

IDENTIFICATION

Position Number	Position Title	
15-5346	Fiscal Policy Analyst	
Department	Division/Region	Location
Finance	Fiscal Policy /HQ	Yellowknife

PURPOSE OF THE POSITION

This position is responsible for providing the Division with research and analysis of the Territorial Formula Financing Arrangements, which provide approximately 70 per cent of the Government's revenues, or in excess of \$700 million per year, and other large transfer programs including the Canada Health Transfer and the Canada Social Transfer. This position also contributes to the Government's fiscal framework for public documents such as the Public Accounts, Main Estimates, Business Plans and the Budget. These documents, along with the Business Plans, are key documents used by the Minister and Executive Council to determine the fiscal plan of the government.

Other responsibilities relate to advice provided to this and other Departments on intergovernmental fiscal arrangements, the development and maintenance of the fiscal framework, the monitoring of economic performance for research projects and the analysis of the impact of changes in economic, fiscal and taxation policy on the fiscal framework.

SCOPE

The Fiscal Policy Division is responsible for providing research, analysis, and recommendations on the fiscal policies of the government; monitoring economic conditions as they affect the Government's fiscal policy; providing macroeconomic research and policy advice; providing analysis and advice on Canadian and NWT tax policies; monitoring and advising on intergovernmental fiscal relations, in particular, the Formula Financing arrangements with Canada; providing input into multi-year fiscal plans; and preparing the annual budget address. The Division also provides technical support for the Deputy Minister and the Minister of Finance in federal/provincial-territorial discussions, and represents the Government on intergovernmental Finance committees.

Within this environment, and reporting to the Manager, Fiscal Relations and Economic Policy, the Fiscal Policy Analyst provides analytical and research expertise to the Division in support of recommendations in the broad areas of intergovernmental fiscal

relations and budgetary policy. The incumbent also provides analytical and research support to the area of tax policy and monitors and analyzes economic and financial data to develop projections of the Government's fiscal situation and of the fiscal situation of the federal government and of the provinces. In line with the depth and breadth of the workload, the incumbent will encounter a variety of challenges in the course of his/her work, solutions to which will vary from the analytical and constructive to more novel, imaginative approaches. The Manager, Fiscal Relations and Economic Policy normally assigns work verbally or in writing.

RESPONSIBILITIES

1. Conducts research, analysis and forecasts relating to the federal/territorial Formula Financing arrangements. The Formula Financing arrangement is the basis for calculating the Grant from Canada, which delivers approximately 70 per cent of total Government revenues. Complete and accurate analysis of this arrangement and legislation, often performed in accordance with tight deadlines, is imperative to the maintenance of the integrity of the Government's fiscal position. Many millions of dollars can be at stake. The Formula is complex, with a long and challenging history, and research related to it requires both extensive analysis of many variables and a detailed knowledge of the historical underpinnings of the transfer process, which extends back decades. Analytical methods employed in such analysis range from simple techniques to multifaceted, specially developed approaches. Because of the significant amounts of money at stake, the incumbent must show exceptional diligence and attention to detail at all times.

Main Activities:

- Performing research relating to formula financing, including collecting and analysing data to determine the impact of various actual or proposed funding formulas, possibly including those developed by the incumbent;
- Providing evaluations of the effects of Government fiscal and tax policies on the Formula Financing Grant;
- Supplying research and analysis to explore alternatives to the existing Formula Financing Arrangement. Analysis includes suggesting alternative measures where federal interpretations could be detrimental to the NWT and evaluating the feasibility of alternatives suggested by others, such as academics or consultants;
- Delivering recommendations for senior management on the Formula Financing Arrangement and legislation;
- Composing briefings for senior management and the Minister on issues relating to Formula Financing;
- Providing support for consulting work on federal/territorial funding arrangements;

- Imparting strategic thinking on negotiations with the federal government on the Formula Financing Grant, including negotiations concerning the Agreement and legislation and various issues that may arise;
- Furnishing important support for federal/territorial negotiations on Formula Financing; and
- Presenting to internal and external audiences, and addressing any concerns or questions that may arise during such events.

2. Prepares calculations of entitlements under the Formula Financing Grant, based on the applicable Agreement or legislation, and reconciles to calculations supplied by Finance Canada, both entitlements and payments. At approximately 70 per cent of total revenues, the Grant is the largest source of the Government's revenues. Complete, accurate, detailed and timely calculations are critical in ensuring that the Government receives the correct transfer from the federal government.

Main Activities:

- Developing, stress-testing, maintaining and updating a computer-based model used to calculate the Formula Financing Grant pursuant to the Agreement or legislation;
- Preparing the calculation of the year's Formula Grant revenue as it will appear in the Government's Public Accounts, and then supplying the required documentation—including the preparation of journal vouchers—to the Financial Management Board Secretariat and, if necessary, to the auditors for use in their audit of the calculation;
- Assisting the Auditor General staff in their audit of the Formula Financing Grant, by responding to enquiries and providing explanations and background information;
- Supporting officials in other Departments in the application of the provisions of Territorial Formula Financing, specifically with reference to the calculation of included and excluded revenues (the revenue "failsafe") for use in the calculation of each year's Grant; and
- Liaising with federal officials on Formula-related and other pertinent issues, such as by answering questions or providing information, both orally and in writing.

3. Conducts research and analysis on issues relating to intergovernmental fiscal arrangements, such as transfer programs. Some of the more important transfer programs that are consistently examined are Equalization, the program by which the federal government ensures that all provinces are able to provide reasonably comparable services at reasonably comparable levels of taxation; and Canada Health Transfer (CHT)/Canada Social Transfer (CST), the major programs by which the federal government transfers funds to the provinces and territories for expenditure in respect of health (in the case of CHT) and education and social services (in the case of CST).

Extensive knowledge concerning the historical evolution of the programs is required, in addition to a wide-ranging grasp of the current programs.

Main Activities:

- Maintaining a record of entitlements—in both electronic and hard-copy formats—in respect of Equalization and CHT/CST;
- Researching the past operation and structure of fiscal arrangements in Canada;
- Analyzing the financial impacts—direct and indirect—of various current or proposed fiscal arrangements of which the NWT is or could be a party;
- Evaluating the needs and data requirements for meetings between federal and provincial/territorial officials, and collecting and analyzing those data; and
- Drafting briefings for senior management and the Minister on issues related to intergovernmental fiscal arrangements.

4. Collects and analyzes data in order to portray the performance of the NWT's economy.

Main Activities:

- Evaluating the needs and data requirements for research and analysis, and reporting the recommendations in that regard to the appropriate authority;
- Collecting data on the NWT's economy and those of other jurisdictions, such as provinces, territories or at the national or international levels;
- Determining which sources of economic data are the most robust, viewed in the context of their ultimate use;
- Writing briefing notes and papers on economic matters, including the economic review section of each year's Budget; and
- Presenting to other federal-provincial/territorial officials at official gatherings.

5. Prepares multi-year revenue forecasts for the Government. These revenue forecasts are used to advise the Minister on appropriate fiscal policies, such as the need for future borrowings or potential tax increases.

Main Activities:

- Developing, stress-testing, maintaining and updating a computer-based model to project budgetary revenues and to produce timely and reliable scenario and sensitivity analysis as required, often with little or no notice;
- Collecting and analyzing the scores of data that enter into the Government's multi-year fiscal framework;
- Updating the fiscal framework as new data become available;
- Verifying the continuing fidelity of model output;

- Provides reports to senior management regarding revenue variations from one forecast to the next; and
- Producing accurate and timely revenue forecasts for the Financial Management Board—and for inclusion in the Government's Budget, Business Plans and Main Estimates—as well as on an as-required basis.

6. Manages Canada Health Transfer (CHT)/Canada Social Transfer (CST) programs for use in the Government's budgeting and evaluation process (Main Estimates, Business Plans and Budget) and interim reports. CHT and CST, two major programs by which the federal government transfer money to the Government in respect of funding for health and social matters, together provide well over \$30 million in annual revenue to the Government. Next to the Formula Financing Grant, these two programs account for the largest share of ongoing transfers to the Government. As such, they constitute one of the Government's most important sources of revenue, similar in magnitude to one of the major taxes. Because of the significant amounts of money at stake, the incumbent must show exceptional diligence and attention to detail at all times.

Main Activities:

- Calculating the NWT's entitlements in respect of CHT/CST, and reconciling those calculations to the federal government's;
- Developing, stress-testing, maintaining and updating a computer-based model used to calculate CHT/CST pursuant to the legislation;
- Forecasting the future levels of CHT/CST in the context of the Government's fiscal framework and business planning process;
- Maintaining a record of entitlements—in both electronic and hard-copy formats—in respect of CHT/CST;
- Preparing the calculation of CHT/CST revenue as it will appear in the Government's Public Accounts, and then supplying the required documentation—including the preparation of journal vouchers—to the Financial Management Board Secretariat and, if necessary, to the auditors for use in their audit of the calculation;
- Assisting the Auditor General staff in their audit of the CHT/CST, by responding to enquiries and providing explanations and background information; and
- Liaising with federal officials on CHT/CST-related issues.

7. Administering correspondence associated with trust accounts for which the Government is the beneficiary, specifically those set up by the federal government. The incumbent must also keep senior management apprised as to the amounts held in trust, the trusts' respective drawdown dates, possible implications for the Formula Financing Grant and analysis with regard to the advisability of trust drawdown viewed in the context of the Government's cash management strategy.

Main Activities:

- Corresponding with the applicable trustee with regard to the Government's policy for trustee funds;
- Liaising with the appropriate trustee and the Government's cash manager;
- Forecasting interest income to be generated in future periods by funds currently held in trust;
- Recommending to senior management the timing and magnitude of suggested withdrawals of trustee funds; and
- Authoring briefing materials for senior management regarding the status of funds currently held in trust, by providing pertinent information such as number of trust accounts, drawdown dates, amounts held in trust and interest income accruing on those funds.

8. Participates in research projects dealing with fiscal and economic issues as required.

Main Activities:

- Remaining familiar with other economic, fiscal and tax policy issues in which the Division is involved;
- Drafting briefing notes in the context of such economic, fiscal and tax policy issues; and
- Providing recommendations for the Minister of Finance, Cabinet and senior management on the Formula Financing Agreement or other matters as required, based on empirical research and analysis and/or a theoretical framework.

KNOWLEDGE, SKILLS AND ABILITIES

- Wide-ranging knowledge of economic concepts and research techniques normally acquired through a university degree in Economics. The position involves highly complex policy formulation and economic analysis of a specialized nature therefore, this skill set should include knowledge both of economic theory and practical policy implementation, as well as well-developed quantitative and non-quantitative research methods, ideally to an advanced level.
- Effective written communication skills, for writing reports and drafting correspondence and briefings, often of a highly technical and specialized nature. The audience for such materials is extremely disparate: it ranges from other specialists to a general audience. Style and content must be adapted accordingly.
- Expert computer-based modelling abilities.
- Specialized technical knowledge of fiscal and economic modelling and analysis.
- Experience in applied and theoretical fiscal and economic policy would be an asset.
- Extensive knowledge of forecasts and data sources for use in the preparation of revenue forecasts.

- Ability to acquire knowledge of federal-provincial fiscal relations, including federal-provincial taxation policies.
- Effective communication skills to understand and address issues with other organizations relating to the Government's fiscal and economic policies are required.
- A thorough understanding of accounting principles and the ability to develop and review reconciliations of complex, technical revenue calculations are key abilities that are required.
- Ability to acquire knowledge of broad Government issues, challenges and directions in order to provide advice to optimize the Government's fiscal structure.
- Effective organizational and time management skills. The ability to work in an unstructured environment with limited supervision is essential, since the incumbent must be able to work on a variety of projects within the same time period and must be able to schedule the time to accommodate new and changing priorities, often with little or no advance warning.
- Ability to work both as a team member and independently with minimal supervision. Therefore, the incumbent should be self-motivated, confident and have first-rate interpersonal and communication skills.
- Ability to communicate effectively with staff of other Divisions within the Department, other Government officials, representatives of business and other organizations, officials from other provinces and territories, federal officials, academics and consultants. The reasons for these contacts vary widely depending on the specific project, but would typically include, among other functions, negotiations; the gathering of information; and the provision of advice and information at all levels of the organization, including senior management.

TYPICALLY, THE ABOVE QUALIFICATIONS WOULD BE ATTAINED BY:

A Masters or undergraduate degree in Economics and at least two years work experience in the field of public finance and/or public policy analysis and experience in computer based modelling.

WORKING CONDITIONS**Physical Demands**

The position works in a typical office setting, there are no unusual physical demands.

Environmental Conditions

The position works in a typical office setting, there are no unusual environmental demands.

Sensory Demands

Requires the ability to listen to, read, analyze, interpret and synthesize often highly technical instructions and information, from a variety of sources. Because of these substantial requirements and the frequency with, and duration for, which they occur, considerable sensory attention is necessary.

Mental Demands

Requires listening to, reading, analyzing, interpreting and synthesizing information related to highly complex technical work of a specialized nature. The ability to remember, interpret and synthesize information and instructions—given both orally and in writing—is vital. The necessity of producing work of a high quality on a daily basis, often under very stringent deadlines, can result in substantial and persistent stress for the incumbent. Further, the need to maintain meticulous attention to detail while managing often pressing and overlapping demands increases the stress associated with the position.