



Department of Environment
SEAL AND FUR PROGRAMS POLICY

POLICY STATEMENT

The Government of Nunavut will offer financial support to harvesters to provide fair compensation for furs and sealskins, equal and affordable access to markets, and the fostering of harvesting activities that support the traditional economy in Nunavut.

The Department of Environment is committed to a grants and contributions approval process that is; accountable, accessible, fair, transparent, and reflects community needs.

PRINCIPLES

This policy is based on the following principles:

- Avatittinnik Kamatsiarniq – showing respect and care for the land, animals, and the environment is integral to the responsible management of wildlife resources in Nunavut.
- Piliriqatigiinniq/ Ikajuqtigiinniq - working together towards a common cause. The Government of Nunavut is committed to supporting sealskin and fur harvesting activities that enhance traditional livelihoods and contribute to the economy.
- Qanuqtuurniq – being innovative and resourceful. The Government of Nunavut will assist harvesters in shipping and marketing sealskins and furs so that they may remain competitive in Canadian and international marketplaces.

APPLICATION

This policy applies to individuals who harvest in Nunavut, as well as individuals, societies, businesses and organizations involved in activities that support the traditional seal and fur harvesting economy in Nunavut and that are consistent with the environmental and stewardship goals of the Department of Environment.

DEFINITIONS

Advance Payment

A payment issued in exchange for a fur prior to its sale by a designated marketing agent. Advance payments are repaid to the Government of Nunavut from the proceeds of the sale of the fur.

Audit

The examination and verification of records and reporting thereon.

Commission

A fee charged for services performed, based on a percentage of the final sale price. For the purpose of this policy, a designated marketing agent may charge a commission on furs sold; commission due on furs advanced or purchased by the Government of Nunavut will be paid for by the Government of Nunavut directly to the designated marketing agent.

Contribution

A conditional transfer payment made to a recipient from whom the Government will not receive goods or services. Contribution payments are conditional on performance or achievement, and are subject to audit or other financial reporting requirements.

Department

The Nunavut Department of Environment.

Designated Marketing Agent

An agency as designated by the Deputy Minister. Such agencies may be, but are not limited to: auction houses, taxidermists, retailers, manufacturers, or organizations that have a vested interest in the sale of sealskins and/or furs and/or the products made from them.

Dressed

Commercially tanned and/or dyed furs or sealskins.

Fur

The cleaned and dried skin of a furbearer. Does not include seal, ungulates, domestic animals or any other species not listed in this policy or schedules to this policy.

Fur Tracking System (FTS)

The computerized data management system used to administer the Fur Assessment and Advance Program and Sealskin Purchase Program, through which payments, advances, and/or export certificates are issued, and furs, shipments and harvester information is recorded and tracked. The FTS is setup to account for factors that may determine the advance amount or purchase amount of a fur or sealskin, including markets, export restrictions, quality, size, and handling.

Grant

A transfer payment made to a recipient from whom the Government will not receive goods or services. A grant is a payment without a financial accountability requirement. An achievement report or other non-financial accountability requirements may be required.

Harvester

A person who harvests, as the activity is defined in the *Wildlife Act*; also includes a person who fishes.

Nunavut Inuit

Any individual who is a beneficiary of the *Nunavut Land Claims Agreement (NLCA)*.

Prime Fox Pelt

Any fox pelt assessed by a Conservation Officer via the Fur Tracking System as a prime fox pelt.

Resident of Nunavut

A Canadian citizen or landed immigrant who has been living in Nunavut for at least twelve months.

Sealskin

The skin of any species of seal harvested in Nunavut.

ROLES AND RESPONSIBILITIES

Minister of Environment

The Minister:

- Is accountable to the Executive Council for the implementation of this policy.
- Shall approve program provisions including, where applicable, the variation of accountability requirements for specific contributions.

Deputy Minister

The Deputy Minister of Environment:

- Is responsible to the Minister for the administration of this policy, including final approval on the awarding of all grants and contributions.
- Is responsible for identifying “Designated Marketing Agents” for each schedule in this policy.
- Establishes procedures and criteria for the allocation of funds under this policy. This will include guidelines that address:
 - i. Application requirements and processes;
 - ii. Evaluation and approval criteria; and
 - iii. Terms and Conditions.
- May, through a letter of instruction, delegate authority to establish procedures and criteria for the allocations of funds under this policy to a senior official.

Director of Fisheries and Sealing

The Director of Fisheries and Sealing:

- Is responsible for overseeing and ensuring compliance with the terms of the policy.
- May, after being delegated through a letter of instruction by the Deputy Minister, establish procedures and criteria for the allocation of funds under this policy.

Conservation Officer

Conservation Officers:

- Are responsible for the grading of furs and sealskins;
- Are responsible for paying advances for the Fur Assessment and Advancement Program;
- Are responsible for purchasing sealskins for the Sealskin Purchasing Program.

Fur Program Coordinator

The Fur Program Coordinator:

- Is responsible for providing support and administration for seal and fur programs.

AUTHORITY AND ACCOUNTABILITY

Executive Council

The Executive Council shall approve program provisions and any exceptions to this policy.

Financial Management Board

The Financial Management Board approves an annual budget for contributions specified within this policy

PROVISIONS

Eligibility

- i. This policy applies to individuals, societies, businesses, and organizations within and outside of Nunavut that have an interest in the Nunavut seal and fur industry, as further detailed in the schedules to this policy;
- ii. Potential recipients must file a complete application form with the Department. (application forms vary by program);
- iii. Preference will be given to individuals, societies, and organizations that direct their efforts in support of the local and traditional seal and fur harvesting economies of Nunavut.

Nunavut Land Claims Agreement

Nothing in this policy shall be construed as to limit the authority of the NLCA. The Agreement shall take precedence over this policy.

Financial Resources

- i. Financial resources required under this policy are conditional on approval by the Legislative Assembly and on the availability of funds in the appropriate budget.
- ii. All relevant provisions contained in the *Financial Administration Act (FAA)* and the Financial Administration Manual (FAM) shall apply to the administration of all grants and contributions issued under this policy.
- iii. Prior to issuing payment, the recipients of a contribution shall sign a Contribution Agreement, which contains project goals and objectives, guidelines for allowable expenditures, completion timeframe, and financial reporting and accounting requirements.
- iv. Eligibility for funding under this policy does not guarantee approval for financial assistance.
- v. Funding in one fiscal year does not guarantee funding in subsequent years.
- vi. Grants and contributions made may be less than the amount requested or outlined in the schedules and guidelines.
- vii. Recipients of contributions must grant the Government of Nunavut the right to conduct an audit of activities supported under this program, even though an audit may not always be undertaken.

General Conditions

- This policy and related programs shall be governed by and interpreted in accordance with the existing policies and laws of the Territory of Nunavut.
- The Government may terminate, suspend, or reduce the scope of grants and contributions made under this policy if the recipient fails to comply with the terms of the policy.
- The Government of Nunavut shall not be liable for and shall be saved harmless against all losses, costs, charges, damages, expenses, personal losses, injury or death etc. from application and/or recipients of grants or contributions from this policy.
- The Government of Nunavut retains the right to use project details for communications, reporting and marketing purposes.
- Detailed conditions contained in the program schedules appended to this policy statement shall apply

APPEALS

When applicable, an applicant for a grant or contribution has the right to appeal to the Deputy Minister of Environment regarding the assessment and decision on their application for funding.

Appeals for grants or contributions must be made within thirty (30) days of the applicant receiving the decision on their application.

The decision of the Deputy Minister of Environment shall be final.

FINANCIAL RESOURCES

Financial resources required under this policy are conditional on approval by the Legislative Assembly and on the availability of funds in the appropriate budget. Contributions funded by the Government of Canada through third-party transfers are subject to available funding and the terms and conditions imposed on the transfer of funds.

PREROGATIVE OF THE EXECUTIVE COUNCIL

Nothing in this directive shall in any way be construed to limit the prerogative of the Executive Council to make decisions or take actions respecting grants and contributions of the Department outside the provisions of this policy

SUNSET CLAUSE

This policy remains in effect from the date of approval until March 31, 2022.

Premier

SCHEDULE A – PROGRAMS

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Schedule A-1 FUR ASSESSMENT AND ADVANCE PROGRAM

Purpose

This program provides an advance to harvesters for their furs and facilitates access to markets, through branding and similar activities, and also by subsidizing the cost of shipping furs to a designated marketing agent.

This program also provides a minimum guaranteed payment for foxes. Minimum payments are subject to review and may be adjusted.

Eligibility

This program is available to all Nunavut Inuit, as well as all residents of Nunavut with a valid Nunavut hunting and/or trapping license.

This program is only available for furbearer species. Seals, ungulates and domesticated animals are not eligible under this program.

Process

Harvesters bring their fur(s) to their local Wildlife Office for grading by a Conservation Officer. Following grading, harvesters receive a one-time advance payment for the fur(s) that are accepted.

Advances are calculated based on market conditions and are subject to change over time and are in proportion to the quality of the fur.

Fur(s) may not be accepted if they are of poor or very poor quality.

The Department will pay for the shipping of the fur(s) to the designated marketing agents on behalf of the harvester. Harvesters are responsible for providing the necessary shipping information for the fur(s).

Upon sale, the designated marketing agent will reimburse the Department for the advance payment amount. All additional proceeds from the sale shall be paid to the harvester directly by the designated marketing agent.

Amount

Maximum advance payment amounts are 75% of the assessed value of the fur, based on the size and quality of the fur as graded by the Conservation Officer, and are calculated using the Fur Tracking System software.

The Department pays shipping costs within Nunavut and to/from a designated marketing agent.

The Department assumes the cost of the commission charged by the designated marketing agent.

There is no limit to the number of furs a harvester may sell through the program; however, a limit may be placed on overall fur advances due to budgetary constraints.

The total amount of all advance payments cannot exceed the appropriation approved by the Legislative Assembly.

This program provides a guaranteed minimum payment of \$40.00 per prime fox pelt.

Payment

Payments under this schedule will be made in compliance with Directive 9802 of the *Financial Administration Manual*.

Advance payments for furs are issued to the harvester via cheque immediately following the Department's acceptance and assessment of the fur(s).

Harvesters may receive a second payment from a designated marketing agent for their fur(s) that sell for more than the advance payment.

The Department will return the fur(s) of a harvester who provides: a written request for the return of their fur(s), the full advance, and the shipping costs incurred by the Department.

Term

Contributions are made annually, with a reporting period from April 1 to March 31 of each fiscal year.

Schedule A-2 FALL INCENTIVE PROGRAM

Purpose

This program provides financial support to harvesters of wolf and wolverine in the fall of each year for pelts that are sold in the previous year, whether privately or through the *Fur Assessment and Advance Program*.

Eligibility

This program is available to all Nunavut Inuit, as well as all residents of Nunavut with a valid Nunavut hunting and/or trapping license.

Eligible species under this program are wolf and wolverine.

Review

Harvesters who sell wolf and wolverine furs through the *Fur Assessment and Advance Program* will be automatically entered into the program to receive the fall incentive payment.

Harvesters who sell wolf and wolverine furs privately must submit receipts signed by the fur buyer to the Department, care of the Fur Program Coordinator.

Amount

The amount paid for furs under this program is 25% of the total sale price of furs from each species sold.

There is no limit on the amount of fall incentive payment a harvester may receive; however, a limit may be placed on overall payment due to budgetary constraints.

The total amount of all advance payments cannot exceed the appropriation approved by the Legislative Assembly.

Payment

A lump sum payment in the form of a grant will be made to eligible individuals.

Term

Payments are one time only, issued in October of each year.

Schedule A-3 SEALSKIN PURCHASING PROGRAM

Purpose

In recognition of the importance of seal harvesting to community food security and the traditional economy, this program provides financial compensation to harvesters who supply the Department with quality sealskins.

Eligibility

Any sealskin produced as a product of a seal legally harvested in Nunavut.

The skin of a seal harvested under the authority of a federally issued license for the commercial harvest of seals is not eligible for this program.

Process

Sealskins are purchased on a first-come, first-served basis. The seller brings their sealskin(s) to the local Wildlife Office for grading by a Conservation Officer. Following grading, the seller immediately receives a one-time payment for the sealskin.

Only cleaned and dried sealskins are eligible for this program. The Conservation Officer maintains the right to reject poor or very poor quality sealskins.

All transactions are considered final sale and sealskins subsequently become the property of the Department. Sealskins may be sold on behalf of the Department by a designated marketing agent, sold directly to buyers, entered into the *Dressed Sealskins for Nunavummiut Program* (refer to Schedule A-4), used for research, development, or marketing initiatives as the Department of Environment sees fit.

Amount

Payment amounts are based on the size and quality of the sealskin, as graded by the Conservation Officer, and are calculated using the Fur Tracking System software.

There is no limit to the number of sealskins the seller may sell through this program; however, a limit may be placed on overall sealskin purchases by the Department due to budgetary constraints.

The total amount of all advance payments cannot exceed the appropriation approved by the Legislative Assembly.

Sealskin prices may be adjusted at the discretion of the Deputy Minister of Environment based on analysis of factors including but not limited to sealskin sale prices, market trends, harvest levels, population levels and program funding.

Payment

Payment will be made in a lump sum. Payment is issued immediately to the seller upon appraisal and acceptance of the sealskin(s).

Term

Payments are one-time only, with a reporting period from April 1 to March 31 of each fiscal year.

Schedule A-4 DRESSED SEALSKINS FOR NUNAVUMMIUT PROGRAM

Purpose

This program encourages the use of Nunavut sealskins for the value-added sealskin industry. The program provides dressed and/or dyed sealskins to Nunavummiut at cost price to ensure equal and easy access to sealskins for all Nunavummiut. The Department pays shipping costs within Nunavut and to/from a designated marketing agent.

Eligibility

This program is available to all residents, registered businesses, associations, societies, and organizations in Nunavut.

Preference may be given to programs and activities that support the arts and crafts community as well as the seal harvesting economy of Nunavut.

Review

Customers may purchase dressed sealskin(s) from the Department, or a designated marketing agent, on a first-come, first-served basis.

This program may be administered by a designated marketing agent whereby orders may be placed through the designated marketing agent directly.

The number of sealskins that may be purchased is subject to availability.

Amount

Price per dressed sealskin is based on the size and quality of the sealskin, as well as the costs incurred to ship and process the sealskin.

Payment

Payment must be made by credit card, cheque, money order, or bank transfer. Refunds are not available once an invoice has been generated. Orders and shipping times are subject to availability.

The Department reserves the right to hold, or suspend orders if there is a balance owing from previous orders.

Purchasers who do not have a valid Nunavut Business License will be required to pay for their orders in advance. Purchasers with a valid license will be invoiced and have 30 business days to make the payment to the Department.

Term

Contributions are made annually, with a reporting period from April 1 to March 31 of each fiscal year.

Schedule A-5 SEAL AND FUR CONTRIBUTIONS PROGRAM

Purpose

This program provides financial assistance to individuals, organizations, businesses, or societies who wish to undertake projects and/or activities that support the promotion, advocacy, research, development and diversification of Nunavut's sealing and fur sector.

Eligibility

This program is available to individuals, registered businesses, societies, organizations, and community groups, as well as, government agencies, or academic institutions interested in delivering seal and fur related projects in Nunavut.

Preference will be given to applicants whose activities will have a positive and demonstrable impact on Nunavut's seal and fur industry.

Supporting Data

A completed application form and a detailed proposal are submitted to the Department, which includes a description of the project, an outline of proposed objectives, the proposed budget, and a timeline for the completion of the project.

Applications must demonstrate that the applicant meets the minimum standards and eligibility requirements set out in this schedule for financial assistance.

Review

Applications will be evaluated based on the needs of the sector, the mandate and strategic priorities of the Department, current economic factors, and alignments with other GN strategies and action plans.

Accountability

Recipients of financial support from the *Seal and Fur Contributions Program* must submit a report to the Department within 60 days of the end of the project or the Government of Nunavut's fiscal year-end that includes the following:

- i. A complete project activity report, including: a summary of the background and rationale for undertaking the work, a list of objectives and results achieved, and a summary of conclusions and recommendations;
- ii. Information on any other project deliverables agreed to in the contribution agreement.

- iii. A complete and accurate financial summary, including: itemized copies of receipts and invoices, and a spreadsheet summary outlining spending for all eligible project expenses, un-audited financial statements, schedule of revenues and expenditures.

Amount

Contribution amounts are made on a first-come-first-serve basis and are contingent upon the project proposed and how well it meets the eligibility and review criteria outlined in this policy, the needs of other applications, strategic annual planning needs.

Payment

Payment can be in the form of a financial contribution or in the form of a sealskin product(s). Sealskin product(s) will be outlined in the applicant's budget and assigned a value.

Payment in the form of a contribution will be made upon execution of a contribution agreement between the Minister of Environment and the successful recipient.

Contributions will be paid in instalments, unless otherwise determined in the contribution agreement.

Term

This program is subject to financial availability.

Contributions are one-time only and made annually, with a reporting period from April 1 to March 31 of each fiscal year. Multi-year projects are subject to an appropriate budget being approved by the Legislative Assembly.