



MR. MICHAEL NADLI
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FEB 07 2017

Oral Question 343-18(2) Small Business Funding Supports

This letter is further to my commitment made in the Legislative Assembly on October 18, 2016, regarding Oral Question 343-18(2) Small Business Funding Supports. During our discussion, you had asked the following questions:

1. How are grants and contributions monitored to ensure they are used for their intended purpose?
2. In terms of committee and this side of the House, how is the review being done regarding the Support for Entrepreneurs and Economic Development Policy (SEED), whether there is a scope of a terms of reference or a framework in terms of how detailed the report could be developed in terms of accounting for the \$21.5 million that was distributed to all 33 communities in 2014-2015.
3. How often are programs reviewed to ensure effectiveness and incorporate feedback from clientele?

I offer the following information:

The Department of Industry, Tourism and Investment (ITI) uses a Contribution Agreement (CA) to disburse funds from SEED. Those CAs, signed by both ITI and the applicant, include clauses that protect the interests of the Government of the Northwest Territories and ensures applicants have spent funds in a manner consistent with the application made and the CA signed.

Furthermore, I can tell you that the SEED program is constantly monitored and reported on. The \$21.5 million in grants and contributions referenced in your Member's Statement is the full amount delivered by ITI in 2014-2015 to individuals, entrepreneurs, groups and businesses across the Northwest Territories (NWT) and includes all ITI funding programs, not just SEED contribution funding.

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ITI tables a comprehensive Grants and Contribution Results Report on an annual basis. All SEED contributions are accounted for in this report. The 2015-2016 Grants and Contributions Results Report was tabled in the House during the October/November sitting of the 18th Legislative Assembly and is available on ITI's website at the following link:

<http://www.iti.gov.nt.ca/en/files/grants-and-contributions-report-2015-2016>.

The September 2008 development of the SEED Policy included a comprehensive consultation and development framework. The current work is smaller in scope, as the regular review of an existing policy, and as such, does not have the same comprehensive development framework as that of a new policy being developed. Currently, an internal review of the SEED Policy has started with a compilation of feedback – both client and employee based – obtained through our Regional Office network. This feedback will be reflected in draft revisions to the SEED Policy, which will be provided to the Standing Committee on Economic Development and Environment for information.

ITI delivers a diverse array of programming. Most programs and policies are reviewed on an ongoing basis while others have mandated review timeframes. For example, the NWT Business Development and Investment Corporation has a legislated review timeframe for every five years.

Thank you for your interest in this matter. I trust this information addresses your questions.



Wally Schumann
Minister
Industry, Tourism and Investment

c. Mr. Tom Jensen
Deputy Minister, ITI

Mr. Tim Mercer
Clerk of the Legislative Assembly

Mr. David Hastings
Legislative Coordinator