status of positions, the following data, in addition to any other data requested, will be provided (as of September 30, 2010):

- The number of decentralized positions that were filled and vacant;

- Of those filled, how many were filled on an indeterminate, term, casual, or contract basis;

- Of those filled, how many are filled by beneficiaries and non-beneficiaries;

- Of those filled, how many were filled with persons who were living in the decentralized community and how many were filled with persons relocating from Iqaluit, Rankin Inlet, Cambridge Bay, and southern Canada; and

- Of those vacant, how many were vacant for the past year, two years, and four years.

The review will also provide an update of how much the government has spent on the decentralization initiative. The data will include the total cost to the government for the decentralization, including, but not limited to the following expenditures: relocation and removal costs for employees; settlements and other compensation for employees declining offers of employment for decentralized positions; advertising and recruitment; and infrastructure, office renovations and other capital expenditures, including all costs associated with the construction, provision, and furnishing of staff housing in decentralized communities.

The Department of Human Resources, the Department of Finance, and the Department of Executive and Intergovernmental Affairs will provide this data to the consultant.

Qualitative Data

The consultant will have access to feedback generated by the *Qanukkanniq* Report Card exercise, including primary information on the public's and GN employees' perceptions of decentralization.

It is expected that the consultant will contact representatives of the departments/agencies and their decentralized offices for individual interviews and groups meetings. Site visits to four communities will be included, with the expectation that the consultant will meet with local managers, staff and mayors. The range of subjects that would be discussed could include, but not be limited to:

- Identification of specific challenges and issues facing decentralized offices;

- Discussion of barriers in specific areas such as training, orientation, travel, recruitment, retention, IT services, and communications;

- Identification of strengths and best practices of the successes of decentralized offices;

- Identification of opportunities for improvement through supports and tools for decentralized offices;

- Discussion on the public's access to programs and services of the decentralized functions relative to other headquarter functions; and

- Discussion to identify opportunities to create systems to address inefficiencies.

Timing

The work will commence in late March 2011 and be completed by August 31, 2011.

Appendix B
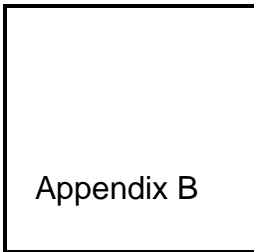
Methodology

Overall Approach

The Department of Executive and Intergovernmental Affairs contracted with consulting firm Oliver Wyman to conduct the functional review of decentralization. Our approach was designed to yield credible findings for the GN based on evidence, stakeholder engagement, and research. Our aim was to encourage early understanding and acceptance of the findings and produce observations and recommendations that will enable GN to act on issues and opportunities.

In conducting program reviews, we apply the following principles to encourage meaningful and useful results:

- Select review strategies carefully to address the developmental stage and needs of the program and client;

- Encourage an attitude of enquiry rather than judgment, criticism, or blame;

- Contribute to the client's program review capability by creating a positive evaluation experience and transferring knowledge to client representatives;

- Involve stakeholders throughout the process to build understanding and acceptance of findings and recommendations;

- Ensure the review is relevant and practical; and

- Provide guidance to encourage action on findings and recommendations.

Our methodology for the functional review of decentralization focused on three sets of activities: research, data collection and analysis, and validation of findings and recommendations.

Research

Our approach began with a research phase that included several parallel activities:

- We reviewed background material related to the GN and its strategic objectives. The review of this background material enhanced our understanding of the government's commitments and priorities.

- We reviewed background material related to GN decentralization. The review of this background material developed our understanding of the history of the decentralized model of government, challenges associated with decentralization, and progress made towards the objectives of decentralization.

- We examined the mandates, priorities and structures of GN departments with decentralized offices, with reference to department websites, business plans, and selected program documentation.

We then conducted a review of literature on decentralized models of government and the experience of other jurisdictions in implementing decentralization, to identify potential lessons learned for the GN. Our review included government reports in the public domain and academic studies, including some that critiqued the GN and GN decentralization.

Appendix I includes a list of the key background materials reviewed, along with other reference documents. Reference documents identified in the literature review accompany the detailed report on the literature review in Appendix C.

Data Collection and Analysis

Qualitative Data

Working with EIA and with input from the deputy ministers, we identified key sources of information about the current state of decentralized offices. These included:

- Senior personnel in GN departments and agencies with decentralized offices, including deputy ministers, presidents, assistant deputy ministers, vice presidents, and directors;

- Directors, staff, and managers in selected communities with decentralized offices; and

- Mayors of communities with decentralized offices.

We developed and used a structured interviewing technique for individual and small group meetings, including:

- Individual interviews with 34 executives, senior managers, and directors;

- Focus group meetings with a total of nine directors in Iqaluit and regional centres;

- Site visit meetings in Arviat, Baker Lake, Kugluktuk, and Pond Inlet involving a total of 51 directors, managers, and staff;

- Meetings with mayors and their chief administrative officers in Arviat, Kugluktuk, and Pond Inlet; and

- An interview with the president of the Nunavut Employees Union.

In addition to meeting with the mayors of the communities that we visited, we invited all mayors of communities with decentralized offices to respond to a survey.

The question set used in interviews and meetings is provided in the next section of this appendix, along with the survey distributed to mayors of communities with decentralized offices.

Quantitative Data

Detailed quantitative data on the status of decentralized positions over time was provided to us by EIA, working with the Department of Human Resources. We also reviewed the GN's quarterly Inuit employment reports, the GN's Public Service Annual Reports, and selected labour market analyses from the Nunavut Bureau of Statistics. EIA provided GN financial data on the cost of the decentralization initiative.

Validation of Findings and Recommendations

While an unbiased third party analysis is the foundation of this independent review, we believe that it is important to actively involve internal stakeholders in order to improve the quality of the review findings, build understanding and agreement, and develop commitment to taking action on findings and recommendations.

In addition to regular discussions with EIA representatives, we conducted three validation meetings:

- The first two validation meetings followed the research phase and the analysis of qualitative data collected in interviews, meetings, and site visits. We met separately with the Deputy Ministers' Committee and with a group of assistant deputy ministers and directors (all of whom had participated in interviews or focus group meetings) to share key findings and observations, respond to questions, receive feedback to improve accuracy and clarity, and discuss opportunities to improve decentralization.

- In the third validation meeting, we met with the Deputy Ministers' Committee to review the contents of our draft report and discuss our recommendations prior to finalizing the report.

Protocol for Interviews and Focus Group Meetings

The following questions were used as a basis for individual interviews and focus group meetings:

- What is your view of how decentralization is going generally in the Government of Nunavut?

- What decentralized positions are you responsible for?

- How are these decentralized functions working? Consider areas such as information-sharing to and from Iqaluit, decision-making authority and flexibility, service delivery, relationships with the local community etc.

- To what extent can you observe Inuit Societal Values in action in the decentralized offices and communities?

- Does the presence of onsite management make a difference in the effectiveness of decentralized functions?

- What was the basis for the decisions around decentralizing the positions that you are responsible for?

- – How was the decision made to put them into a specific community?

- – Would you recommend making the same decision today?

- Are there functions elsewhere in your department or in the GN that you think would be better suited to decentralization?

- In your experience, what are the benefits of decentralization?

- What have you done or observed others to do that has improved how decentralization is working?

- If there was one thing that would make decentralization work better, what would it be?

Mayors' Survey Questions

The following survey was sent to the mayors of the 10 designated communities in English and in Inuktitut or Inuinnaqtun. Similar questions were used in interviewing the mayors of Arviat, Kuglukuk, and Pond Inlet – three of the four communities selected for a site visit.

1. From your perspective, how successful do you think decentralization has been? Please comment.

   _____ Very successful   _____ Successful   _____ Fairly or somewhat successful   _____ Unsuccessful

2. You have had decentralized jobs in your community for a few years. What positive benefits have you observed so far with decentralization?

3. What negative impacts have you observed so far with decentralization?

4. Do you believe that decentralization has increased job opportunities for local people? Please comment.

   _____ Yes   _____ To some extent   _____ No

5. Do you believe the Government has done enough to hire local people into decentralized jobs? Please comment.

    _____ Yes   _____ To some extent   _____ No

6. Do you believe the Government has done enough to help people succeed in decentralized jobs (e.g., through training, supervision, mentorship)? Please comment.

    _____ Yes   _____ To some extent   _____ No

7. Decentralization has caused new people to come to live in many communities. Do you know how many new people have come to live in your community as a result of decentralization?

8. Has the increase of people from outside the community affected life in your community? Please comment.

    _____ Life here is generally better   _____ Life here is generally the same   _____ Life here is generally worse

9. Has the increase in your community's population put pressure on your community services? Please comment.

    _____ No

    _____ Yes. Please note area or areas: Child care, Education, Garbage collection, Garbage dump, Health care, Housing, Water

10. Has decentralization helped to strengthen or grow the local economy? Please comment.

    _____ Yes   _____ To some extent   _____ No

11. Has decentralization helped to increase business opportunities for local people? Please comment.

    _____ Yes   _____ To some extent   _____ No

12. Has decentralization contributed to improvements in the infrastructure of your community (e.g., office space, housing)? Please comment.

    _____ Yes   _____ To some extent   _____ No

13. Has decentralization made it easier for you to get Government services? Please comment.

    _____ Yes   _____ To some extent   _____ No

14. Has decentralization made it easier for you to get information or answers from the Government? Please comment.

    _____ Yes   _____ To some extent   _____ No

15. Has decentralization given you a better understanding of the Government of Nunavut and what it does? Please comment.

    _____ Yes   _____ To some extent   _____ No

16. If you could do one thing to make the Government of Nunavut work better, what would it be?

Appendix C
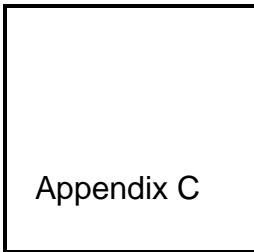
A Review of the Literature on Decentralization

Introduction

Decentralization is the process of transferring certain responsibilities from the central government to local governments or authorities. While jurisdictions have and continue to pursue decentralization for a variety of reasons, the essence of decentralization is changing the balance of power by moving authority away from the centre.

Decentralization policies are typically politically motivated.[49] The literature on decentralization demonstrates that motivation for decentralization may include, but is not limited to promoting:

- Autonomy;

- Efficiency (e.g., improved service delivery);

- Effectiveness (e.g., greater responsiveness to local needs);

- Participation at the local level (e.g., greater citizen involvement in decision-making);

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[49] The World Bank, "Decentralization" http://www1.worldbank.org/publicsector/decentralization/what.htm

- ▪ Economic development; and/or

- ▪ Poverty alleviation.

Many developed and developing jurisdictions around the world have opted for a decentralized governance model, as the notion of dispersing power has broad appeal. According to Dennis Rondinelli, a leading thinker whose work on decentralization has been highly influential on the international stage, "The demise of authoritarian regimes first in Latin America and then in Central and Eastern Europe, along with the spread of market economies and democratic principles in East Asia, during the 1980s and 1990s led to the current widespread interest in decentralization."[50] Rondinelli's analysis highlights the fact that decentralization is often associated with development.

Yet, while decentralization is quite common, the concept itself has multiple meanings and applications. According to the World Bank, "Decentralization…is a complex multifaceted concept. Different types of decentralization should be distinguished because they have different characteristics, policy implications, and conditions for success."[51] This paper begins with an overview of the main types of decentralization to highlight the approach that Nunavut has taken, before proceeding into case studies and best practices to illuminate opportunities for growth and improvement.

Terminology and Assumptions

Types of Decentralization

The literature distinguishes between three types of decentralization: political, fiscal, and administrative.

- ▪ **Political decentralization** is the process of transferring political authority from the central government to local governments or authorities. As such, it "aims to give citizens and their elected representatives more power in public decision making."[52]

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[50] Dennis Rondinelli, "Government Decentralization and Economic Development: The Evolution of Concepts and Practices" (2006, p.434).

[51] The World Bank, "Decentralization" http://www1.worldbank.org/publicsector/decentralization/what.htm

[52] Dennis Rondinelli, "What is Decentralization?"

- **Fiscal decentralization** is the process of transferring fiscal authority from the central government to local governments or authorities. Fiscal decentralization supports political decentralization because it provides local governments or authorities with the financial means to fulfill their new mandates. Indeed, "If local governments and private organizations are to carry out decentralized functions effectively, they must have adequate revenues—raised locally or transferred from the central government—as well as the authority to make expenditure decisions."[53]

- **Administrative decentralization** is the process of transferring administrative authority from the central government to local governments or authorities. Fundamentally, administrative decentralization changes how the government operates. Ultimately, "It is the transfer of responsibility for planning, financing, and managing certain public functions from the central government and its agencies to field units of government agencies, subordinate units or levels of government, semi-autonomous public authorities or corporations, or areawide, regional, or functional authorities."[54]

Political, fiscal, and/or administrative decentralization reforms may occur at the national or sub-national level depending on the scenario. For instance, in Canada certain responsibilities have been decentralized from the federal government to provincial/territorial governments. At the same time, certain responsibilities have been decentralized from provincial/territorial governments to municipal governments or authorities with a greater insight into local needs. In the case of Nunavut, the central government has only decentralized administrative authority.[55]

Forms of Administrative Decentralization

The literature distinguishes between three forms of administrative decentralization: deconcentration, delegation, and devolution.

- **Deconcentration** is the process of moving administrative authority away from the centre by relocating central government functions and resources outside the capital region. According to Rondinelli, "Deconcentration...is often considered the weakest form of decentralization and is used most frequently in unitary states. Within this category, however, policies and opportunities for local input vary: deconcentration can merely shift responsibilities from central government officials in the capital city to those

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[53] Dennis Rondinelli, "What is Decentralization?"

[54] Dennis Rondinelli, "What is Decentralization?"

[55] While Nunavut has multiple levels of governance, the relationship between the central government and the hamlets was established prior to decentralization, as per the *Hamlets Act* (1988).

working in regions, provinces, or districts, or it can create strong field administration or local administrative capacity under the supervision of central government ministries."[56]

- **Delegation** is the process of transferring administrative authority away from the centre by empowering local governments or authorities to perform functions that were previously handled by the central government, while they remain under the purview of the central government: "Through delegation central governments transfer responsibility for decision making and administration of public functions to semi-autonomous organizations not wholly controlled by the central government, but ultimately accountable to it."[57]

- **Devolution** is the process of transferring administrative authority away from the centre by empowering local governments or authorities to perform functions that were previously handled by the central government, without requiring that they report back to the central government: **"**Devolution usually transfers responsibilities for services to municipalities that elect their own mayors and councils, raise their own revenues, and have independent authority to make investment decisions. In a devolved system, local governments have clear and legally recognized geographical boundaries over which they exercise authority and within which they perform public functions."[58]

Based on these definitions, it is clear that Nunavut has pursued a policy of deconcentration. The geographic dispersal of headquarters functions was not intended to lessen the authority of the central government. Rather, it was intended to "bring the central government closer to the people." Any movement towards devolution would entail a significant change in the balance of power. This would have implications for the central government, as well as local authorities. In effect, the central government would be expanding the role of the local authorities by delegating or devolving responsibilities that it currently performs. Nunavut has not sought to devolve responsibilities to the municipalities, therefore, we can conclude that Nunavut is pursuing deconcentration.

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[56] Dennis Rondinelli, "What is Decentralization?"

[57] Dennis Rondinelli, "What is Decentralization?"

[58] Dennis Rondinelli, "What is Decentralization?"

Case Studies

With an understanding of Nunavut's approach to decentralization – which is characterized by a commitment to administrative decentralization in the form of deconcentration – we have a perspective from which to consider the decentralization policies of other jurisdictions.

As earlier noted, decentralization is a widespread political phenomenon, so there is no shortage of examples to draw upon. Yet, every jurisdiction is different and decentralization policies are tailored to suit local circumstances. We have selected three jurisdictions that are worthy of comparison because they have similar characteristics or concerns to Nunavut. The cases are presented sequentially, ranging from the least to greatest degree of administrative decentralization.

Ontario

Rationale for Selecting Ontario as a Case Study

We chose to profile Ontario because like Nunavut, it is a sub-national entity in Canada. In addition, its motivations for developing a policy of administrative decentralization in the 1970s – which accelerated in the 1980s and continued to be implemented throughout the 1990s – bear considerable resemblance to Nunavut's current objectives.

Summary of Ontario's Decentralization Policy

The Ontario government opted to deconcentrate the provincial capital (Toronto) by moving many public servants outside the city.[59] In some cases, entire divisions or ministries were relocated.[60] For instance, the Ministry of Natural Resources was moved to Peterborough, and the Ministry of Transportation was moved to St. Catharines. Despite their relocation, employees were expected to perform the same role and remain accountable to the central government.

Ontario's deconcentration policy was motivated by a desire to foster regional economic development by relocating provincial government head office jobs. There are numerous references to decentralization in the Ontario Hansard, but a particularly detailed explanation was provided on June 27, 1990:

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[59] Evert A. Lindquist and Graham White, "Streams, springs, and stones: Ontario public service reform in the 1980s and the 1990s" (1994, p.276).

[60] Lindquist and White (1994, p.276).

"Underlying the budget's commitment to a continued program of decentralization is a commitment by our government to foster economic renewal and development in our province's communities. We believe that a more equitable distribution of government jobs across our province can assist greatly in stabilizing, diversifying and strengthening local and regional economies. In an ongoing process of evaluation, we assess government organizations to determine their appropriateness for relocation and analyse areas which stand to benefit from such moves. We look for areas where relocation could serve as a catalyst for redevelopment and renewal, a pattern which has emerged with dramatic success in northern relocation communities. We look for areas which have a relatively low proportion of government jobs to total population, and we consider the extent to which the local and regional economy may benefit by diversification…

Our government regards decentralization as an effective way to share the social and economic benefits of the administration of provincial programs. Relocating government offices and jobs throughout our province distributes employment more equitably and helps provide stability and diversification in today's climate of rapidly changing economic conditions. It is our hope that as we demonstrate our commitment to these communities…we will make them that much more attractive to the private sector. These relocations…are also an essential part of our commitment to bring the government of Ontario closer, in a very tangible way, to more of the people it represents."[61]

As outlined in the excerpt above, decisions regarding when and where to relocate head office jobs were calculated. The government had two main considerations:

- Which departments were good candidates for relocation outside the capital; and

- Which communities were likely to benefit from an influx of head office jobs.

Evaluating prospects for success, in advance, was critical. The government recognized that decentralization was not a blanket solution. Rather, a nuanced and discriminate approach was of the utmost importance.

Implications

In Ontario, decentralization was viewed as a means to achieve regional economic development. As in Nunavut, the geographic dispersal of headquarters functions was not intended to diminish the authority of the central government. Rather, it was intended to

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[61] Ontario Hansard, "Members' Statements" http://hansardindex.ontla.on.ca/hansardeissue/34-2/l053_90.htm

"bring the government closer, in a very tangible way, to the people it represents,"[62] and allow for a more equitable distribution of government head office jobs throughout the province of Ontario.

Bolivia

Rationale for Selecting Bolivia as a Case Study

We chose to profile Bolivia because it "has the highest percentage of indigenous peoples in Latin America (62 per cent according to UNDP, 2006)."[63] In addition, the jurisdiction has faced many challenges in accommodating Indigenous governance.

While Bolivia is a nation – unlike Nunavut which is a sub-national entity – it has similar characteristics to Nunavut including: a vast geography; an extreme climate (albeit a different extreme); urban and remote communities; and a history of colonialism.

Summary of Bolivia's Decentralization Policy

In 1994 Bolivia implemented a comprehensive decentralization policy with political, fiscal, and administrative elements. It was named the Law of Popular Participation (LPP). Overall, the LPP led to "an increase in the development of the responsibilities and resources of municipal governments,"[64] and, ultimately, a change in local investment patterns, as municipal governments had greater funds at their disposal.[65]

The central government opted to transfer responsibilities to the municipalities because the central government "seemed not to reach all the citizens."[66] Therefore, administrative decentralization was implemented to address a need or deficiency. At the same time, decentralization was intended to strengthen democracy. It was thought that by bringing government closer to the people, the people would have the chance to play a greater role in decision-making.

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[62] Ontario Hansard, "Members' Statements" http://hansardindex.ontla.on.ca/hansardeissue/34-2/l053_90.htm

[63] The International Labour Organization, "Bolivia" http://www.ilo.org/indigenous/Activitiesbyregion/LatinAmerica/Bolivia/lang--en/index.htm

[64] Victoria Reyes-Garcia et al, "The Uneven Reach of Decentralization: A Case Study among Indigenous Peoples in the Bolivian Amazon" (2010, p.231).

[65] Jean-Paul Faguet, "Does decentralization increase government responsiveness to local needs? Evidence from Bolivia" (2004).

[66] Reyes-Garcia et al (2010, p.240).

A 2005 United Nations Development Programme (UNDP) Report confirmed that decentralization has led to greater political participation among Bolivian citizens, including "Hundreds of citizens from rural areas and of indigenous origin."[67] However, a recent study by Victoria Reyes-Garcia and others demonstrates that some citizens are not even aware of decentralization. This is significant because "information is a prerequisite for political participation."[68]

Reyes-Garcia found that a subset of the population – the Tsimane', an indigenous people living in the Bolivian Amazon – have very limited awareness of the decentralized government.[69] Interestingly, the Tsimane' have much in common with the Inuit including a traditional way of life characterized by farming, hunting and fishing, and limited engagement with the mainstream economy. Furthermore, like the Inuit, the Tsimane' have a strong desire to preserve their culture and language.

Reyes-Garcia found that key determinants for awareness of decentralization include: location (proximity to municipalities), education level, participation in the mainstream economy, and speaking the official language (Spanish).[70] Significantly, this implies that decentralization, on its own, will not enable the government to reach all citizens. There are broader issues that need to be addressed, particularly when certain groups have different skills or experience than the mainstream population.

Implications

The Bolivia case study demonstrates that outreach and capacity-building are critical. At the same time, political institutions must be made relevant to citizens. This point has been made by Annis May Thompson who, in her discussion of Nunavut and the challenges associated with building an Aboriginal-oriented public service, emphasizes the importance of establishing "culturally relevant procedures of governance."[71]

In Bolivia, the government has transferred administrative authority away from the centre by empowering municipal governments to perform functions that were previously handled by the central government. Yet, while the municipal governments have gained

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[67] United Nations Development Programme (UNDP), "Democratic decentralization and poverty reduction – The Bolivian case" (2005, p.26).

[68] Reyes-Garcia et al (2010, p.229).

[69] The authors of the study suggest that their findings are applicable to other lowland indigenous groups.

[70] Reyes-Garcia et al (2010).

[71] Annis May Timpson, *Building an Aboriginal-Oriented Public Service in Nunavut* (2008, p.13).

autonomy, they are still accountable to the central government. We therefore conclude that Bolivia has delegated, but not devolved, responsibilities to the municipalities.

Greenland

Rationale for Selecting Greenland as a Case Study

We chose to profile Greenland because it is a quintessential example of Indigenous territorial governance. In addition, Greenland has many similar characteristics to Nunavut including: a vast geography; a small and dispersed population; an arctic climate; a history of colonialism; and an indigenous population with a traditional way of life characterized by hunting and fishing, a holistic world view, and a strong desire to preserve its culture and language.

Greenland continues to rely on transfer payments from its home country (Denmark),[72] much like Nunavut is the recipient of transfer payments from Canada. The main difference is that Greenland achieved self-governance in 2009.

Summary of Greenland's Decentralization Policy

On January 1, 2009 Greenland implemented a policy of decentralization that included the establishment of four municipalities. Delegation of certain responsibilities to the municipalities has occurred as "The municipalities are responsible for the welfare of the local communities, including childcare, elementary school, culture and leisure as well as various social services."[73] The central government currently provides strategic oversight with regards to matters of national importance such as population growth, industry and labour issues, and capacity development.[74]

Greenland's Coalition Agreement (2009-2013) – an alliance between Inuit Ataqatigiit, Demokraatit, and Kattusseqatigiit Partiiat, Greenland's three presiding political parties – outlines the purpose of decentralization, or "regional development" as it is called in Greenland to:

- Make government more responsive to local needs; and

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[72] Ministry of Foreign Affairs of Denmark, *FactSheet Denmark* (2010, p.1).

[73] Greenland Government, *Coalition Agreement 2009-2013* (p.3).

[74] Greenland Government (p.13).

▪ Promote regional autonomy in the four municipalities, as exemplified by the slogan "Your region – your choice."[75]

The government of Greenland recognizes that supports are necessary to achieve the vision. For instance, the Coalition Agreement cites the importance of education and capacity building to foster citizen engagement. Citizen engagement is the essence of "Government through participatory influence", a key objective for Greenland.[76]

Decentralization supports the values of self-government that are upheld by the government of Greenland. Decentralization did not arise in a vacuum; it is intended to further Greenland's political objectives: "Self Government is not just a key word in the relationship between the Danish state and Greenland, but also between Inatsisartut [the central government] and the regions."[77] Decentralization is intended to make the promise of self-government a reality at all levels.

Implications

The Greenland case study demonstrates that administrative decentralization can dramatically alter the balance of power within a jurisdiction. As in Bolivia, the intent is to empower the municipalities and inspire civic engagement.

Greenland's central government has transferred administrative authority away from the centre by empowering the municipalities to perform functions that were previously handled by the central government. Furthermore, the municipalities have been granted the creative license to perform their responsibilities in an autonomous manner, while the central government has retained its supervisory role. We therefore conclude that Greenland has delegated, but not devolved, responsibilities to the municipalities.

However, circumstances may very well change. Since the language of self-government is used to describe the role of the municipalities in the Coalition Agreement, it is conceivable that Greenland will eventually transition into a model of devolution. Ultimately, the vision of the central government will be critical in determining what the end state of administrative decentralization will look like.

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[75] Greenland Government (p.13).

[76] Greenland Government (p.4).

[77] Greenland Government (p.13).

Best Practices in Decentralization

Deriving best practices for administrative decentralization is challenging for two reasons. First, although the topic of decentralization has attracted much scholarly interest, several authors have indicated that of the three types of decentralization (political, fiscal and administrative) administrative decentralization is the least theorized.[78] Second, decentralization policies are context-specific and tailored to suit local circumstances. According to United Cities and Local Governments, an organization that shares its findings with the United Nations and the international community, "The wide range of organizational approaches, and even conceptions of local government, makes head to head comparisons between nations not just difficult, but also ultimately unproductive."[79]

In spite of these challenges, we have identified some guiding principles around administrative decentralization that may be relevant to Nunavut. We have classified these guiding principles according to three overarching themes:

- Clarity,
- Capacity, and
- Criteria.

Clarity

Establish Clarity Around Objectives

Administrative decentralization is always a means to an end. According to the World Bank, "One does not decentralize the civil service as an end in itself – one does so in order to provide services better, manage resources more efficiently, or support other general outcome goals."[80]

Establish Clarity Around the Division of Powers

Both the central government and local governments or authorities should have a clear understanding of their mandates under administrative decentralization (who is responsible for what, the degree of decision-making authority each party has, and so on).

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[78] See, for instance, Evert A. Lindquist, "Recent administrative reform in Canada as decentralization: who is spreading what around to whom and why?" (1994, p.417).

[79] United Cities and Local Governments, "Decentralization and local democracy in the world – First Global Report by United Cities and Local Governments" (2008, p.292).

[80] The World Bank, "Administrative Decentralization" http://www1.worldbank.org/publicsector/decentralization/admin.htm

Establish Clarity Around Knowledge Transfer Protocol

According to Donald J. Savoie, "As units and offices function away from the centre or departmental headquarters, the knowledge and information they will obtain will no longer be automatically available. This suggests that headquarters need to define, perhaps more precisely than they would otherwise, control parameters and reporting techniques."[81]

Establish Clarity Around Reporting Relationships and Ensure that a Reliable Communications Infrastructure Is In Place

Savoie notes that "Units operating away from the capital may, over time, place less priority on keeping their ministers and senior management informed on their activities than they would if they were in head office. This suggests that senior management should define in fairly precise terms what kind of information it requires and when it requires it. It also suggests that full use of modern communications systems should be incorporated in all decentralized operations."[82]

Capacity

Ensure that Capacity Is Sufficient at the Local Level

Administrative decentralization theory suggests that functions should only be decentralized if they can be supported locally. For instance, Rondinelli asserts that "The success of decentralization is inextricably tied to strengthening the managerial and political capacity of those organizations to which authority and responsibility are transferred."[83]

However, the World Bank reports that while "The traditional approach to decentralization has been to build capacity before transferring responsibilities or revenues… This traditional approach is changing… as increasing evidence shows that the capacities of all levels increases as decentralized service systems mature… Rather than plan and make large up-front investment in local capacity building as a prerequisite for devolution of responsibility, there was a broad consensus that it would be quicker and more cost-effective to begin the process of devolution, to permit learning by doing and to build up capacity through practice."[84] This implies that decentralization is not a one-time investment.

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[81] Donald J. Savoie, "Government decentralization: a review of some management considerations" (1985, p.444).

[82] Savoie (1985, p.444).

[83] Rondinelli (2006, p.443).

[84] The World Bank, "Administrative Decentralization" http://www1.worldbank.org/publicsector/decentralization/admin.htm

Ensure that Capacity Is Sufficient at the Central Level

The central government must be able to support local governments or authorities as they assume new responsibilities under administrative decentralization. Lindquist notes that "as Metcalfe and Richards have observed, to decentralize power in an effective and orderly manner may require considerable centralization. Rather than ask "How much decentralization?", they suggest the critical question should be "What kinds of controls and management processes should be instituted to assure overall direction at the same time as effective delegation?"[85] Lindquist also stresses that the central government should have the capacity to monitor performance.[86]

Criteria

Establish Criteria to Determine Which Communities Are Suitable for Receiving Decentralized Functions

Decisions regarding when and where to relocate head office jobs should be calculated and strategic. According to Savoie:

"One of the most difficult considerations to resolve in planning government decentralization is to select a receiving community. Such a decision will invariably give rise to an explosive political debate at least in government caucus, if not in the House and in full public view. Competition between communities for new economic activity is usually highly intense… One possible way [to address this] is to lay down some objective criteria by which likely communities can be identified. In some instances, it may be possible to point to the required infrastructure to ensure that the unit continues operating smoothly. This could consist of adequate communications into the selection process and if so one can look at such objective criteria as unemployment rates, per capita income, and a community's potential as a growth centre for its region. Regardless of the criteria employed, the relevant government departments and ministers will be challenged time and again to defend their selection of any given community for the purpose of locating a decentralized government unit. As a result, one should select communities with as much objectivity as possible and have in hand solid data to support the selection."[87]

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[85] Evert A. Lindquist, citing Les Meltcalfe and Sue Richards, in "Recent administrative reform in Canada as decentralization: who is spreading what around to whom and why?" (1994, p.423).

[86] Lindquist (1994, p. 424).

[87] Savoie (1985, p.445).

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Appendix D

The Current Status of Decentralized Positions (as of Sept. 30, 2010)

Data Sources

The primary data set provided by the Government of Nunavut in support of this functional review of decentralization is dated September 30, 2010. At the writing of the report in August 2011, much of the data on positions and vacancies are a full year out of date. That said, there are clear trends in the status of decentralized positions that have probably not changed in the past 12 months.

Additional data sources include:

▪ Historical data on decentralized positions provided by the Department of Executive and Intergovernmental Affairs, and

▪ Government of Nunavut published Inuit employment reports and Public Service Annual Reports.

Note that positions filled with contract and casual workers are included as vacancies, in accordance with the GN's standard practice. For 2010, EIA has identified decentralized positions that have not been defined (unidentified), positions that are not currently funded (unfunded), and positions that are no longer needed (obsolete). These are a type of vacancy but listed separately from defined and funded vacant positions. These data were not available for the GN as a whole for the purposes of this review. The overall vacancy rate includes vacant positions and those that are unidentified, unfunded, and obsolete. This allows direct comparison of decentralized positions and the GN as a whole.

The Commitment

Breakdown of the 459 Decentralized Positions by Community, Region and Department

Breakdown of the 459 Decentralized Positions by Community, Region and Department														
Department	**CGS**	**CLEY**	**EDT**	**EDU**	**ENV**	**EIA**	**FIN**	**HSS**	**HR**	**JUS**	**NAC**	**NDC**	**NHC**	**QEC**	**TOTAL**
Cape Dorset	22	2	7										19		**50**
Igloolik	1	24			22		17		5						**69**
Pangnirtung	1		10	23	6	6		25							**71**
Pond Inlet	31		8	17						1					**57**
Qikiqtaaluk	*55*	*26*	*25*	*40*	*28*	*6*	*17*	*25*	*5*	*1*	*0*	*0*	*19*	*0*	**247**
Arviat	1		2	32							13		18		**66**
Baker Lake	8	11												31	**50**
Rankin Inlet	7		15		1				5			4			**32**
Kivalliq	*16*	*11*	*17*	*32*	*1*	*0*	*0*	*0*	*5*	*0*	*13*	*4*	*18*	*31*	**148**
Cambridge Bay	7								5						**12**
Gjoa Haven	1		8				4			5					**18**
Kugluktuk	10	10						14							**34**
Kitikmeot	*18*	*10*	*8*	*0*	*0*	*0*	*4*	*14*	*5*	*5*	*0*	*0*	*0*	*0*	**64**
TOTAL	**89**	**47**	**50**	**72**	**29**	**6**	**21**	**39**	**15**	**6**	**13**	**4**	**37**	**31**	**459**

Summary of Decentralized Functions

Decentralized offices were established primarily by function. They generally have headquarters or territorial responsibilities.

The list below shows key decentralized functions for each existing department (it is not a complete, detailed list of all functions). Many departments also have non-decentralized functions and positions in designated and non-designated communities.

Department/ Agency and Key Functions

Community and Government Services (CGS)
- Community operations, information technology, planning and lands in various designated communities

Culture, Language, Elders and Youth (CLEY)
- Translation bureau in Kugluktuk

- Community development in Igloolik

- Sport and recreation in Baker Lake and Kugluktuk

- Library services in Baker Lake

Economic Development and Transportation (EDT)
- Transportation policy and motor vehicles in Gjoa Haven

- Transportation programs in Cape Dorset and Rankin Inlet

- Community economic development in Pangnirtung and Pond Inlet

Education (EDU)
- Adult learning and curriculum development in Arviat

- Career and early childhood services in Pangnirtung

- School operations in Pond Inlet

Department/ Agency and Key Functions

Executive and Intergovernmental Affairs (EIA)
- Statistics bureau and evaluation in Pangnirtung

Finance (FIN)
- Payroll in Igloolik

- Liquor management in Rankin Inlet

Health and Social Services (HSS)
- Professional licensing and staff development in Kugluktuk

- Mental health and wellness in Pangnirtung

Human Resources (HR)
- Community operations in Igloolik, Cambridge Bay and Rankin Inlet (services to GN departments)

Justice (JUS)
- Legal Services Board in Gjoa Haven

Nunavut Arctic College (NAC)
- Corporate services and academic affairs in Arviat

Nunavut Development Corporation (NDC)
- Rankin Inlet

Department/ Agency and Key Functions	Department/ Agency and Key Functions
Environment (ENV) ▪ Wildlife management in Igloolik ▪ Fisheries and sealing in Pangnirtung ▪ Park planning and operations in Rankin Inlet	**Nunavut Housing Corporation (NHC)** ▪ Home ownership programs in Arviat ▪ Community development operations in Cape Dorset **Qulliq Energy Corporation (QEC)** ▪ Finance and operations in Baker Lake

Changes in Decentralized Functions

Departments have reorganized since the original decentralization commitments were made. In some cases, this resulted in a simple transfer of functions and positions from one department to another. In other cases, decentralized positions have been relocated.

As departments reorganize, there has been an intent to maintain the commitment to the number of decentralized positions in the communities. In practice, however, departments have relocated decentralized positions without identifying other positions in place of those being relocated. This has led to an increasing number of vacant positions that are unidentified and possibly unfunded as functions move away from the designated communities. Functions that have been relocated without identified replacements include:

▪ Department of Finance (FIN) – finance in Igloolik relocated to Iqaluit;

▪ Department of Health and Social Services (HSS) – medical travel relocated from Pangnirtung to Iqaluit; and

▪ Nunavut Housing Corporation (NHC) – finance in Arviat relocated to Iqaluit.

Current Status

Summary of the Status of the 459 Decentralized Positions Relative to the GN as a Whole

Designated Community Statistics as of Sept. 30, 2010	GN Decentralized Positions										Government of Nunavut				
	Status of Positions					Beneficiary		Hire Location			Status of Positions			Beneficiary	
	Commitment	Unidentified, unfunded or obsolete	Vacant	Overall vacancy rate (per cent)	Filled	Yes	Inuit employment rate (per cent)	Local community	Nunavut	Outside Nunavut	Total	Overall vacancy rate (per cent)	Filled	Yes	Inuit employment rate (per cent)
Cape Dorset	50	9	3	24%	38	13	34%	28	1	9	113	12%	99	46	46%
Igloolik	69	7	26	48%	36	22	61%	22	2	12	156	26%	116	75	65%
Pangnirtung	71	8	12	28%	51	27	53%	37	5	9	140	27%	102	64	63%
Pond Inlet	57	1	8	16%	48	31	65%	30	7	11	147	14%	127	78	61%
Arviat	66	10	15	38%	41	31	76%	37	4	0	204	19%	166	108	65%
Baker Lake	50	0	10	20%	40	29	73%	31	1	8	156	13%	136	77	57%
Rankin Inlet	32	0	7	22%	25	14	56%	23	1	1	401	24%	305	177	58%
Cambridge Bay	12	0	3	25%	9	5	56%	6	0	3	266	38%	166	75	45%
Gjoa Haven	18	5	4	50%	9	9	100%	9	0	0	101	19%	82	53	65%
Kugluktuk	34	5	10	44%	19	10	53%	13	0	6	138	15%	118	65	55%
	459	**45**	**98**	**31%**	**316**	**191**	**60%**	**236**	**21**	**59**	**1822**	**22%**	**1417**	**818**	**58%**
Iqaluit											1519	25%	1147	410	36%
Other*											568	15%	482	299	62%
TOTAL											**3909**	**22%**	**3046**	**1527**	**50%**

* Other includes GN positions in non-designated communities and positions in locations outside of Iqaluit (e.g., Ottawa, Winnipeg).

Summary of the Status of the 459 Decentralized Positions By Department

| Department and Agency Statistics as of Sept. 30, 2010 | GN Decentralized Positions | | | | | | | | | | Government of Nunavut | | | | |
| | Status of Positions | | | | | Beneficiary | | Hire Location | | | Status of Positions | | | Beneficiary | |
	Commitment	Unidentified, unfunded or obsolete	Vacant	Overall vacancy rate (per cent)	Filled	Yes	Inuit employment (per cent)	Local community	Nunavut	Outside Nunavut	Total	Overall vacancy rate (per cent)	Filled	Yes	Inuit employment (per cent)
CGS	89	5	18	26%	66	38	58%	39	6	21	342	26%	252	111	44%
CLEY	47	7	10	36%	30	21	70%	21	1	8	87	29%	62	42	68%
EDT	50	5	10	30%	35	22	63%	30	2	3	131	29%	93	53	57%
EDU	72	4	15	26%	53	37	70%	43	5	5	1236	12%	1083	576	53%
ENV	29	3	10	45%	16	2	13%	3	1	12	120	18%	99	42	42%
EIA	6	0	2	33%	4	3	75%	4	0	0	63	41%	37	21	57%
FIN	21	4	10	67%	7	7	100%	7	0	0	203	38%	126	54	43%
HSS	39	10	6	41%	23	10	43%	18	2	3	885	31%	611	291	48%
HR	15	0	2	13%	13	11	85%	12	0	1	88	33%	59	34	58%
JUS	6	0	2	33%	4	4	100%	4	0	0	265	23%	205	91	44%
NAC	13	0	2	15%	11	8	73%	8	3	0	167	16%	141	70	50%
NDC	4	0	0	0%	4	2	50%	4	0	0	Included in EDT				
NHC	37	7	6	35%	24	8	33%	24	0	0	104	29%	74	25	34%
QEC	31	0	5	16%	26	18	69%	19	1	6	184	4%	176	103	59%
OLA											34	18%	28	14	50%
TOTAL	**459**	**45**	**98**	**21%**	**316**	**191**	**60%**	**236**	**21**	**59**	**3909**	**22%**	**3046**	**1527**	**50%**

Analysis of Capacity

Capacity of Decentralized Positions Contrasted with the Balance of the GN

- The capacity of decentralized functions averaged 69 per cent. Capacity ranged from a high of 84 per cent in Pond Inlet to a low of 50 per cent in Gjoa Haven.

- In most departments and agencies, the capacity of decentralized functions was comparable to that of the department as a whole. Notable exceptions:

  - In Environment (ENV), the capacity of decentralized functions was only 55 per cent, in contrast to 82 per cent in the department as a whole. Capacity was 92 per cent in the balance of the department, if decentralized positions are taken out of the calculation.

  - In Finance (FIN), the capacity of decentralized functions was only 33 per cent, in contrast to 62 per cent in the department as a whole. Capacity was 65 per cent in the balance of the department, if decentralized positions are taken out of the calculation.

- The capacity of the GN as a whole was 78 per cent. If the 459 decentralized positions are taken out of the GN calculation, the capacity in the balance of the GN was 79 per cent.

Positions	Total	Filled	Capacity (per cent)
Decentralized	459	316	69%
Balance of the GN	3450	2730	79%
GN as a whole	**3909**	**3046**	**78%**

Capacity of Decentralized and Non-decentralized Functions in Designated Communities

- The capacity of non-decentralized functions in the 10 designated communities was generally higher than the capacity of decentralized functions in the same community – in some cases, significantly higher. If the 459 decentralized positions are taken out of the GN calculation, the overall capacity of non-decentralized functions in the 10 communities is 81 per cent.

- The capacity of functions in Iqaluit (headquarters and non-headquarters) was 75 per cent, which is higher than the average capacity of decentralized functions but a little lower than the capacity of the GN as a whole.

Designated Community Statistics as of Sept. 30, 2010	Total GN Positions			GN Decentralized Positions			Balance of GN Positions		
	Total GN	Filled	Overall capacity (per cent)	Commitment	Filled	Overall capacity (per cent)	Balance of GN	Filled	Overall capacity (per cent)
Cape Dorset	113	99	88%	50	38	76%	63	61	97%
Igloolik	156	116	74%	69	36	52%	87	80	92%
Pangnirtung	140	102	73%	71	51	72%	69	51	74%
Pond Inlet	147	127	86%	57	48	84%	90	79	88%
Arviat	204	166	81%	66	41	62%	138	125	81%
Baker Lake	156	136	87%	50	40	80%	106	96	91%
Rankin Inlet	401	305	76%	32	25	78%	369	280	76%
Cambridge Bay	266	166	62%	12	9	75%	254	157	62%
Gjoa Haven	101	82	81%	18	9	50%	83	73	88%
Kugluktuk	138	118	85%	34	19	56%	104	99	95%
Total	**1822**	**1417**	**78%**	**459**	**316**	**69%**	**1363**	**1101**	**81%**
Iqaluit	1519	1147	75%				1519	1147	75%
Other*	568	482	85%				568	482	85%
TOTAL	**3909**	**3046**	**78%**				**3450**	**2730**	**79%**

* Other includes GN positions in non-designated communities and positions in locations outside of Iqaluit (e.g., Ottawa, Winnipeg).

Analysis of Vacancies

The GN's use of the term "vacant" covers a variety of situations. A vacant position may be:

- Occupied temporarily by a contract or casual employee;

- Without an incumbent, but funded;

- Not currently funded or never funded (unfunded);

- Not currently defined or never defined (unidentified); or

- No longer needed (obsolete).

We are using the term "overall vacancy rate" to include all types of vacant positions, including those that are unidentified, unfunded, and obsolete. This allows direct comparison of decentralized positions and the GN as a whole.

Overall Vacancy Rate of Decentralized Positions Contrasted with the Balance of the GN

- The overall vacancy rate of decentralized functions was 31 per cent (143 positions). The rate ranged from a low of 16 per cent in Pond Inlet to a high of 50 per cent in Gjoa Haven.

- The overall vacancy rate of functions in Iqaluit (headquarters and non-headquarters) was 25 per cent, which is lower than the average vacancy rate of decentralized functions but a little higher than the vacancy rate of the GN as a whole.

- The overall vacancy rate of the GN as a whole was 22 per cent. If the 459 decentralized positions are taken out of the GN calculation, the overall vacancy rate in the balance of the GN was 21 per cent.

Positions	Total	Vacant/ Unidentified	Overall Vacancy Rate (per cent)
Decentralized	459	143	31%
Balance of the GN	3450	720	21%
GN as a whole	**3909**	**863**	**22%**

Vacancy Rate of Decentralized and Non-decentralized Functions in Designated Communities

▪ The overall vacancy rate of non-decentralized functions in the 10 designated communities was generally lower than the vacancy rate of decentralized functions in the same community – in some cases, significantly lower.

Designated Community Statistics as of Sept. 30, 2010	Total GN Positions			GN Decentralized Positions			Balance of GN Positions		
	Total GN	Vacant (overall)**	Overall vacancy rate (per cent)	Commitment	Vacant (overall)**	Overall vacancy rate (per cent)	Balance of GN	Vacant (overall)**	Overall vacancy rate (per cent)
Cape Dorset	113	14	12%	50	12	24%	63	2	3%
Igloolik	156	40	26%	69	33	48%	87	7	8%
Pangnirtung	140	38	27%	71	20	28%	69	18	26%
Pond Inlet	147	20	14%	57	9	16%	90	11	12%
Arviat	204	38	19%	66	25	38%	138	13	9%
Baker Lake	156	20	13%	50	10	20%	106	10	9%
Rankin Inlet	401	96	24%	32	7	22%	369	89	24%
Cambridge Bay	266	100	38%	12	3	25%	254	97	38%
Gjoa Haven	101	19	19%	18	9	50%	83	10	12%
Kugluktuk	138	20	15%	34	15	44%	104	5	5%
Total	**1822**	**405**	**22%**	**459**	**143**	**31%**	**1363**	**262**	**19%**
Iqaluit	1519	372	25%				1519	372	25%
Other*	568	86	15%				568	86	15%
TOTAL	**3909**	**863**	**22%**				**3450**	**720**	**21%**

* Other includes GN positions in non-designated communities and positions in locations outside of Iqaluit (e.g., Ottawa, Winnipeg).

** Vacant (overall) includes positions filled temporarily and identified, unfunded, or obsolete positions.

Unidentified, Unfunded, and Obsolete Decentralized Positions

▪ Almost 10 per cent of decentralized positions (45 positions) were categorized by departments as unidentified (31 positions), unfunded (1 position) or obsolete (13 positions). These data were not available for the GN as a whole for the purposes of this review, so a direct comparison is not possible.

Designated Community Statistics as of Sept. 30, 2010	Commitment	Unidentified, Unfunded and Obsolete Positions by Department or Agency														Total	
		CGS	CLEY	EDT	EDU	ENV	EIA	FIN	HSS	HR	JUS	NAC	NDC	NHC	QEC	P-Y	Per cent
Cape Dorset	50	2	2	5												**9**	**18%**
Igloolik	69		5			2										**7**	**10%**
Pangnirtung	71				1	1			6							**8**	**11%**
Pond Inlet	57	1														**1**	**2%**
Qikiqtaaluk	*247*	*3*	*7*	*5*	*1*	*3*			*6*							*25*	*10%*
Arviat	66				3									7		**10**	**15%**
Baker Lake	50															**0**	**0%**
Rankin Inlet	32															**0**	**0%**
Kivalliq	*148*				*3*									*7*		*10*	*7%*
Cambridge Bay	12															**0**	**0%**
Gjoa Haven	18	1						4								**5**	**3%**
Kugluktuk	34	1							4							**5**	**15%**
Kitikmeot	*64*	*2*						*4*	*4*							*10*	*16%*
TOTAL	**459**	**5**	**7**	**5**	**4**	**3**	**0**	**4**	**10**	**0**	**0**	**0**	**0**	**7**	**0**	**45**	**10%**

Vacant Decentralized Positions (not including unidentified, unfunded, and obsolete positions)

- If the 45 positions that were identified as unidentified, unfunded, or obsolete are taken out of the vacancy calculation, it leaves 98 vacant positions, including those filled by contract and casual employees, for a vacancy rate closer to 21 per cent. These data were not available for the GN as a whole for the purposes of this review, so a direct comparison is not possible.

- Igloolik has the highest rate, with 26 of 69 identified, funded decentralized positions not filled (38 per cent).

Designated Community Statistics as of Sept. 30, 2010	Commitment	Vacant Positions by Department or Agency														Total	
		CGS	CLEY	EDT	EDU	ENV	EIA	FIN	HSS	HR	JUS	NAC	NDC	NHC	QEC	P-Y	Per cent
Cape Dorset	50	1												2		3	6%
Igloolik	69		6			9		10		1						26	38%
Pangnirtung	71	1		1	5	1	2		2							12	17%
Pond Inlet	57	6			2											8	14%
Qikiqtaaluk	*247*	*8*	*6*	*1*	*7*	*10*	*2*	*10*	*2*	*1*	*0*	*0*	*0*	*2*	*0*	*49*	*20%*
Arviat	66			1	8							2		4		15	23%
Baker Lake	50	3	2												5	10	20%
Rankin Inlet	32	1		6												7	22%
Kivalliq	*148*	*4*	*2*	*7*	*8*	*0*	*0*	*0*	*0*	*0*	*0*	*2*	*0*	*4*	*5*	*32*	*22%*
Cambridge Bay	12	2									1					3	25%
Gjoa Haven	18			2							2					4	17%
Kugluktuk	34	4	2						4							10	29%
Kitikmeot	*64*	*6*	*2*	*2*	*0*	*0*	*0*	*0*	*4*	*1*	*2*	*0*	*0*	*0*	*0*	*17*	*27%*
TOTAL	459	18	10	10	15	10	2	10	6	2	2	2	0	6	5	98	21%

Vacant Decentralized Positions Filled by Temporary Employees or Consultants

- Of the 98 vacant decentralized positions, 15 were filled by contract employees (5 positions), casual employees (9 positions), or consultants (1 position). These data were not available for the GN as a whole for the purposes of this review, so a direct comparison is not possible.

Designated Community Statistics as of Sept. 30, 2010	Commitment	Vacant Decentralized Positions Filled Temporarily by Department or Agency														Total	
		CGS	CLEY	EDT	EDU	ENV	EIA	FIN	HSS	HR	JUS	NAC	NDC	NHC	QEC	P-Y	Per cent
Cape Dorset	50															0	0%
Igloolik	69		1					2		1						4	6%
Pangnirtung	71						1		1							2	3%
Pond Inlet	57	2														2	4%
Qikiqtaaluk	*247*	*2*	*1*	*0*	*0*	*0*	*1*	*2*	*1*	*1*	*0*	*0*	*0*	*0*	*0*	*8*	*3%*
Arviat	66															0	0%
Baker Lake	50	1													3	4	8%
Rankin Inlet	32															0	0%
Kivalliq	*148*	*1*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*3*	*4*	*3%*
Cambridge Bay	12															0	0%
Gjoa Haven	18															0	0%
Kugluktuk	34	2	1													3	9%
Kitikmeot	*64*	*2*	*1*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*3*	*5%*
TOTAL	**459**	**5**	**2**	**0**	**0**	**0**	**1**	**2**	**1**	**1**	**0**	**0**	**0**	**0**	**3**	**15**	**3%**

Identified, Funded, Vacant Decentralized Positions

- If the temporarily staffed, unidentified, unfunded and obsolete positions are taken out of the calculation, there are 83 positions that can be considered "true" vacancies – positions that are defined and funded, but temporarily without an incumbent to do the work. It suggests that 18 per cent of decentralized positions were defined and funded but not staffed. These data were not available for the GN as a whole for the purposes of this review, so a direct comparison is not possible.

Designated Community Statistics as of Sept. 30, 2010	Commitment	Vacant Decentralized Positions Filled Temporarily by Department or Agency														Total	
		CGS	CLEY	EDT	EDU	ENV	EIA	FIN	HSS	HR	JUS	NAC	NDC	NHC	QEC	P-Y	Per cent
Cape Dorset	50	1												2		3	6%
Igloolik	69		5			9		8								22	32%
Pangnirtung	71	1		1	5	1	1		1							10	14%
Pond Inlet	57	4			2											6	11%
Qikiqtaaluk	*247*	*6*	*5*	*1*	*7*	*10*	*1*	*8*	*1*	*0*	*0*	*0*	*0*	*2*	*0*	*41*	*17%*
Arviat	66			1	8							2		4		15	23%
Baker Lake	50	2	2											2		6	12%
Rankin Inlet	32	1		6												7	22%
Kivalliq	*148*	*3*	*2*	*7*	*8*	*0*	*0*	*0*	*0*	*0*	*0*	*2*	*0*	*4*	*2*	*28*	*19%*
Cambridge Bay	12	2									1					3	25%
Gjoa Haven	18			2							2					4	22%
Kugluktuk	34	2	1						4							7	21%
Kitikmeot	*64*	*4*	*1*	*2*	*0*	*0*	*0*	*0*	*4*	*1*	*2*	*0*	*0*	*0*	*0*	*14*	*22%*
TOTAL	**459**	**13**	**8**	**10**	**15**	**10**	**1**	**8**	**5**	**1**	**2**	**2**	**0**	**6**	**2**	**83**	**18%**

Analysis of Inuit Employment

Inuit Employment in Decentralized Positions Contrasted with the Balance of the GN

Inuit employment is the employment of *Nunavut Land Claims Act* beneficiaries (beneficiaries). As of September 30, 2010:

- Inuit employment in the GN as a whole was 50 per cent, which means that half of the filled positions were filled by beneficiaries.

- Inuit employment in decentralized positions was 60 per cent, which is higher than the GN as a whole, but comparable to the GN as a whole in designated communities (58 per cent).

- If the 459 decentralized positions are taken out of the GN calculation, the rate in the balance of the GN was 49 per cent.

Positions	Total	Filled	Beneficiaries	Inuit Employment (per cent)
Decentralized	459	316	191	60%
Balance of the GN	3450	2730	1336	49%
GN as a whole	**3909**	**3046**	**1527**	**50%**

Inuit Employment in Decentralized and Non-decentralized Functions in Designated Communities

- In the 10 designated communities, Inuit employment in the GN as a whole was 58 per cent. The rate ranged from a low of 45 per cent in Cambridge Bay to a high of 65 per cent in Arviat, Igloolik and Gjoa Haven.

- In the 10 designated communities, the Inuit employment rate in non-decentralized functions was generally higher than the Inuit employment rate in decentralized functions in the same community, with two exceptions: Arviat and Baker Lake.

- Departments generally showed a higher rate of Inuit employment in decentralized functions than in the department as a whole, with one notable exception: Environment (ENV) had an Inuit employment rate of 42 per cent in the department as a whole, but only 13 per cent in its decentralized positions. If the decentralized positions are taken out of the calculation, the rate in the balance of the department was 48 per cent.

- If the 459 decentralized positions are taken out of the GN calculation for designated communities, the rate of Inuit employment in the balance of the GN in those communities was 57 per cent.

- Inuit employment in Iqaluit (headquarters and non-headquarters) was 36 per cent, which is much lower than the rate for decentralized functions and the rate for the GN as a whole.

Statistics as of Sept. 30, 2010	Total GN Positions				GN Decentralized Positions				Balance of GN Positions			
	Total GN	Filled	Beneficiaries	Inuit employment (per cent)	Commitment	Filled	Beneficiaries	Inuit employment (per cent)	Balance of GN	Filled	Beneficiaries	Inuit employment (per cent)
Cape Dorset	113	99	46	46%	50	38	13	34%	63	61	33	54%
Igloolik	156	116	75	65%	69	36	22	61%	87	80	53	66%
Pangnirtung	140	102	64	63%	71	51	27	53%	69	51	37	73%
Pond Inlet	147	127	78	61%	57	48	31	65%	90	79	47	59%
Arviat	204	166	108	65%	66	41	31	76%	138	125	77	62%
Baker Lake	156	136	77	57%	50	40	29	73%	106	96	48	50%
Rankin Inlet	401	305	177	58%	32	25	14	56%	369	280	163	58%
Cambridge Bay	266	166	75	45%	12	9	5	56%	254	157	70	45%
Gjoa Haven	101	82	53	65%	18	9	9	100%	83	73	44	60%
Kugluktuk	138	118	65	55%	34	19	10	53%	104	99	55	56%
Total	**1822**	**1417**	**818**	**58%**	**459**	**316**	**191**	**60%**	**1363**	**1101**	**627**	**57%**
Iqaluit	1519	1147	410	36%					1519	1147	410	36%
Other*	568	482	299	62%					568	482	299	62%
TOTAL	**3909**	**3046**	**1527**	**50%**					**3450**	**2730**	**1336**	**49%**

* Other includes GN positions in non-designated communities and positions in locations outside of Iqaluit (e.g., Ottawa, Winnipeg).

Trends in Decentralized Positions Over Time (2004-2010)

Overview of Trends

- In every designated community, decentralized positions were less than 55% of the total GN positions (2004 to 2010).

- In every designated community, the total number of GN positions has grown over time while the number of positions designated as decentralized has remained the same (2004 to 2010). This means that the proportion of decentralized positions has diminished relative to the GN as a whole, although the proportion of all GN positions outside Iqaluit has remained relatively steady. It suggests that even as the number of GN positions in Iqaluit is growing, the number of positions outside Iqaluit is growing at a similar rate.

  – By December 2004, the GN had 3,198 positions. The 459 decentralized positions constituted approximately 14 per cent of the GN's total positions. 62 per cent of all GN positions were located outside Iqaluit, including decentralized and non-decentralized functions.

  – In September 2006, the GN 3,601 positions. The 459 decentralized positions constituted approximately 13 per cent of the GN's total positions. 62 per cent of all GN positions were located outside Iqaluit.

  – In September 2010, the GN 3,909 positions. The 459 decentralized positions constituted approximately 12 per cent of the GN's total positions. 61 per cent of all GN positions were located outside Iqaluit.

- Except in regional centres, a greater per cent of decentralized positions were vacant than other GN positions in the designated communities from 2004-2010. This includes positions that were filled temporarily and positions that were unidentified, unfunded or obsolete.

- The number of unidentified, unfunded and obsolete positions rose sharply from 17 in 2006 (13 per cent of all vacant decentralized positions) to 45 in 2010 (31 per cent of all vacant decentralized positions). These are positions that are not available to be filled by indeterminate (permanent) or term staff.

The 459 Decentralized Positions Relative to the GN as a Whole (2004 to 2010)

| Designated Community Statistics	Total GN Positions									GN Decentralized Positions								
Year	2004 (Dec 31)			2006 (Sept 30)			2010 (Sept 30)			2004 (Dec 31)			2006 (Sept 30)			2010 (Sept 30)		
	Total GN	Vacant	Beneficiaries	Total GN	Vacant	Beneficiaries	Total GN	Vacant	Beneficiaries	Commitment	Vacant (including unidentified)	Beneficiaries	Unidentified, unfunded, obsolete	Vacant	Beneficiaries	Unidentified, unfunded, obsolete	Vacant	Beneficiaries
Cape Dorset	106	20	42	111	13	48	113	14	46	50	17	Detailed data not available	2	10	Detailed data not available	9	3	13
Igloolik	139	30	63	132	31	56	156	40	75	69	28		8	23		7	26	22
Pangnirtung	133	23	72	138	30	73	140	38	64	71	28		1	31		8	12	27
Pond Inlet	120	18	62	131	15	69	147	20	78	57	16		1	10		1	8	31
Arviat	172	23	82	205	47	88	204	38	108	66	19		1	16		10	15	31
Baker Lake	126	12	59	140	16	70	156	20	77	50	13		0	6		0	10	29
Rankin Inlet	297	63	117	373	90	155	401	96	177	32	3		0	5		0	7	14
Cambridge Bay	189	32	73	234	59	79	266	100	75	12	1		0	2		0	3	5
Gjoa Haven	70	7	42	77	14	39	101	19	53	18	8		4	3		5	4	9
Kugluktuk	131	32	51	132	29	56	138	20	65	34	14		0	12		5	10	10
Total	**1483**	**260**	**663**	**1673**	**344**	**733**	**1822**	**405**	**818**	**459**	**147**	**171**	**17**	**114**	**180**	**45**	**98**	**191**
Iqaluit	1226	234	311	1381	309	359	1519	372	410									
Other*	489	65	239	547	77	285	568	86	299									
TOTAL GN	**3198**	**559**	**1213**	**3601**	**730**	**1377**	**3909**	**863**	**1527**									

* Other includes GN positions in non-designated communities and positions in locations outside of Iqaluit (e.g., Ottawa, Winnipeg).

The 459 Decentralized Positions By Department (2004-2010)

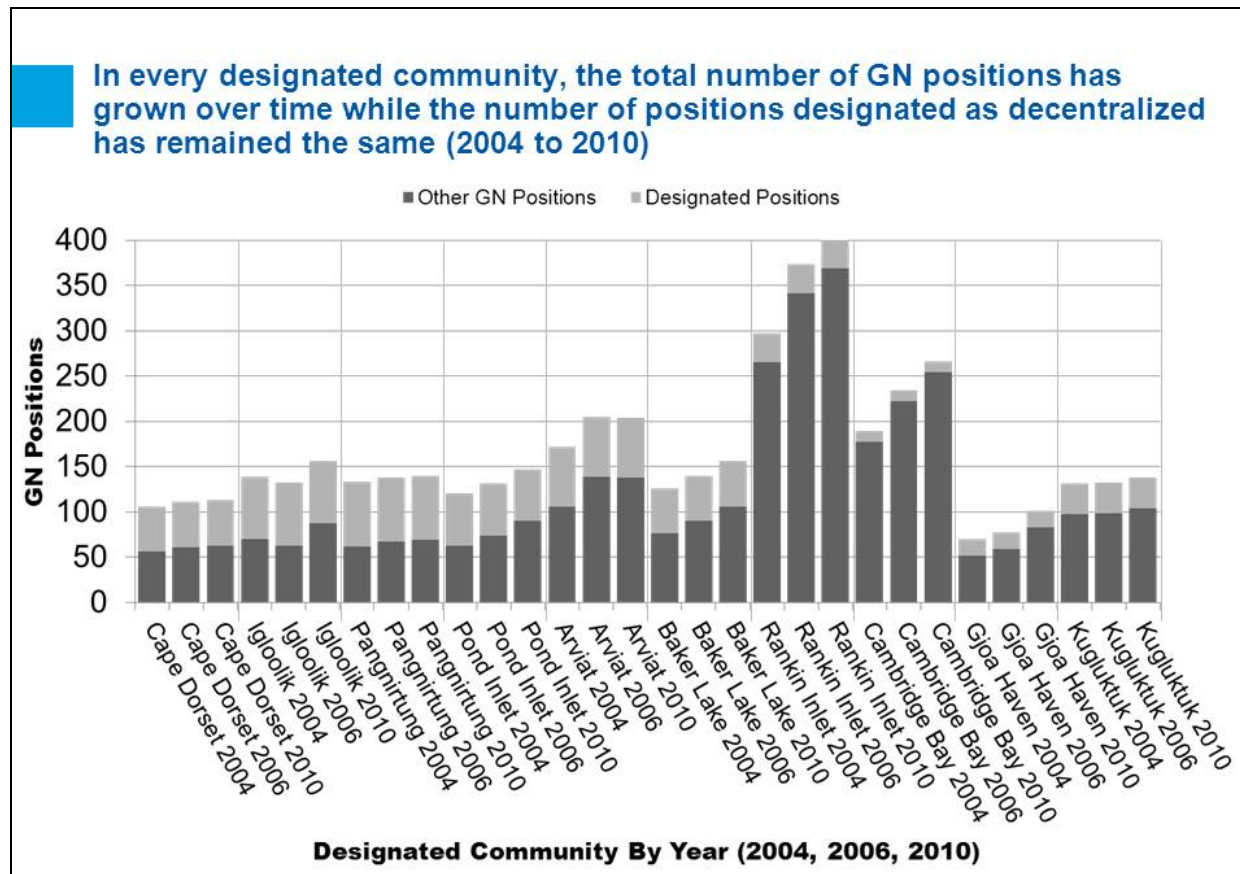|	Total GN Positions									GN Decentralized Positions								
Year	2004 (Dec 31)			2006 (Sept 30)			2010 (Sept 30)			2004 (Dec 31)			2006 (Sept 30)			2010 (Sept 30)		
Department and Agency Statistics	Total	Vacant	Beneficiaries	Total	Vacant	Beneficiaries	Total	Vacant	Beneficiaries	Commitment	Vacant	Beneficiaries	Unidentified, unfunded, obsolete	Vacant	Beneficiaries	Unidentified, unfunded, obsolete	Vacant	Beneficiaries
CGS	338	85	102	333	83	101	342	90	111	**89**	32		0	24	34	5	18	38
CLEY	81	22	30	78	16	38	87	25	42	**47**	17		8	8	22	7	10	21
EDT	128	38	44	130	25	57	131	38	53	**50**	9		0	14	23	5	10	22
EDU	962	92	425	1171	139	531	1236	153	576	**72**	23	Detailed data not available	1	20	31	4	15	37
ENV	114	33	37	101	15	36	120	21	42	**29**	17		3	9	2	3	10	2
EIA	45	9	18	53	14	21	63	26	21	**6**	4		0	1	3	0	2	3
FIN	164	41	43	182	49	54	203	77	54	**21**	8		4	7	9	4	10	7
HSS	703	144	272	839	275	259	885	274	291	**39**	20		0	17	7	10	6	10
HR	78	12	29	76	11	30	88	29	34	**15**	0		0	3	10	0	2	11
JUS	219	36	65	235	48	76	265	60	91	**6**	0		0	1	5	0	2	4
NAC	119	19	42	135	28	49	167	26	70	**13**	2		1	2	4	0	2	8
NDC	Included in EDT									**4**	0		0	1	1	0	0	2
NHC	72	11	27	81	10	32	104	30	25	**37**	8		0	4	13	7	6	8
QEC	145	11	68	156	12	80	184	8	103	**31**	7		0	3	16	0	5	18
OLA	30	6	11	31	5	13	34	6	14									
TOTAL	**3198**	**559**	**1213**	**3601**	**730**	**1377**	**3909**	**863**	**1527**	**459**	**147**	**171**	**17**	**114**	**180**	**45**	**98**	**191**

Total Number of Decentralized Positions Contrasted with the GN as a Whole

▪ In every designated community, decentralized positions were less than 55% of the total GN positions (2004 to 2010)
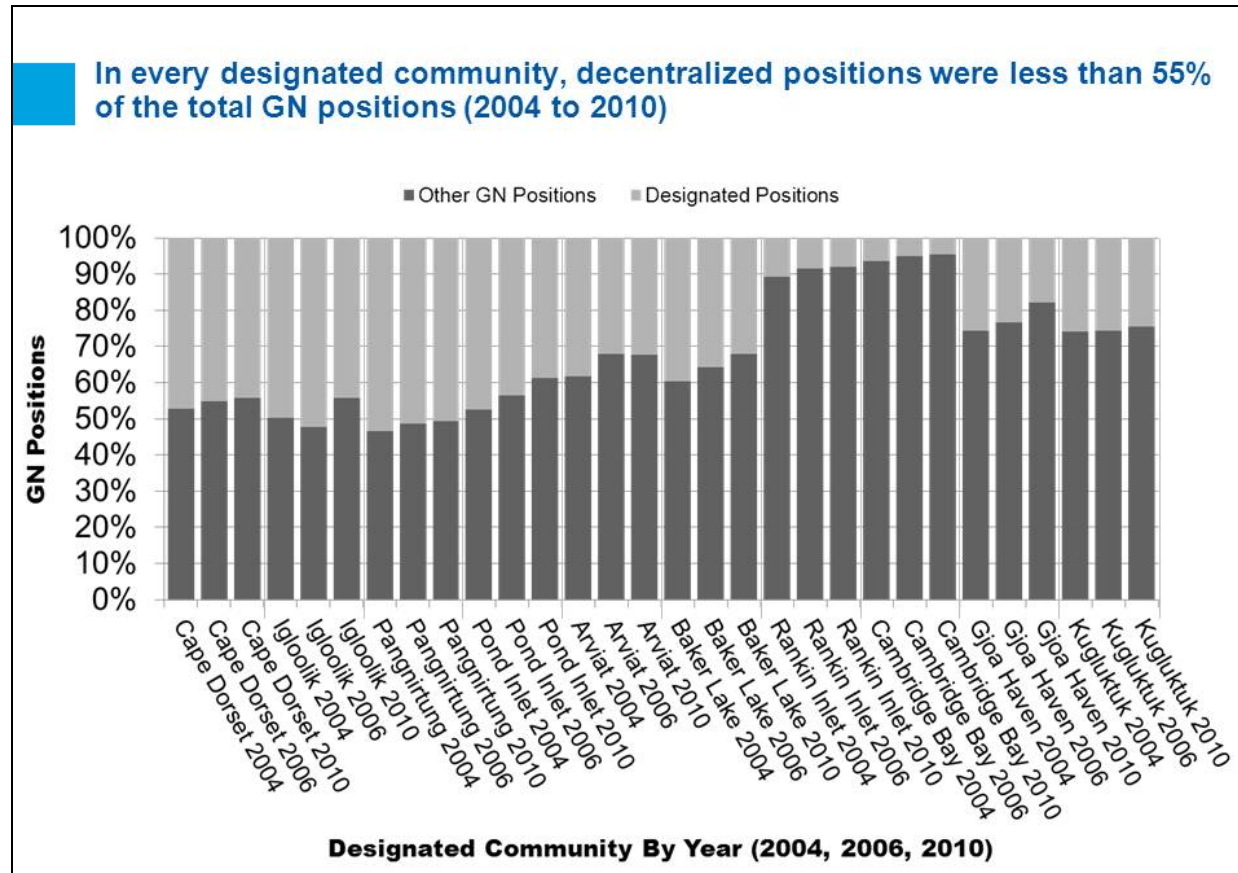
Number of Decentralized Positions Contrasted with Growth of the GN Over Time

- In every designated community, the total number of GN positions has grown over time while the number of positions designated as decentralized has remained the same (2004 to 2010).


In every designated community, the total number of GN positions has grown over time while the number of positions designated as decentralized has remained the same (2004 to 2010)

- The proportion of decentralized positions has diminished relative to the GN as a whole, although the proportion of all GN positions outside Iqaluit has remained relatively steady:

  – In March 2000, at the end of its first year of operation, the GN had 1,382 positions (not including Health Boards and Divisional Educational Councils). The initial group of 340 decentralized positions constituted approximately 25 per cent of the GN's total positions.

  – By December 2004, the GN had 3,198 positions. The 459 decentralized positions constituted approximately 14 per cent of the GN's total positions. 62 per cent of all GN positions were located outside Iqaluit, including decentralized and non-decentralized functions.

  – In September 2006, the GN 3,601 positions. The 459 decentralized positions constituted approximately 13 per cent of the GN's total positions. 62 per cent of all GN positions were located outside Iqaluit.

  – In September 2010, the GN 3,909 positions. The 459 decentralized positions constituted approximately 12 per cent of the GN's total positions. 61 per cent of all GN positions were located outside Iqaluit.

- This suggests that even as the number of GN positions in Iqaluit is growing, the number of positions outside Iqaluit is growing at a similar rate.

Positions	December 2004	September 2006	September 2010
Iqaluit	1226	1381	1519
Outside Iqaluit*	1972	2220	2390
GN as a whole	3198	3601	3909
Proportion of positions outside Iqaluit (per cent)	**62%**	**62%**	**61%**

* Outside Iqaluit includes GN positions in designated and non-designated communities, as well as a very small number of positions located outside of Nunavut (e.g., Ottawa, Winnipeg).

Overall Vacancy Rate of Decentralized Positions Contrasted with the GN as a Whole

▪ Except in regional centres, a greater per cent of decentralized positions were vacant than other GN positions in the designated communities from 2004-2010. This includes positions that were filled temporarily and positions that were unidentified, unfunded, or obsolete.
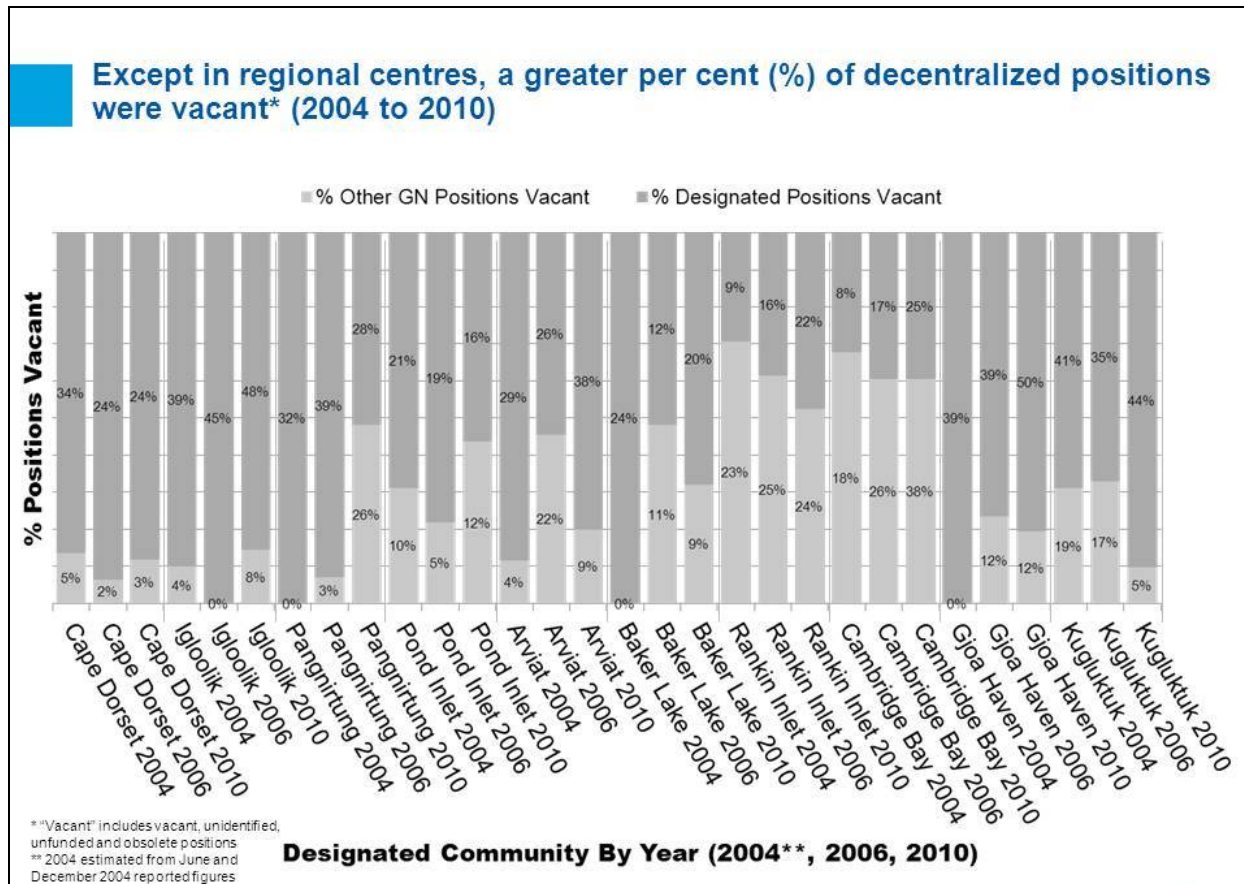
Location of Hires into Decentralized Positions (2004-2010)

Location of Hire	Location of Hires into Decentralized Positions (2004-2010)					
	2004 (Dec. 31)		2006 (Sept. 30)		2010 (Sept. 30)	
	Positions	Per cent total	Positions	Per cent total	Positions	Per cent total
Local community	212	68%	215	64%	236	75%
Other location in Nunavut	41	13%	34	10%	21	6%
Outside Nunavut	59	19%	86	26%	59	19%
TOTAL	**312**		**335**		**316**	

Appendix E
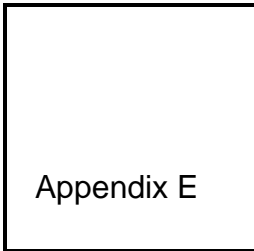
A Summary of the Costs of the Decentralization Initiative to the GN

The Department of Executive and Intergovernmental Affairs provided information on the costs of the decentralization initiative. All costs were incurred before September 30, 2005.

Costs attributable to decentralization include:

- Settlements and other compensation for employees declining offers of employment for decentralized positions, and who subsequently departed Nunavut's public service;

- Relocation and removal costs for employees;

- Advertising and recruitment; and

- Infrastructure, office renovations, and other capital expenditures, including all costs associated with the construction, provision, and furnishing of staff housing in decentralized communities.

Cost of settlements and other compensation for employees declining offers of employment for decentralized positions:

- The total amount spent by the GN on settlements for employees who declined offers of employment for decentralized positions, and who departed the public service was $612,201.
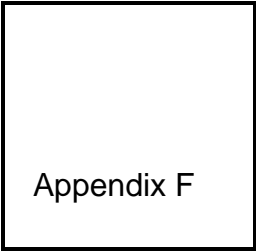
- This includes all individuals who selected option (c) within 90 days of receipt of their letter on the decentralization initiative and who subsequently departed the public service. It would not include individuals who formally declined to accept offers of employment but deferred their actual departure dates and had not departed the public service as of September 30, 2010. This amount also includes removal costs for these employees.

Total cost of the decentralization initiative to the GN:

- The total cost to the GN for the decentralization initiative has been:

  Operations & Maintenance (O&M) $ 12,050,145
  Capital $ 20,312,078
  Total (includes Capital and O & M) $ 32,362,223

- Costs include all relocation expenditures for new GN employees to fill decentralized positions; relocation costs to move existing employees who moved with the decentralized position (option (a)); and all costs (including relocation and severance) for individuals who declined offers of employment for decentralized positions, and who subsequently departed the public service (option (c)).

- The Capital and Operations & Maintenance costs reflect the costs attributable to decentralization, however, significant expenditures under these headings would have been incurred from filling the positions in Iqaluit. Therefore, the costs presented are not necessarily the incremental costs of decentralization.

Appendix F

Proposed Criteria for Assessing Where to Place GN Positions in Nunavut

We recommend that the GN ensure all functions are structured, staffed, and/or located in the best way to deliver programs and services. This will be assisted by aiming for a better fit between positions and the strengths, characteristics, and labour market of a community. (See our recommendations in Section 11 of this report.)

In this appendix, we propose criteria for assessing where to locate positions when addressing at-risk decentralized offices and in future decisions about the placement of positions with headquarters or territorial responsibilities.

Criteria for Assessing Where to Locate GN Positions

Underlying Assumptions

- The GN will maintain a decentralized model of government in which at least 60 per cent of all GN positions will continue to be located outside Iqaluit.

- GN positions should be situated where they can be filled with qualified people who can be supported to do the work. Jobs that are filled and well-supported deliver more services and bring more resources to a community than vacancies do.

- These criteria apply to positions that have headquarters or territorial responsibilities, not to positions that deliver services directly to local people.

Criteria for Decision-making

1. Locate functions and positions in Iqaluit that:

- Serve Cabinet directly;

- Have intergovernmental relations as a primary purpose;

- Are central agency functions; and/or

- Provide direct administrative or secretarial support to an executive, senior manager or work unit that is located in Iqaluit.

**2. Assume that most other functions and positions can be located in a regional centre or community:**

- When there is a vacancy in an assistant deputy minister or director position, consider moving the position to a suitable regional centre or community unless it meets the criteria for being located in Iqaluit.

- Where possible, keep a work unit together with its manager and/or director.

- Create a critical mass of well-supervised staff in only one or two locations for functions that require a high degree of adherence to standardized processes and procedures, rather than dispersing them geographically (e.g., financial management functions).

3. When determining which regional centre or community is best suited to a GN function or position, consider:

- Local labour market:

  - Are there likely to be qualified local candidates to fill the position or positions?

  - Can the skills of the local labour force be developed to fill the position or positions? If so, over what period of time and with what supports?

  - Are similar jobs, or jobs with which this position interacts, located in the community?

- Reliance on hiring from outside Nunavut:

    – What is the history of the function or position?

    – Has recruitment or retention been an issue in the past? If so, why?

    – Is it likely that the position or positions will have to be filled by hiring from outside Nunavut?

    – If so, are the conditions of work and community amenities likely to attract or discourage potential candidates?

- Proximity to the focus of the work or the primary client:

    – Is the community located in a part of Nunavut that the function or position serves?

- Access to transportation:

    – Does the function serve the entire territory? Is frequent travel a job requirement of the position?

    – Is the community a transportation hub? Are direct flights available to the usual locations of work?

- Quality of information and communications technology (ICT):

    – Is the bandwidth sufficient for the type, size, and frequency of data transfer required?

    – Is the ICT infrastructure adequate for the nature of the work?

    – Is the connectivity to remote servers and systems reliable?

- Community infrastructure and readiness

    – Is GN staff housing or rental housing available? If staff housing is to be shared, is there potential for a good match?

    – Is office space available in the community?

–   Does the position require specialized equipment? If so, is it available in the community? Is there an appropriate facility for it?

–   Will this function or position put undue pressure on the community infrastructure?

–   Is the community ready, willing, and able to receive this function or position?

Appendix G
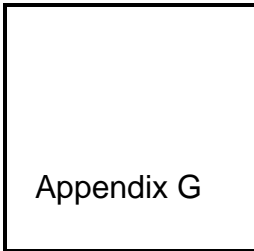
Local Managers' Networks

Proposed Terms of Reference

Purpose

The local managers' network:

- Fosters collaboration among departments located in the community;

- Enables the exchange of information about matters of common interest;

- Enables the development of local action plans to strengthen the GN public service; and

- Provides mutual support.

Sponsorship

The managers' networks are sponsored at the executive level by an assistant deputy minister who will:

- Be the champion for the managers' networks;

- Hold a minimum of two teleconference calls each year with the local sponsors as a group;

- Provide coaching to develop the local sponsors as needed;

- Assist in solving any problems that arise; and

- Monitor activities and progress towards goals.

In each community where more than one GN department is represented, a director or experienced manager will sponsor the managers' network in a rotational assignment of 12-18 months in length, added to the individual's usual duties. The sponsor will:

- Provide local leadership for the managers' network;

- Schedule and facilitate meetings at least four times each year;

- Lead the members of the managers' network in setting a few simple annual goals, developing an action plan, and taking action;

- Be the primary point of contact for the managers' networks champion;

- Report to the managers' networks champion on activities and progress towards goals; and

- Involve the local government liaison officer in coordinating the activities of the managers' network.

The Deputy Ministers' Building Capacity Committee will:

- Invite GN senior managers to volunteer for the roles of champion and local sponsor, or where necessary, assign an individual to a role with departmental agreement; and

- Hold the managers' network champion and local sponsors accountable for setting annual goals and reporting on activities and progress.

Membership

- Every director and manager from every department and agency in each community is invited and encouraged to be a member of the local managers' network.

Activities

The activities of the managers' networks are expected to contribute to a stronger GN public service. The network is not intended to develop or deliver programs and services.

Each local managers' network is responsible for establishing a focus, setting its own annual goals, and developing an action plan. The activities of the managers' networks could include:

- Welcoming newly-hired managers into the GN and the community;

- Identifying common learning needs and developing a prioritized, interdepartmental local learning plan with the HR Department;

- Sharing information about departmental work and new initiatives to identify opportunities for interdepartmental coordination and collaboration;

- Helping the community to understand what GN does there through activities such as an annual open house at the GN offices, participation in The Learning Partnership's annual Take Our Kids to Work program for Grade 9 students, or GN office visits from K-12 students, Nunavut Arctic College students, and adult learners; and

- Providing peer coaching and support to reduce the sense of isolation and build management skills.
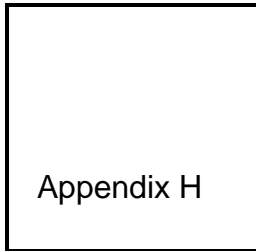
Appendix H

Tips and Tools

In this appendix, we provide generic tips and tools for more effective management, based on our experience in other organizations. These include:

- A managers' checklist to support decision-making; and

- Tips for managing people and work remotely.

Managers' Checklist To Support Decision-Making

Develop the case for change:

- Describe the issue in 50 words or less.

- Describe the proposed solution in 50 words or less.

- Summarize what will change for each group of stakeholders and the benefit that the solution will have for each.

- Identify the risks associated with the solution for each group of stakeholders, and what could be done to reduce the risk.

- Outline your plan for implementing the solution, including the resources that you will need.

Be prepared to answer these questions:

- How does the proposed solution support implementation of the government's strategic priorities?

- How does the proposed solution support implementation of the strategic priorities of your department or agency?

- How does the solution recognize and respect Inuit societal values? How will non-Inuit know that the solution recognizes and respects Inuit societal values?

- How have others addressed similar issues?

- With whom have you discussed this issue? What did they say about it?

- What will these people say about the proposed solution?

- What are the risks of doing this?

- What are the risks of not doing this?

- What will help you to achieve the desired outcome?

- What could prevent you from achieving the desired outcome?

- What is your plan for implementing the solution?

- If the solution is approved:

  – Do you have the legislative authority or mandate?

  – Do you have the money in your budget?

  – Do you have sufficient staff resources and the right skills to do the work?

  – How long will it take to implement the solution?

  – Who needs to be involved in implementation?

  – Who needs to be informed?

  – How will you let stakeholders know about the solution, and what they will need to do differently?

  – How will you respond to criticism?

  – How will you know the solution is successful?

Tips for Managing People and Work Remotely

Provide infrastructure, tools and supports:

- Match the infrastructure to the operational requirements to ensure that people can do their jobs.

- Document procedures, work processes, and systems applications to enable people to do the work right the first time.

- Ensure new hires are greeted and assisted to settle at the office and at home, if they are new to the community.

Set appropriate expectations:

- Expect the same quality and standards of performance from remote offices as from offices located close by.

- Manage expectations – understand what a remote office can deliver, given its infrastructure, resources, capacity, and time zone.

- Establish outcome-based work plans so people know what they are doing and why.

Maintain close contact

- Communicate daily through telephone and email.

- Hold weekly conference calls with the entire team.

- Visit the remote office 1-2 times each year, or more frequently if possible.

- Hold annual team-building management meetings, changing the location each year.

Enrich the roles of experienced people

- Create opportunities for cross-geography and interdepartmental collaboration, such as special projects.

- Build capacity by setting up teams of managers from different offices, giving them shared responsibility for a departmental or divisional priority (e.g., for group recruitment or succession planning).

Appendix I

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