



BACKGROUND

Nunavut Business Credit Corporation

The Nunavut Business Credit Corporation (NBCC) is an agent of the Government of Nunavut established for the purpose of stimulating economic development and employment in Nunavut, by making loans to business enterprises.

As a Crown corporation the NBCC has a greater degree of managerial autonomy than regular government departments, in order that it may operate in a commercial environment.

The business of the NBCC is directed by the Board of Directors, who are appointed by the Commissioner in Executive Council, on the recommendation of the Minister of Economic Development & Transportation. The Minister provides the board with written directions and policy guidelines, and the board oversees the operations of the NBCC in accordance with these instructions.

The Minister, in consultation with the Board, appoints the chief executive officer of the NBCC. The CEO, and all employees of the NBCC, are members of the public service.

The NBCC may make a loan to a business enterprise in an amount up to \$1 million. Loans are approved by the Board in amounts up to \$500 thousand; the Board makes recommendations for approval to the Minister for loans that are greater than \$500 thousand.

The NBCC receives an annual contribution of \$450 thousand appropriated by the department for its operating expenses. The NBCC's loan fund is borrowed from the government's Consolidated Revenue Fund, with the approval of the Minister of Finance. The NBCC's current loan fund is \$25 million.

Office of the Auditor General of Canada

The Office of the Auditor General of Canada (OAG) audits federal government operations and provides Parliament with independent information, advice and assurance to help hold the government to account for the stewardship of public funds.

The Auditor General is also the auditor for the governments of Nunavut, the Yukon and the Northwest Territories; and she reports directly to their legislative assemblies.

In Canada's parliamentary system, legislatures are responsible for overseeing government activities and holding governments accountable for their handling of public money.

Legislative auditing plays a central role in holding governments to account. It provides objective information, advice, and assurance that legislatures can draw on in their scrutiny of government spending and performance. Elected representatives need this independent reporting so they can effectively question or challenge the government on its actions.

To date, the OAG has provided six reports to the Legislative Assembly of Nunavut, including the Report of the Auditor General on the Activities of Nunavut Business Credit Corporation, tabled in the Nunavut Legislative Assembly on November 5, 2007.

This information has been excerpted from the OAG web-site. See, in particular, http://www.oag-bvg.gc.ca/domino/reports.nsf/html/01nunavut_e.html