
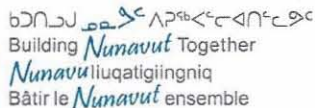






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Department of Economic Development & Transportation

Pivalliyayuliyikkut Ingilrayuliyitkullu

Ministère du Développement économique et des Transports

Hon. Monica Ell-Kanayuk / ᐃᓂᐅ ᐃᓄᓕ-ᐅᐱᓕᓂᐅ

APR 20 2017

Ms. Marg Epp
Chairperson
Board of Directors
Nunavut Business Credit Corporation
PO Box 2548
IQUALUIT, NU X0A 0H0

Dear Ms. Epp:

It is my pleasure to provide this Letter of Expectation for 2017-18. I firmly believe that the important work provided by the Nunavut Business Credit Corporation (NBCC) is an integral step being taken to stimulate economic development and employment in Nunavut. I consider that the direction provided within this document will help to reinforce our relationship, build on our successes and further promote accountability.

This letter contains the priorities and desired outcomes for 2017-18 and provides direction concerning the reporting responsibilities of the NBCC. It is my expectation that you will discuss the direction herein with the Board of Directors and staff in order to ensure that the expectations will be met.

In addition, I expect that the NBCC's 2017-18 strategic goals will be to realize your mandate while endeavoring to achieve the vision for the future as outlined in *Sivumut Abluqta: Stepping Forward Together*:

“Our Government is committed to focusing on four priorities that will enable us to step forward together and make Nunavut an even better place for our children and grandchildren

- Self-reliance and optimism through education and training
- Healthy families through strong and resilient communities
- Economic growth through responsible development across all sectors
- Good government through wise use of resources”

.../2

The NBCC plays an integral role in helping to realize this vision, particularly with respect to providing Nunavummiut with loans, loan guarantees and the indemnification of bonds, which supports the participation of Nunavummiut in business and resource development activities that will be the foundation for our future prosperity and success.

This includes supporting local economic development initiatives that are based on a community's own natural resources and skills, as well as its vision for the future; initiatives that build on and add value to identified areas of potential, including harvesting, arts and tourism sectors; and the development of current and future Nunavut artists in all media to produce high quality work and to market their work across Canada and around the world.

Nunavut has abundant natural resources – both renewable and non-renewable. We must work towards a more diverse economy that will provide Nunavummiut with a wide range of employment and business options.

Sivumut Abluqta identifies "Good government through wise use of our resources" as a priority. It commits to delivering programs and services in an effective, efficient and economical manner, and to focus limited funds on programs and services that enable Nunavummiut to live healthy and productive lives.

In accordance with the Harassment Free Workplace Policy, the GN has zero tolerance for harassment, bullying or reprisals of any type. It is crucial that all employees read, understand and follow this policy, as well as the Human Resource Manual directives that complement the policy. Further, I expect you to ensure that the CEO takes personal responsibility for ensuring a harassment-free workplace at the NBCC.

Additionally, the GN is committed to fully implementing the *Official Languages Act* and the *Inuit Language Protection Act*, ensuring Nunavummiut are able to communicate in their preferred official language when dealing with GN departments and agencies. In this regard, I remind you of your obligation to implement the *Uqausivut Comprehensive Plan* to ensure all Nunavummiut are able to communicate with the NBCC in their official language of choice.

Expectations and Priorities for 2017-18

As Minister responsible for the NBCC, I have reviewed and approved your 2017-18 business plan and budget. It is my expectation that you will adhere to the priorities and principles you have stated. Our goal of achieving improved accountability and transparency must be kept in mind when you are following your business plan.

I also recognize the importance of providing loans to companies and individuals within the scope of NBCC's mandate and through the application of the *Nunavut Business Credit Corporation Act*.

Consistent with the recommendations of the 2015 Report from the Standing Committee on Oversight of Government Operations and Public Accounts, as well as the advice of the Information and Privacy Commissioner of Nunavut, it is my expectation that the NBCC will adopt the practice of disclosing the identities of recipients of loans and other financial assistance in its annual reports for future years.

It is my hope that in reporting this information, the promotion of transparency and accountability will, in the future, be kept at the forefront in the conduct of NBCC's business.

I look forward to receiving regular reports highlighting progress made in implementing the 2017-18 business plan and meeting with you and the Board of Directors on a regular basis to discuss the status of these priorities and the NBCC's overall performance.

Accountability and Financial Management Reporting Expectations for the 2017-18 Fiscal Year

The *Financial Administration Act (FAA)*, in Section IX, Public Agencies, outlines the minimum reporting responsibilities and timeframes for Nunavut's public agencies, including particular provisions for territorial corporations. Additionally, in the interest of increased transparency, accountability and effectiveness, Ministers responsible for territorial corporations have issued directives to provide additional important information to the GN and Nunavummiut.

Ongoing reporting responsibilities include tabling the following in the Legislative Assembly:

- The NBCC's Business Plan, at the same time as the GN's Business Plan is tabled
- A yearly comprehensive report on all procurement, contracting and leasing activities undertaken by the NBCC. This report should contain at a minimum the information currently available in the GN Annual Procurement Activity Report, Lease Activity Report and Contract Activity report. This report may be most appropriately included within the NBCC's Annual Report. In preparing the Lease Activity Report, please ensure that information, which may provide an unfair business advantage to potential competitors, is not disclosed

- Formal responses to letters of expectation, letters of instruction and Ministerial directives at the first session of the Legislative Assembly subsequent to the NBCC receiving such correspondence.

During 2017-18 you are again instructed to give attention to the following ongoing reporting responsibilities to the Department of Finance:

- Board-approved budget variance reports and expense projections for both operations and maintenance and capital on at least a quarterly basis.
- All schedules and working papers required for the preparation of the consolidated public accounts at their earliest availability or as per the distributed requirement timetable. Management letters or other reporting (including the NBCC's response) issued by the auditor (both the Auditor General of Canada and any other independent auditor) for all audits conducted on the NBCC for the year.
- The NBCC is asked to work with staff at the Department of Finance's Financial Reporting and Controls division to ensure Public Sector Accounting Standards are implemented appropriately in all financial reporting.

It is also important that dialogue and communication be ongoing throughout our government. In the spirit of strengthening our public agencies, I ask that the NBCC continue to work closely with the Department of Finance and the Department of Economic Development and Transportation at all levels. These relationships need to be nurtured by all parties, with an effective flow of information, both formally and informally.

I look forward to discussing with you the priorities and directions as stated in this Letter of Expectation. I also look forward to reviewing your response to this letter.

In replying to this letter, please copy Mr. Jeff Chown, Deputy Minister of Finance, who will ensure that all public agency responses are tabled in the Legislative Assembly at the appropriate time.

Yours truly,



Monica Ell-Kanayuk
Minister Responsible for the Nunavut Business Credit Corporation

cc: Ms. Sherri Rowe, Deputy Minister, Department of Economic Development and Transportation

Mr. Jeff Chown, Deputy Minister, Department of Finance

Mr. Peter Ma, Chief Executive Officer, Nunavut Business Credit Corporation



Department of Economic Development & Transportation
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This includes supporting local economic development initiatives that are based on a community's own natural resources and skills, as well as its vision for the future; initiatives that build on and add value to identified areas of potential, including harvesting, arts and tourism sectors; and the development of current and future Nunavut artists in all media to produce high quality work and to market their work across Canada and around the world.

Nunavut has abundant natural resources – both renewable and non-renewable. We must work towards a more diverse economy that will provide Nunavummiut with a wide range of employment and business options.

Sivumut Abluqta identifies "Good government through wise use of our resources" as a priority. It commits to delivering programs and services in an effective, efficient and economical manner, and to focus limited funds on programs and services that enable Nunavummiut to live healthy and productive lives.

In accordance with the Harassment Free Workplace Policy, the GN has zero tolerance for harassment, bullying or reprisals of any type. It is crucial that all employees read, understand and follow this policy, as well as the Human Resource Manual directives that complement the policy. Further, I expect you to ensure that the President and CEO take personal responsibility for ensuring a harassment-free workplace at the NDC.

Additionally, the GN is committed to fully implementing the *Official Languages Act* and the *Inuit Language Protection Act*, ensuring Nunavummiut are able to communicate in their preferred official language when dealing with GN departments and agencies. In this regard, I remind you of your obligation to implement the *Uqausivut Comprehensive Plan* to ensure all Nunavummiut are able to communicate with the NDC in their official language of choice.

Expectations and Priorities for 2017-18

As Minister responsible for the NDC, I have reviewed and approved your 2017-18 business plan and budget. It is my expectation that you will adhere to the priorities and principles you have stated. Our continuous goal of achieving improved accountability and transparency must be kept in mind when you are following your plan.

A continued commitment to preserving and promoting Inuit cultural identity is a key value in supporting employment and economic growth in Nunavut through the NDC. It is my hope that the NDC continues to accomplish these goals through the NDC's 2017-18 business plan priorities.

I look forward to receiving regular reports highlighting progress made in implementing the 2017-18 business plan and meeting with you and your board on a regular basis to discuss the status of these priorities and the NDC's overall performance.

Accountability and Financial Management Reporting Expectations for the 2017-18 Fiscal Year

The *Financial Administration Act (FAA)*, in Section IX, Public Agencies, outlines the minimum reporting responsibilities and timeframes for Nunavut's public agencies including particular provisions for territorial corporations. Additionally, in the interest of increased transparency, accountability and effectiveness, Ministers responsible for territorial corporations have issued directives to provide additional important information to the GN and Nunavummiut.

Ongoing reporting responsibilities include tabling the following in the Legislative Assembly:

- Tabling the NDC's Business Plan, at the same time as the GN's Business Plan is tabled.
- A yearly comprehensive report on all procurement, contracting and leasing activities undertaken by the NDC. This report should contain at a minimum the information currently available in the GN Annual Procurement Activity Report, Lease Activity Report and Contract Activity report. (In preparing the Lease Activity Report, please ensure that information, which may provide an unfair business advantage to potential competitors, is not disclosed). This report may be most appropriately included within the NDC's Annual Report
- Formal responses to letters of expectation, letters of instruction, and Ministerial directives at the first session of the Assembly subsequent to the NDC receiving such correspondence.

During 2017-18 you are again instructed to give attention to the following ongoing reporting responsibilities to the Department of Finance:

- Board-approved budget variance reports and expense projections for both operations and maintenance and capital on at least a quarterly basis
- All schedules and working papers required for the preparation of the consolidated public accounts at their earliest availability or as per the distributed requirement timetable

- Management letters or other reporting (including the NDC's response) issued by the auditor (both the Auditor General of Canada and any other independent auditor) for all audits conducted on the NDC for the year.
- The NDC is asked to work with staff at the Department of Finance's Financial Reporting and Controls division to ensure Public Sector Accounting Standards are appropriately implemented in all financial reporting.

It is also important that dialogue and communication be ongoing throughout our government. In the spirit of strengthening our public agencies, I ask that the NDC continue to work closely with the Department of Finance and the Department of Economic Development and Transportation at all levels. These relationships need to be nurtured by all parties with an effective flow of information, both formally and informally.

I look forward to discussing with you the priorities and directions as stated in this Letter of Expectation. I also look forward to reviewing your response to this letter.

In replying to this letter, please copy Mr. Jeff Chown, Deputy Minister of Finance, who will ensure that all public agency responses are tabled in the Legislative Assembly at the appropriate time.

Yours truly,



Monica Ell-Kanayuk
Minister Responsible for the Nunavut Development Corporation

cc: Ms. Sherri Rowe, Deputy Minister, Economic Development and Transportation

Ms. Jeff Chown, Deputy Minister, Department of Finance

Mr. Darrin Nichol, President and CEO, Nunavut Development Corporation



Mr. Bob Leonard
Chairperson, Nunavut Housing Corporation
PO Box 1000, Station 1300
Iqaluit, Nunavut X0A 0H0

Nunavut Housing Corporation Letter of Expectation 2017-18

Dear Mr. Leonard:

It is my pleasure to provide this Letter of Expectation for 2017-18. I firmly believe that the direction provided within will help to reinforce our relationship, build on our successes and further promote accountability. This letter contains the priorities and desired outcomes for the 2017-18 fiscal year and provides direction concerning the reporting responsibilities of the Corporation. It is my expectation that you will discuss the direction herein with the Board of Directors and your staff to ensure the expectations are met.

In addition, I expect that the Corporation's 2017-18 strategic goals will be to realize your mandate while endeavoring to achieve the vision for the future as outlined in *Sivumut Abluqta: Stepping Forward Together*:

“Our Government is committed to focusing on four priorities that will enable us to step forward together and make Nunavut an even better place for our children and grandchildren

- Self-reliance and optimism through education and training
- Healthy families through strong and resilient communities
- Economic growth through responsible development across all sectors
- Good government through wise use of resources”

Nunavut Housing Corporation (NHC) plays an integral role in helping to realize this vision, particularly with respect to the provision of adequate housing that is fundamental to the health, education and well-being of Nunavummiut.

As we continue to invest in housing with our partners, we will develop more energy efficient and economical solutions, and ensure more affordable housing options and alternatives are available to meet people's varied needs, including the needs of a growing elder population.



The current housing situation as stated in NHC's 'Blueprint for Action on Housing – Implementation Plan for the GN Long-Term Comprehensive Housing and Homelessness Strategy' identifies that over 50% of Nunavummiut live in public housing, of that demographic 80% of people over 19 earn less than \$23,000 per year. 38% of Nunavummiut living in public housing also experience overcrowding, which has been linked to a number of negative socioeconomic, education and health issues prevalent in Nunavut.

The Blueprint for Action on Housing will lay the foundation for development of more energy efficient and economically responsible solutions and ensure more affordable housing options are available to meet the specific needs of Nunavummiut. The government will achieve this through, *Ikajuqtigiinniq: working together for a common cause*, an Inuit Societal Value that is required to accomplish our goals of implementing the Blueprint for Action on Housing. This strategy identifies the strong need for collaboration from Government of Nunavut (GN) departments, all levels of government, key stakeholders and Nunavummiut to address our housing crisis.

In accordance with the Harassment Free Workplace Policy, the GN has zero tolerance for harassment, bullying or reprisals of any type. It is crucial that all employees read, understand and follow this policy, as well as the Human Resource Manual Directives that complement the policy. Further, I expect you to ensure that the President and CEO takes personal responsibility for ensuring a harassment free workplace at the NHC.

Additionally, the GN is committed to fully implementing the *Official Languages Act* and the *Inuit Language Protection Act*, ensuring Nunavummiut are able to communicate in their preferred official language when dealing with GN departments and agencies. In this regard, I remind you of your obligation to implement the *Uqausivut Comprehensive Plan* to ensure all Nunavummiut are able to communicate with NHC in their official language of choice.

Expectations and Priorities for 2017-18

As the Minister responsible for NHC, I have reviewed and approved your 2017-18 business plan and budget. It is my expectation that you will adhere to the priorities and principles you have stated. Our continuous goal of achieving improved accountability and transparency must be kept in mind when you are following your plan.

Advisory and Administrative Services

As outlined in the 2017-18 Business Plan, NHC provides ongoing support to Local Housing Organizations (LHOs) by delivering training in administration, finance, program delivery and housing maintenance in all 25 Nunavut communities. This is a fundamental service that NHC administers along with the internal development of NHC staff.

Priorities slated for 2017-18 include the continuation of training and mentorship of Nunavut Inuit, working with WSCC to strengthen NHC and LHOs corporate occupational health and safety and the development and implementation of the new financial and property management software.

Public Housing

The GN will spend approximately 9% of its Annual Operations and Maintenance Budget of \$1.565 Billion on public housing for fiscal year 2017-18. It is estimated that Nunavut requires an additional 3,000 public housing units to support Nunavummiut in need of affordable housing to combat overcrowding and housing insecurity. The overall allocation of resources and services provided to support approximately 50% of Nunavut's population in public housing is far greater compared to the National Average of 5% of Canadians in public housing. Change must occur to positively impact the long-term Nunavut housing situation.

Public Housing priorities slated for 2017-18 include the continuation of lobbying efforts with various Inuit Organizations, for infrastructure investments from the Government of Nunavut and the Government of Canada; the monitoring, review and evaluation of the collections policy and procedures and implementation of the LHO deficit recovery plans.

Staff Housing

The GN provides subsidized staff housing to its employees, this assists in recruitment and retention of staff as well as supports employees to increase their personal savings. The subsidy provided to employees assists in this endeavour with the intention of assisting employees to transition into different housing options and thus moving along the Nunavut housing continuum.

Staff Housing Priorities slated for 2017-18 include the continued implementation of long-term strategies to address employee housing needs, upgrade the GN Staff housing portfolio in all Nunavut communities and an investigation of alternatives for staff housing options for GN employees.

Homeownership:

The GN is committed to supporting Nunavummiut in becoming self-reliant homeowners. The homeownership program was designed to provide education and counselling services to prospective homeowners. The homeownership program is the second step for many Nunavummiut in moving out of GN staff housing or public housing.

Priorities slated for 2017-18 include continued monitoring of the success and impact of the homeownership program as well as the ongoing promotion of homeownership in Nunavut through publicity and promotion as well as through education and counselling.

I look forward to receiving regular reports highlighting progress made in implementing the 2017-18 business plan and meeting with you, and your board, face to face on a regular basis to discuss the status of these priorities and the corporation's overall performance.

Accountability and Financial Management Reporting Expectations for 2017-18 Fiscal Year

The *Financial Administration Act (FAA)*, in Section IX, Public Agencies, outlines the minimum reporting responsibilities and timeframes for Nunavut's public agencies including particular provisions for territorial corporations. Additionally, in the interest of increased transparency, accountability and effectiveness, Ministers responsible for territorial corporations have issued directives to provide additional important information to the GN and Nunavummiut.

Ongoing reporting responsibilities through tabling in the Legislative Assembly include:

- The Corporation's Business Plan, at the same time as the GN's Business Plan is tabled.
- A yearly comprehensive report on all procurement, contracting and leasing activities undertaken by NHC. This report, or reports, should contain at a minimum the information currently available in the GN Annual Procurement Activity Report, Lease Activity Report and Contract Activity report. (In preparing the Lease Activity Report, please ensure that information which may provide an unfair business advantage to potential competitors is not disclosed).
- Formal responses to letters of expectation, letters of instruction, and Ministerial directives at the first session of the Assembly subsequent to the Corporation receiving such correspondence.

During 2017-18 you are once again instructed to give attention to the following ongoing reporting responsibilities to the Department of Finance:

- Board approved budget variance reports and expense projections for both operations and maintenance and capital on at least a quarterly basis.
- All schedules and working papers required for the preparation of the consolidated public accounts at their earliest availability or as per the distributed requirement timetable. Management letters or other reporting (including the Corporation's response) issued by the auditor (both the Auditor General of Canada and any other independent auditor) for all audits conducted on the Corporation for the year.
- NHC is asked to work with staff at the Department of Finance's Financial Reporting and Controls division to ensure Public Sector Accounting Standards are appropriately implemented in all financial reporting.



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Building Nunavut Together
Nunavutliuqatigiingniq
Bâtir le Nunavut ensemble

In addition to these ongoing reporting responsibilities, it is essential that you work with the Department of Finance to continue the implementation of the quarterly reporting system to closely monitor and report on projects that utilize the \$26.65 million the GN will receive from the CMHC in fiscal year 2017-18. In particular, the NHC should work closely with the Department of Finance in preparing a plan for the federal investment of \$240 million over 10 years to support housing in Nunavut that was announced in the 2017-18 federal budget.

It is important that dialogue and communication be ongoing throughout our government. In the spirit of strengthening our public agencies, I ask that the NHC continue its close working relationship with the Department of Finance at all levels. The relationship needs to be nurtured on both parts, with an effective flow of both formal and informal information.

I look forward to discussing with you the priorities and directions as stated in this Letter of Expectation. I also look forward to reviewing your response to this letter.

In replying to this letter, please copy Jeff Chown, Deputy Minister of Finance, who will ensure that all public agency responses are tabled in the Legislative Assembly at the appropriate time.

Sincerely,

Honourable George Kuksuk
Minister Responsible for Nunavut Housing Corporation

c.c. Terry Audla, President & CEO, NHC
c.c. Jeff Chown, Deputy Minister, Department of Finance



Nunavut has one of the fastest growing populations in Canada, as well as Canada's youngest: more than 30 per cent of the population is below the age of 15. This growing, youthful population places persistent new demands on the territory's health and education systems, housing stock, infrastructure and economy.

This will create more demands on Nunavut's power system and QEC will need to keep pace with the ever-growing power needs of the territory. This will include Nunavummiut taking advantage of business, employment and training opportunities as a result of QEC activities, and working with communities to help them realize their own vision for local economic development.

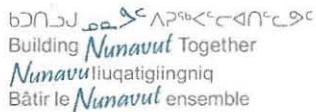
Corporate Expectations and Priorities

In accordance with the Harassment Free Workplace Policy, the GN has zero tolerance for harassment, bullying or reprisals of any type. It is crucial that all employees read, understand and follow this policy, as well as the Human Resource Manual directives that complement the policy. Further, I expect you to ensure that the President and Board of Directors take personal responsibility for ensuring a harassment-free workplace at QEC.

Additionally, the GN is committed to fully implementing the *Official Languages Act* and the *Inuit Language Protection Act*, ensuring Nunavummiut are able to communicate in their preferred official language when dealing with GN departments and agencies. In this regard, I remind you of your obligation to implement the *Uqausivut Comprehensive Plan* to ensure all Nunavummiut are able to communicate with QEC in their official language of choice.

Accountability and Financial Management Reporting Expectations for the 2017-18 Fiscal Year

The *Financial Administration Act* (FAA) in Section IX, Public Agencies, outlines the minimum reporting responsibilities and timeframes for Nunavut's public agencies, including particular provisions for territorial corporations. Additionally, in the interest of increased transparency, accountability and effectiveness, Ministers responsible for territorial corporations have issued directives to provide additional important information to the GN and Nunavummiut.



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relationship needs to be nurtured by both parties, with an effective flow of both formal and informal information. In particular, QEC should work closely with the Department of Finance in gathering additional information from the Federal Government on the Arctic Energy Fund announced in their 2017 budget and preparing for this investment, slated to begin in 2018-19.

I look forward to discussing the expectations in this Letter of Expectation with you, the Board of Directors, the President and CEO. I also look forward to reviewing your response to this letter. In replying to this letter, please copy Jeff Chown, Deputy Minister of Finance, who will ensure that all public agency responses are tabled in the Legislative Assembly at the appropriate time.

Johnnie L. Go

Honourable Johnny Mike
Minister responsible for the Qulliq Energy Corporation

Cc: Bruno Pereira, President and CEO, Qulliq Energy Corporation
Jeff Chown, Deputy Minister, Department of Finance