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Iqaluit

Speaker: The Honourable Peter Kilabuk, M.L.A.

Legislative Assembly of Nunavut

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(Cambridge Bay)

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Iqaluit, Nunavut
Wednesday, March 7, 2007

Members Present:

Honourable Leona Aglukkaq, Honourable Olayuk Akesuk, Mr. David Alagalak, Mr. James Arreak, Mr. James Arvaluk, Mr. Levi Barnabas, Honourable Levinia Brown, Mr. Tagak Curley, Mr. Joe Allen Evyagotailak, Honourable Peter Kilabuk, Mr. Steve Mapsalak, Honourable Patterk Netser, Honourable Paul Okalik, Mr. Keith Peterson, Honourable David Simailak, Honourable Louis Tapardjuk, Mr. Hunter Tootoo.

Item 1: Opening Prayer

Speaker (Hon. Peter Kilabuk)(interpretation): Thank you. I would like to ask Mr. Alagalak to say the opening prayer.

>>*Prayer*

Speaker (interpretation): Thank you. I would like to welcome the members who are just arriving today; who were delayed because of the weather. Visitors; welcome everybody. Orders of the Day. Item 2. (interpretation ends) Budget Address. Minister Simailak.

Item 2: Budget Address

Minister's Statement 003 – 2(4): Budget Address

Hon. David Simailak (interpretation): Thank you, Mr. Speaker, my colleagues and residents of Nunavut. We are happy to be here at this session and I will be giving my budget address. I am especially happy that my son is here.

Mr. Speaker, the rest of Canada is coming to discover what Nunavummiut already know. Our territory is the place to be in the 21st century. (interpretation ends) Mr. Speaker, thanks to the current 'Look Up North' TV advertising campaign, Canadians are finding out that Nunavut is a place with incredible opportunity; a place where the possibilities are as limitless as our beautiful land.

Mr. Speaker, Nunavut is increasingly a part of Canadian consciousness.

Whether because of last week's launch of the International Polar Year; growing recognition of our territory's important role in asserting Canada's sovereignty in the Arctic; or because of the excitement over burgeoning economic opportunities in mining, tourism, and the commercial fishery, Nunavut is experiencing unprecedented economic activity and is attracting savvy investors and creating new opportunities and well-paying jobs for Nunavummiut.

More Nunavummiut today are working than in previous years. Our population is healthier and achieving higher levels of education. Our communities are becoming stronger as we begin to fulfill our territory's vast potential.

Mr. Speaker, as a result of the 2007 Canada Winter Games, Canadians also recognize that Nunavummiut have tremendous talent. I recently returned from Whitehorse, along with the Premier and the Minister of Culture, Language, Elders and Youth, where we had a chance to showcase our exceptional athletes and the unique Nunavut culture.

Congratulations to Team Nunavut for their fine performances and thank you for making us all so proud.

>>*Applause*

Mr. Speaker, this winning combination of accomplished people and Nunavut's wealth of natural resources, put us clearly on the path to a promising future.

As bright as that future may be, however, we cannot be blind to the challenges that face our territory as we work our way toward a better tomorrow.

Members of this Assembly are fully aware that our government faces enormous difficulty in meeting the day to day needs of Nunavummiut. We are confronted by a range of difficult challenges that require equally difficult decisions by a responsive and responsible government.

It is in this spirit that I present to you the 2007-08 Main Estimates. While our government's focus is on achieving a bright and promising future, this year's budget is firmly grounded in ensuring that we make responsible decisions today that will make it possible to achieve our dreams for tomorrow. That means we must continue to live within our means.

As I explained in my Economic Statement last November, our government's pattern of overspending is not sustainable. A growing gap between our revenues and expenditures leads to deficits, which will eventually limit our ability to deliver the services and programs that Nunavummiut need.

To continue on this track would be irresponsible. We need to break out of this vicious cycle to ensure we can continue to provide the government services Nunavummiut deserve. That is why this budget will build on our earlier efforts to secure and strengthen the financial health of Nunavut.

In the coming fiscal year, we will improve our internal management practices to make sure we eliminate any unnecessary spending and free up all available funds to deliver essential programs and benefits to our constituents.

While this may be a tough message for many to hear, it is vitally important that our government be open and honest with the constituents we serve. We are determined to be transparent and accountable to Nunavummiut, to the Legislative Assembly, and to the Government of Canada that provides us with over 90 percent of all of our income.

The Auditor General of Canada has made it clear to us that this is what she expects. With the new financial management practices contained in this budget, we are sending a strong signal to Ottawa that we are making every effort to comply.

Before I describe these new measures, let me first outline our spending plans for the coming year. In 2007-08, our government will spend \$895 million to deliver programs and services that are a priority to Nunavut. We will also invest \$92 million on capital projects right across our territory.

We are projecting to spend approximately \$22 million more on operations and maintenance expenditures than we forecast in last year's budget. While on the surface this is a large amount, it does not adequately meet the expenditure needs of our territory.

Because of this we are projecting a shortfall of \$6.6 million for 2007-08. Although we are expecting a deficit, we can take comfort from the knowledge that we are at least moving in the right direction. When I tabled our government's November Economic Statement we forecasted a deficit of \$8.7 million for the current fiscal year.

Even though the anticipated deficit for 2007-08 is still high, we are clearly making headway in reducing the gap between our income and expenditures. This reinforces the benefits of earlier restraint measures.

On another encouraging note, I am pleased that my federal colleague, Minister Flaherty, has guaranteed Nunavut the maximum transfer payment under current federal legislation. Of course, while this will help, it is simply not enough to meet our needs. For this reason, we will take more aggressive steps to strengthen financial management across government.

One of the key ways we will do this is by acting on the Auditor General's recommendations to strengthen the accountability and transparency of the budget development process.

In the past the Government of Nunavut's budget development process was mainly prepared using a cash-based budgeting method. Under this system income and expenses are recognized only when cash is received or paid out.

The 2007-08 budget marks a fundamental change in the way this reporting is done. Effective this year, we're introducing an accrual-based budget. Under this method, receivables and payables are recognized when a sale is agreed to, even though as yet no cash may have been received or paid out.

The advantage to the accrual-based method is that it provides us with an accurate picture of our government's finances, making it easier to stay on top of spending. With the funds committed for bills we will need to pay eventually, we will be less likely to spend beyond our means.

This is the first time that our budget has been presented to the Assembly using Generally Accepted Accounting Principles that are widely used in financial reporting. This change will make it easier to compare our budget to our public accounts, which already use accrual accounting. As well, it will allow for more accurate comparisons with other governments, since this practice is becoming a standard throughout the public sector.

Another first for this year's budget is that it starts to integrate the estimates for our territorial corporations and statutory bodies making it the most transparent and open budget that has ever been presented to this Assembly. We will go even further with next year's main estimates when we will consolidate all government spending in one budget, including each of our public agencies.

Mr. Speaker, just as important as knowing where we stand financially, is knowing how well our money is being spent and this is another area where we will make improvements.

In any organization the ability to measure the outcomes of programs is an important tool in the budget planning process. We need to know if we are getting value for our money. Are our programs effective? Are we getting the results we desire? These are questions that we need to ask ourselves on an on-going basis. This is the only way we can be sure we are maximizing our investments and actually meeting Nunavummiut's needs.

With this in mind, starting this year, the Government of Nunavut will begin developing performance measurement standards so that program operations can be measured in terms of their efficiencies, effectiveness, and economy.

>>*Applause*

This will form the basis for on-going program review to ensure that Nunavut's scarce financial resources are spent efficiently.

But, Mr. Speaker, we will not stop there. To further strengthen financial management, our government will be announcing during this session additional measures to start reorganizing our financial processes across government departments and public agencies. We are serious about achieving efficiencies across government and our need for clearer lines of reporting.

Having said that, Mr. Speaker, we all know that these improvements are only part of the solution for while we can and will do our part to ensure we stretch every dollar as far as possible, the fact remains that there's simply not enough dollars to go around.

It is common knowledge in Nunavut that our government has been working from a position of disadvantage since its creation. The initial grant to establish our territory was completely inadequate to meet the most basic needs of the citizens of Nunavut in areas such as housing, health, education, and infrastructure.

Over the last year, our government has made a strong and consistent case for an increase to our territorial formula financing agreement. Helping a great deal last year was the release of two reports on TFF that supports our case and call on Ottawa to reform the Territorial Formula Financing Agreement.

As of today, the Government of Canada has not announced its plans to act on the recommendations put forward by either the Council of the Federation Advisory Panel or the Government of Canada's own expert panel.

I was pleased Mr. Speaker, that the federal Minister of Finance assured finance ministers in our December meeting that a return to a principle based TFF arrangement would be announced in the Federal Budget on March 19.

In line with the federal expert panel, we believe the gross expenditure base for the territory needs to be increased as part of a catch up effort and to enable us to make strategic investments to further develop Nunavut's economic potential.

We are optimistic this matter will be resolved within the federal government's commitment to restoring fiscal balance. We are encouraged that the federal government acknowledges the problem.

We remain hopeful that additional monies will flow to the territory under an improved transfer agreement; however, we must remain practical, particularly given the enormous pressures that face our government.

Members of this Legislative Assembly know that Nunavut is heavily reliant on the Government of Canada for the bulk of our revenues for everything our government does. Our annual grant from Ottawa is the backbone of this budget, accounting for over 80 percent of all of our revenue.

It would not be responsible to spend beyond these current levels and we will not.

>>*Applause*

Mr. Speaker, keeping a steady hand on government expenditures is a priority for our government because we know it produces results. Just look at our recent progress. In last year's budget, our government charted a new course for our territory.

We set out to invest in Nunavummiut, in growing our economy, in building healthy communities, in meeting our infrastructure needs, and in protecting our culture. And, look at what we have achieved by working together.

In terms of growing the economy, the recent signing of a development partnership agreement with Cumberland Resources is a clear example of how the initiatives that we brought forward last year are benefiting Nunavummiut, and Nunavut.

Another of those initiatives was the Off-Road Fuel Tax Rebate Program. We are confident that this initiative will bring many more development partnership agreements.

>>Applause

Mr. Speaker, we remain committed to building healthy communities. The construction of continuing care facilities in the communities of Igloolik, and Gjoa Haven will enter its second year of construction.

The completion of these facilities will provide care that is more culturally relevant to our citizens. In addition, the Qikiqtani General Hospital will be opening in the upcoming year. The completion of this hospital is the result of a partnership between industry and government, which provided opportunities for Nunavummiut to learn new skills and investment in people.

Graduates of our nursing program will be employed at the Qikiqtani General Hospital which is a clear demonstration that investing in people has now moved beyond traditional trades people.

>>Applause

Mr. Speaker, we have also succeeded in creating new housing and, in the process, training opportunities for Nunavummiut as we implement the Northern Housing Trust. With the support of the federal government's \$200 million investment, we are building 725 affordable housing units across the territory over the next three years.

Not only will these new homes help to address serious overcrowding problems and housing shortages, this massive construction project is also creating opportunities for local employment, training, apprenticeship, and business development. This valuable initiative will advance our government's long-term goal of securing healthy communities, building self-reliance, and continuing learning.

To further secure these goals, we are making important progress in creating a trade's school in Rankin Inlet that will serve as the primary location for trades training in Nunavut. As well, we have set aside funding to renovate and expand our existing training facilities in Cambridge Bay and here in Iqaluit.

These are just a few examples of our investments in infrastructure that are creating positive conditions for economic growth and social progress. Working in partnership with the federal government through the municipal rural infrastructure fund as well as the Nunavut Association of Municipalities, we have been able to allocate more than \$130 million over the next five years for community infrastructure projects.

These funds will be put to work to construct projects such as community centres and sports arenas. While our government is firmly focused on the growing economy, we are

also committed to protecting our culture. The building of Piqqusilirivvik, Nunavut's cultural school in Clyde River will ensure the continued preservation of Inuit culture and knowledge.

With satellite campuses in Baker Lake and Igloolik we will create a greater diversity of programming and access for Nunavummiut. In fact, it will provide the opportunity for Inuit culture and knowledge to grow and prosper.

Equally important to Members of the Legislative Assembly and the constituents we represent, we will continue to live up to our commitments to give a helping hand to those in society who need a hand up. We will table legislation during this sitting of the assembly to provide tax relief to single parents across Nunavut who shoulder an overwhelming tax burden as they provide for their families.

As impressive as this may be, I am not in a position this day to stand before you to promise new and exciting investments in the days ahead. Finance ministers relish the opportunity every year to announce new initiatives on behalf of the government. Unfortunately, that is not the situation we are in this year as our budget for 2007-08 remains largely unchanged.

We certainly anticipate that our financial situation will improve through the year when our TFF has been finalized. Once our new grant receives federal approval, and provided there is a significant and a sufficient increase, we will present supplementary appropriations during 2007-08 to address growth pressures as well as new initiatives.

In the meantime, however, we are doing the only responsible thing. That is living within our means. The main estimates I am tabling today underscore that our government is both accountable and prudent. We are spending only what we can reasonably afford while still providing necessary services to Nunavummiut. In doing so, we are strengthening the foundations for economic growth and creating a platform for continued social progress.

This approach is in keeping with Pinasuaqtavut. It reflects strongly Nunavut's values of self reliance. Just as previous generations of Inuit have weathered challenging times, we too move forward from the obstacles we face today as we work collectively to secure a brighter future.

That future is already unfolding before us in the way of new homes and schools, new businesses and jobs, and new hope in our communities.

In the same way that our parents and grandparents struggled to see Nunavut become a reality, we must also make sacrifices today to set the stage for a better tomorrow. We need to examine what each of us can do to ensure we continue to build a stronger territory for our children and generations to follow.

I am confident that with the understanding and support of all Nunavummiut, we will succeed. Indeed I have no doubt that Canadians from coast, to coast, to coast, will continue to admire our steady progress in developing our young territory.

I firmly believe the 21st century will see our highest hopes realized and that we have every reason to face the future with confidence.

In closing Mr. Speaker, let me thank a couple of groups of people. First of all, Rosie Uluyuk from Rankin Inlet, who made the sealskin *Kamiik* I am wearing today, and also my staff here in the Assembly, and also my staff over in finance, who spent many, many, many hours putting together a budget, our main estimates.

More importantly, let me thank Mr. Speaker, their spouses and their children who spent those many, many, many hours alone waiting for their father or their mother to come home even on weekends. Thank you, Mr. Speaker.

>> *Applause*

Speaker (interpretation): Thank you, Mr. Simailak. Orders of the Day. Item 3. Ministers' Statements. I apologise. Item 3. Ministers' Statements. Thank you. Item 4. Members' Statements. Mr. Curley.

Item 4: Members' Statements

Member's Statement 007 – 2(4): Thanks to Everyone During Recovery

Mr. Curley (interpretation): Thank you, Mr. Speaker. I wanted to rise today to say thank you and to acknowledge the many people who gave me their support when I wasn't able to participate at the fall session.

There were a lot of people who stated their support when I had just come out of surgery. I would also like to thank every single one of you. My wife and relatives, we felt your prayers and your support when I was in Winnipeg.

One thing I wanted to touch upon this morning Mr. Speaker was the people in my constituency who were extremely concerned at that time when I needed medical attention, and the whole of Nunavut and outside Nunavut, and in the other provinces. I would like to say one thing which I heard very often at that time, they wished me well, and wished me a speedy recovery.

A lot of people said their prayers, and then after that I healed up very, very fast. Thank you very much. But, one of the things that I felt at that time Mr. Speaker was that the people of Nunavut care. They care for their people. My colleague, Levinia Brown, who called us on occasion, and the other Members of the Legislative Assembly who called me at home to wish me a speedy recovery.

First of all, when you have such major surgery like that, it's between life and death, and I would like to urge all of you to make sure that you get medical examinations on a regular basis.

With the heart you feel tired very easily, and we don't tell people that we're sick, but I want to make sure that you get your blood pressure checked. Mr. Speaker, I would like to thank the medical staff of Rankin Inlet for taking extremely good care of me and being very prompt. And when I went to Winnipeg I was very well taken care of, and on the way back, even though there is a shortage of medical personnel.

I would like the Minister of Health to make sure that she sends that to her staff. My doctor, when I first saw her after a two month recovery, she examined me for 10 minutes and said I don't want you back here again. I didn't want to see her again either. Thank you. I wanted to make those comments and assure you that the people of Nunavut care and we will have good meetings this time around.

I was told by the doctor and the Speaker to make sure that I get some time off and that everything will go perfectly as planned even without me. I wish you well. Thank you.

Speaker (interpretation): Thank you, Mr. Curley. Members' Statements. Member for Cambridge Bay, Mr. Peterson.

Member's Statement 008 – 2(4): Welcome Back to the House

Mr. Peterson: Thank you, Mr. Speaker. I would like today to welcome you and my colleagues back to the house. I was hoping to do it yesterday but I am doing it today. I am very happy to be here.

Our Kitikmeot contingent had quite an adventure getting here. I believe we have spent nearly 15 hours on airplanes and at least six or seven hours sitting around in airports, hanging around restaurants and coffee shops. I have to praise our Legislative staff for tracking our progress and making sure we had hotels to stay in every night.

I would also like to like to thank the residents of Iqaluit for welcoming us back to their city for the next three weeks. My constituents often kid me about "going home to Iqaluit." I want to assure them that I have no permanent plans to take up residence in the X0A 0H0 postal code.

My constituents have sent me here for the winter Session to raise important issues and concerns on their behalf. It is not a secret that the West Kitikmeot often feels isolated from the decision-making that occurs in Iqaluit. I look forward to productive discussions with all members that will benefit the Kitikmeot and the territory as a whole.

During this sitting, we will be considering the government's 2007-08 budget. From what we heard from the Minister, funding is in short supply for all the government's proposed

programs and services. We will be required to make difficult decisions about which ones to fund.

We are a consensus-style government, and as such, we should remember that Nunavummiut elected us to work together to represent them to the best of our abilities.

During this sitting, we will have heated debates and exchanges more than likely, but this is healthy for us if we always remember to respect each other during our debates. This is how Nunavummiut will learn what their government is promising to do for them and they will continue to have faith in us as elected representatives and leaders.

In closing, I wish you an uneventful and smooth three-week stint in the Speaker's Chair as you strive to keep the House business flowing daily without delay. Thank you, Mr. Speaker.

Speaker: Thank you Mr. Peterson. Welcome back. (interpretation) Item 4. Members' Statements. High Arctic Member, Mr. Barnabas.

Member's Statement 009 – 2(4): Canada Winter Games Medal Winners

Mr. Barnabas (interpretation): Thank you Mr. Speaker. I would also like to welcome my colleagues for coming into Iqaluit. I rise today to congratulate the people from Arctic Bay who went to Canada Winter Games. They won two medals. Tom Naqitarvik won a gold medal and Alukie Kigutaq won a silver medal.

Today, my aunt Rita Nashook had her birthday. She is now 74 years old. I would like to wish her a very good day along with all the rest of the birthday people. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Barnabas. Members' Statements. Mr. Tootoo.

Member's Statement 010 – 2(4): Congratulations on Performance of Beauty and the Beast

Mr. Tootoo: Thank you, Mr. Speaker. Welcome back to the members who were finally able to get in.

I would like to say a very special happy birthday to my daughter Taya. It is her 12th birthday today. She is having a party with 25 kids after school.

I'm sure they're going to have a lot of fun and have a good sleep tonight after they get all sugared up. I want to tell her that I love her and I'm very happy, and can't believe that she is 12 already. Happy birthday Taya.

Mr. Speaker, I rise today to celebrate our performers from Inuksuk High School. Despite storms and setbacks the Inuksuk High School once again made the city proud when

actors took to the stage to bring to life Beauty and the Beast. This is a classic story that encourages us to look beyond the surface and find the true character and beauty within every person.

Mr. Speaker, as always, the high school put on a tremendous production and I would like to recognize the many hours that were put in by the actors, musicians, set and costume designers, and the lighting and staging crews.

Mr. Speaker, it would take me forever to read of all their names, but there is a program that I will table later, and all members will be able to see why I didn't want to name all the names of the people that put in a lot of time to help out in that event.

Mr. Speaker, events like this are made possible by the support of community minded business people, and I would like to thank too all the generous sponsors.

Mr. Speaker, this was the last high school performance for many of our students who will be graduating this year. I would like to take this opportunity to wish Lauren Solski, Bjorn Simonsen, and Harris Ali a very bright future.

Mr. Speaker, yesterday I rose in this House to celebrate the diversity of this city. I am very grateful that that very diversity provides Iqalumiut the opportunity to enjoy the arts.

I ask all members to join me in congratulating every one who made this production of Beauty and the Beast possible. I look forward to their next productions. Thank you, Mr. Speaker.

>>*Applause*

Speaker (interpretation): Thank you, Mr. Tootoo. Members' Statements. I don't think there are any more. Going back to Orders of the Day. Item 5. Returns to Oral Questions. Item 6. Recognition of Visitors in the Gallery. Thank you, my colleagues.

Item 6: Recognition of Visitors in the Gallery

Speaker (interpretation): I would like to take this opportunity to acknowledge a person who is now 26 years old, one of our interpreters, Naimee Kilabuk from Pangnirtung. Happy birthday.

Thank you. I'm sorry, I didn't see you. Member for Arviat. Mr. Alagalak.

Mr. Alagalak (interpretation): Thank you, Mr. Speaker. I would like to acknowledge my older brother, Ben Kovik. People think he is older than me, and they think I'm his younger brother, but he's my younger brother.

And, I would like to acknowledge my cousin Johnny who is sitting beside him and also the individual sitting here at the very end from Arviat. He left us way ahead, but we saw him, although he left our community. We miss you Tommy in Arviat. Thank you, Mr. Speaker.

>>Applause

Speaker (interpretation): Thank you, Mr. Alagalak. Item 6. Recognition of Visitors in the Gallery. Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Speaker. I would like to take this opportunity to welcome a constituent of mine, a friend of mine who had a very frustrating year watching hockey, and his name is Jutanee Davidee sitting over there in the Gallery.

As my colleague would, if he were here, Mr. Picco, I'm sure, would take this opportunity to welcome in the Gallery a former Mayor Mr. John Mathews to the Gallery.

And, I believe he's teaching the financial management module through the Arctic College, I believe all of the students are here, on behalf of Mr. Ed. Picco I would like to welcome Mr. Mathews and all of his students to the Gallery. Thank you, Mr. Speaker.

>>Applause

Speaker (interpretation): Thank you, Mr. Tootoo. Recognition of Visitors in the Gallery. Thank you.

I would like to welcome each and every one of you sitting out in the Gallery. Welcome. Today is a budget address day, so I would like to allow my colleagues to review the budget address. We will take a short break and we will resume at three o'clock. Thank you.

Sergeant-at-Arms.

>>House recessed at 14:16 and resumed at 15:04

Speaker (interpretation): Thank you for coming back. Item 7. Oral Questions. Member for Iqaluit Centre, Mr. Tootoo.

Item 7: Oral Questions

Question 007 – 2(4): Fiscal Framework – Budget Address

Mr. Tootoo: Thank you, Mr. Speaker. I would like to ask the Minister of Finance about a couple of important issues that I didn't hear him talk about in his budget address today, which I'm sure he's expecting a few questions on that.

As the minister knows that the Government of Nunavut's collective agreement with the Nunavut Employees Union expired in September of last year and we all know the importance of ensuring a stable frontline workforce that enjoys good morale. And in fact, the Premier was thanking all of them yesterday for the good work they do and that they really appreciate the work that our employees do.

I was just wondering if the minister can inform the House today how his fiscal framework for the coming year takes into account a settlement with our major union. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Tootoo. Minister of Finance, Minister Simailak.

Hon. David Simailak (interpretation): Thank you, Mr. Chairman. If there was an agreement with the GN staff collective agreement is reached, we have funds set aside for that. Thank you.

Speaker (interpretation): Thank you. Oral Questions. Your first supplementary, Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Speaker. I will get more detail on that as I am going to be with the Minister of Human Resources on a different day. I want to deal with some stuff in the budget address today.

In reviewing the budget package I noted that the GN addressed some of the needs to act on the recommendations made by the Auditor General and our Standing Committee with respect to financial management. Can the Minister update the House today when the decision will be made with respect to the recommendations that have been made on the need to review the GN decentralized infrastructure. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Tootoo. Minister of Finance, Minister Simailak.

Hon. David Simailak (interpretation): Thank you, Mr. Speaker. Yes, we are still continually working on that and our officials at the Department of Finance are still reviewing that. We are still reviewing the plan with the federal government and GN. I am not sure when I can table the information but we are still working on that. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Minister. Your second supplementary, Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Speaker. I think every Member in the House supports the Minister in his effort to achieve a new formula financing agreement with Ottawa that truly meets our real needs. However, while we hope for the best we must be prepared for the worst.

I would also like to commend the minister and his budget address in that things are not as rosy as we would like them to be. As a government we need to be prudent and work within our means and accept and realize that fact.

Can the minister tell us what options are still on the table in terms of things like imposing mandatory leave without pay and what options are off the table in the event that we need to cut spending in the coming year to address the projected deficit? Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Tootoo. Minister Simailak.

Hon. David Simailak (interpretation): Thank you, Mr. Chairman. Yes, the way it is set up now we have not really considered any changes or different consideration than the ones we are working on for Nunavummiut.

Nothing is frozen right now but I am not too sure how long it will be but perhaps up until June. We will consider it as a department but we have not considered anything else. We have not made any plans for what we should do if we do not get any funding. Thank you.

Speaker (interpretation): Your final supplementary, Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Speaker. I guess that is a “what-if it doesn’t happen”. In his budget address, they also indicated what might happen if things do change for the better, or he had indicated that once our new grant receives federal approval, and provided there are significant increases, that they will present the supplementary appropriation during this year.

I would like to ask the minister; he talks about them meeting their growth, and also new initiatives that aren’t addressed, and there are not enough resources within this budget. But, if that does happen, the process that we follow through is any time budget items and things come before the standing committee for review prior to being presented in the House.

Would the minister commit prior to bringing in any supplementary appropriation of any new funding, to follow that process and have the standing committees review it prior to it being brought forward into the House so that all members of this House will have the opportunity to have some input into that. Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Tootoo. Minister Simailak.

Hon. David Simailak (interpretation): Thank you, Mr. Speaker. Yes, if we do get supplementary funding, they will have to be approved in the House. We can work with the standing committee if there is any new additional funding allocated.

Once the department has finalized the details, then the standing committee can be involved. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Minister. Oral Questions. Member for Arviat. Mr. Alagalak.

Question 008 – 2(4): Plans for Inuit Employment in the Mining Sector

Mr. Alagalak (interpretation): Thank you, Mr. Speaker. In regard to your budget address, it was very good to hear, and I'm sure things that we had forgotten I'm sure will come up some time in the future.

The issue I didn't see in the budget address, I would like to ask the Minister of Finance, the issue we had been discussing last winter in regard to planning ahead for a Mining Strategy, or having a Mining Strategy.

We discussed having some funding set aside, or made available. I was wondering if the minister had considered this. He is aware of the fact that in Baker Lake they started working in the wintertime, and we heard that only Inuit people could stay outside working in the cold weather when they were constructing the road.

Some individuals had to get into heavy equipment, which they have never seen at all before, even though we were notified ahead of time. Also, the plan to have the uranium mine to start operating within ten years, I was wondering if the minister had considered the fact that Inuit could be employed, or have you considered that fact? Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Alagalak. Minister of Finance, Mr. Simailak.

Hon. David Simailak (interpretation): Thank you, Mr. Speaker. I mentioned it a bit in regard to the trade school in Rankin Inlet and with that trade school; the mining sector will be involved with the training program in Iqaluit and Cambridge Bay.

The trades schools will be used to... we're very pleased with the construction of the road in Baker Lake, for example. Once the heavy equipment arrived in our community, the Cumberland company started training last fall.

Quite a few Inuit attended the training program in Ontario. All of these individuals who took training in Baker Lake, Qamanittuaq, and Gjoa Haven, I think there were 45 individuals who are now employed on the construction of the road. I think there were about 65 individuals who went to the training course.

The Inuit people working at the Cumberland Resources Mine were trained last fall, and I met with the company that bought the Meadowbank Mine in Toronto a few days ago. I also met with the private mining companies and they would like to train Inuit people using their own funds. Soon the Department of Education and the Department of Economic Development will be involved. Yes, this is on going. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Minister. Your second supplementary, Mr. Alagalak.

Mr. Alagalak (interpretation): Thank you, Mr. Speaker. The training program that was made available in Ontario for the heavy equipment training course; in spite of the fact that there was a training course for heavy equipment operation, I heard that some individuals who took the training course didn't see the heavy equipment right away and it was the first time that they've seen the heavy equipment and they never even worked in the middle of winter. There was some damage done to some of the things they were to transport.

This coming winter the mining sector will take on the responsibility of training the Inuit people. The individuals who took the training already will need to find additional jobs once the construction of the road is completed.

So I was wondering if the minister could elaborate to us what percentage of the funding could be used for training purposes from the GN. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Alagalak. Your supplementary was the first supplementary, although I said second supplementary, but it was your first supplementary. Minister of Finance, Mr. Simailak.

Hon. David Simailak (interpretation): Thank you, Mr. Speaker. The training program is the responsibility of the Department of Education. I don't know the percentage they have targeted.

I could tell you, with the Department of Economic Development, we have a position opening up, a mining training coordinator position to work with the mining sector and with the Nunavummiut, to coordinate the training program through Arctic College in Nunavut, and to work with the sponsors.

This is in progress within the Department of Economic Development. As I have stated before, the mining sector themselves will be using their own funds to train Inuit people, which I was very happy to hear about; it was very good to see it actually occurring in the Cumberland Resources Mine.

Cumberland Resources is a good example. There were 45 Inuit people in the Keewatin region that are now working on the construction of the road, and once the construction of the road has been completed, heavy equipment will continue to be used because those people working right now in that mine will continue to work, and they will also be trained in different fields, if they are interested.

The training program is still going to continue and progress. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Minister. Oral Questions. Member for Rankin Inlet North, Mr. Curley.

Question 009 – 2(4): Tax Relief for Homeowners

Mr. Curley (interpretation): Thank you, Mr. Speaker. I would like to direct my question to the Minister of Finance as he stated or discussed the tax relief for single parents.

This is going to be very beneficial for the single parents and I'm in support of that. Everyone is going to be very pleased to see that. But I would like to ask the Minister of Finance, Mr. Speaker, that even though the department is not responsible for fuel and gas, but your department is responsible for the Fuel Tax Rebate, I think the cost of fuel is .09 percent, which is paid by Nunavummiut.

Can the minister tell Nunavummiut that the price of fuel in Nunavut, it is the highest cost of fuel in Canada. We're paying the price of July prices, and the price of fuel had decreased, it was reduced, but the consumers pay at least \$78 and we still pay for the tax on top of that.

Can the minister give more support, especially for homeowners in Nunavut some time in the future, and perhaps have a tax reduction because the cost of living up here is the highest and they can't afford to keep up with that. I was wondering if you could consider that. Thank you.

Speaker (interpretation): Thank you, Mr. Curley. Minister of Finance, Mr. Simailak.

Hon. David Simailak (interpretation): Thank you, Mr. Speaker. Yes, I can definitely check into this and talk with the minister and our staff on how we can work on this. We definitely can look into this. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Minister. Your first supplementary, Mr. Curley.

Mr. Curley (interpretation): Yes, I would like to thank the minister. Maybe he can make changes where the homeowners are increasing, and some staff are moving from staff housing to homeownership. It's very expensive. Especially for the younger, single parents.

It's a big burden. If they can have a tax relief fund, even just a subsidy, maybe we'll have to use the tax rate. The reason I'm asking this is that the Government of Nunavut is trying to recover \$78 a barrel because they bought it at that price, and you're trying to recover that price. It's impossible.

So for that reason, it's now \$60 a barrel but we're still paying \$78 a barrel. I wonder if the minister, along with a consultation with the Cabinet, I wonder if they can spread it out more so it would be cheaper, not just the gasoline but heating fuel too. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Curley. Minister Simailak.

Hon. David Simailak (interpretation): Thank you, Mr. Speaker. It could have even been higher. The last session we had, we subsidized the fuel, and this is helping a lot of Nunavummiut.

Yes, his question that he is raising, we definitely can look into this to see where we can give more assistance. At this time, they are presently working on a hedging policy. They are still working on this, and we're looking at the regulations. Once that is complete, we will be able to use this where we can buy the oil when it's at its cheapest. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Minister. Your second supplementary, Mr. Curley.

Mr. Curley (interpretation): Thank you, Mr. Speaker. Yes, we heard about the hedging policy at the committee meeting, and I'm pretty sure that we will be talking about this more.

But, in regard to tax, especially for the homeowners, we encourage homeownership in Nunavut. The fuel subsidy, which presently applies to the seniors, it doesn't apply to the homeowners.

The government agencies are subsidized. What we're asking is for you to assist the homeowners because we want more homeownership in Nunavut. Maybe you can start with tax relief, and when would you be able to start that? Thank you.

Speaker (interpretation): Thank you, Mr. Curley. Minister of Finance, Minister Simailak.

Hon. David Simailak (interpretation): Thank you, Mr. Speaker. Yes, I will direct my staff to check into this and to work with the Nunavut Housing Corporation and with Community and Government Services. I can direct my staff to check into this because we do encourage homeownership in the communities.

If there's an increase in homeownership, then we wouldn't spend so much. We hear that a lot of homeowners are selling their houses because it costs way too much to operate and maintain. I will direct my staff to check into this further. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Minister. Your final supplementary, Mr. Curley.

Mr. Curley (interpretation): Thank you, Mr. Speaker. My last question: when there's an increase in the price of fuel we pay the highest tax especially when it was \$78 a barrel but at this time it's \$60 a barrel but the Nunavummiut are still being charged at that high rate.

Even when there's a decrease in the world cost of oil, even though the price is fluctuating, we haven't seen any changes in the subsidy of power. I believe it was 10 cents a litre but there was an increase in electricity. I wonder if the Minister of Finance

can review this, because I believe he administers that, to see if it can be subsidized further. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Curley. Minister Simailak.

Hon. David Simailak (interpretation): Thank you, Mr. Speaker. We bought oil when the price was at its peak last summer.

Yes, we want to help those homeowners and we want to see more homeowners in Nunavut instead of the government just building houses because it would benefit the whole of Nunavut. For those homeowners, they would have collateral if they want to start a business. Yes, we would like to see that.

Yes, we can definitely check into this to see if we can make any improvements, and if not, we won't be able to but if we can, it would benefit the whole of Nunavut. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Minister. Oral Questions. Member for Cambridge Bay, Mr. Peterson.

Question 010 – 2(4): Government of Nunavut's Recommendations to the Federal Minister of Finance

Mr. Peterson: Thank you, Mr. Speaker. My question is for the Minister of Finance and it's concerning the budget address today.

Mr. Speaker, on page 4 of the budget address, the minister mentioned that as of today, the Government of Canada has not announced its plans to act on the recommendations put forth by either the Council of Federation's Advisory Panel, or the Government of Canada's own Expert Panel.

We been hearing in the last year that we've been getting support from these organizations and panels, and I believe that it's critically important that the Government of Canada act on those recommendations and to hear that announcement today was disappointing.

I'm wondering if the minister can give the House some indication of, in his talks with the Minister of Finance. When will the Minister of Finance and the Government of Canada announce that they're going to act on those recommendations? Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Peterson. Minister of Finance. Mr. Simailak.

Hon. David Simailak (interpretation): Thank you, Mr. Speaker. I expect that the federal Minister of Finance will be addressing this in the federal budget on March 19 for the next year, because he will be giving his budget address, and I expect at that time that he may cover this. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Minister. Your first supplementary, Mr. Peterson.

Mr. Peterson: Thank you, Mr. Speaker. I thank the minister for that answer.

Let me play the devil's advocate for a moment here. The minister used words like hopeful, optimistic, encouraged, in his speech. If the federal Minister of Finance does not make that announcement or address that issue in the upcoming budget, then what does that mean for the Government of Nunavut? Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Peterson. Minister Simailak.

Hon. David Simailak (interpretation): Thank you, Mr. Speaker. I don't know what will happen in the future but, will it stay on, on March 19? We don't know if it will stay on or if it will be taken off. We don't know. I can't, at this time, say exactly what will happen because I don't know what is going to happen. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Minister. Your second supplementary. Mr. Peterson.

Mr. Peterson: Thank you, Mr. Speaker. I thank the minister for that answer. I can appreciate what he is saying - he can't predict the future. If we could, we would probably predict a very happy future for ourselves.

>>*Laughter*

He mentioned in his speech as well that the federal minister has assured finance ministers in his December meeting that a return to a principle based TFF arrangement will be announced in the federal budget on March 19.

Can the minister clarify what exactly that means for the Government of Nunavut and for Nunavut as a whole? Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Peterson. Minister Simailak.

Hon. David Simailak (interpretation): Thank you, Mr. Speaker. The federal government Minister of Finance, I can't say on behalf of him what he will say but he will probably mention this in his budget address on March 19. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you. Oral Questions. Your final supplementary, Mr. Peterson.

Mr. Peterson: Thank you, Mr. Speaker. I thank the minister for that answer.

I guess I'm seeking clarification. We have an agreement now, and we're looking for a different agreement with the recommendations put forward by these panels. The minister

mentions a return to a principle based TFF arrangement. I am curious: what exactly does that mean for Nunavut? Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Peterson. Minister Simailak.

Hon. David Simailak (interpretation): Thank you, Mr. Speaker. The Premier tells me we now have 12 days before March 19, just like the 12 days before Christmas. My apologies.

Mr. Speaker, the federal government wrote a letter dated January 16 that the new TFF agreement for the 2006-07 won't be less than \$851 million, and he stated at our December meeting that the TFF transfer program that we get from Ottawa, that he would make more improvements. The Yukon, the Northwest Territories, and Nunavut, the funding we get is not as sufficient and he was going to make improvements. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Minister. Oral Questions. Member for Tununiq, Mr. Arvaluk.

Question 011 – 2(4): Nursing Program Funding

Mr. Arvaluk (interpretation): Thank you, Mr. Speaker. I would like to ask the Minister of Finance a question in regard to his budget address.

He stated that the money that is set aside for training through Arctic College or any other institution or the school in Rankin Inlet, if we have more qualified people in Nunavut, then we would have more money. Then on page 5, he stated that the graduates of the nursing program would be employed at the Qikiqtani General Hospital.

After he said that, I would like to ask the minister: can the minister elaborate more. Is he trying to say that Akitsiraq Law School was funded so well because it was a one-time program? Are they going to do the same thing with the nursing program and the NTEP Program? Thank you, Mr. Speaker.

Speaker (interpretation): Minister of Finance, Minister Simailak.

Hon. David Simailak (interpretation): Thank you, Mr. Speaker. In regard to the nursing program they will be employed at the Qikiqtani General Hospital and they will go through a mentorship program at the Qikiqtani General Hospital.

Once they have completed their program at the Arctic College, they will go through a mentorship program at the Qikiqtani General Hospital so that they will go for their certification.

Again, here, there will be other programs that are not indicated here in the budget address. We just used the nursing program as an example that they will be employed at the hospital and then go through a mentorship program. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Minister. Your first supplementary, Mr. Arvaluk.

Mr. Arvaluk (interpretation): Thank you, Mr. Speaker. The minister is well aware that when we started, the Premier set up the Akitsiraq Law School and it was a very well-run program, it was well-funded, and a lot of the students completed that program.

With the nursing program, a lot of students didn't complete the program because the students found it very hard to live with the meager allowances that they were getting from the government.

So with this indication, does that mean that the nursing program students are going to be getting a higher allowance so that they can complete the program without financial hardship? Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Arvaluk. Minister of Finance, Minister Simailak.

Hon. David Simailak (interpretation): If we're going to be talking about the law school or other programs, I didn't get into talking about that. I just focused on the nursing program and where they're going to be employed once they have completed their program.

The monies were approved last year and after they have completed their employment at QC, then they would be hired at the community level to work in the smaller communities. I have made no other indication of other programs that the government will be initiating. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Minister. Your second supplementary, Mr. Arvaluk.

Mr. Arvaluk (interpretation): Thank you, Mr. Speaker. The Minister of Finance is well aware that the monies are limited; we have limited financial resources. He has indicated that in every single page of the budget address.

We have to be very resourceful in order to stretch the dollars; the \$865 million, I believe, that he was talking about, somewhere at that range. We have to be resourceful, we have to be very careful about our spending, and we have to make sure that they go to Nunavut.

Again, if we are going to be talking about Nunavummiut, if we're talking about the teachers and the nurses, and once they have programs that are set for them, and if we have adequate allowances, housing, and proper support, then they will go right to the end and complete their program.

Are you going to consider giving them adequate support so that they will be able to complete their program and be hired at the community level? Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Arvaluk. Minister of Finance, Minister Simailak.

Hon. David Simailak (interpretation): Thank you, Mr. Speaker. I agree completely with the member; we have to be very resourceful with our limited finances and they have to benefit the people of Nunavut.

With the government departmental budgets, they indicated what they're going to be used for and they're approved by the House. Starting April 1, we will be using new dollars up to March 31.

We will be deliberating the financial budget; every department will be making an appearance in the House for their approval. We are going to be deliberating that this week, and if it's possible, the budget will be approved in this House. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Minister. Your final supplementary, Mr. Arvaluk.

Mr. Arvaluk (interpretation): Thank you, Mr. Speaker. We are a consensus government. I would like to ask the minister if he would consider, and it's along the same lines...for example, in Baker Lake; there was a retreat by the full caucus, making plans on what goals the government would have. That was in 1999.

It's now 2007. Is it not possible for the minister to consider having another retreat and to give direction as to what the government should be focusing on for the people of Nunavut? Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Arvaluk. Minister Simailak.

Hon. David Simailak (interpretation): Thank you, Mr. Speaker. In regard to the possibility of a Full Caucus meeting; I can't make that decision on my own, and I can't say that we will do that. I can't respond any other way to that question. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Minister. Oral Questions. Member for Cambridge Bay, Mr. Peterson.

Question 012 – 2(4): Development Partnership Agreements and Inuit Impact Benefit Agreements

Mr. Peterson: Thank you, Mr. Speaker. My question is for the Minister of Finance. Again on his Budget Speech. In the minister's Budget Speech he said that 80 or 90 percent of revenue for the Government of Nunavut comes from the federal government.

We have to grow our economy. He mentioned on page 5 that a Development Partnership Agreement was signed with Cumberland Resources.

I am aware from my work over the years with the Kitikmeot Inuit Association that a major resource developer is required to negotiate Inuit Impact Benefit Agreements with the Regional Inuit Associations. In those Inuit Impact Benefit Agreements there are provisions for employment, training, scholarships, social benefits, and many other benefits to Inuit, and they will probably make good use of the wealth.

My question to the minister; can the minister clarify for me how a Development Partnership Agreement differs from an Inuit Impact Benefit Agreement? Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Peterson. Minister of Finance, Mr. Simailak.

Hon. David Simailak (interpretation): Thank you, Mr. Speaker. In regard to the Development Partnership Agreement with Cumberland Resources, or other entities, there will be an Off-Road Fuel Tax Rebate Program, and the agreements would be signed by this government. They have the option of not signing that agreement.

As a government we have to look at working together on how we can make benefits available to the people of Nunavut by way of creating, or opening up opportunities. That would be a partnership between those development organizations and this government.

Those agreements are very, very helpful but these organizations have the option of either signing the agreement or not.

Speaker (interpretation): Thank you, Mr. Minister. Your first supplementary, Mr. Peterson.

Mr. Peterson: Thank you, Mr. Speaker. I thank the minister for that answer. I guess I'm a little bit confused because the mining companies that are going to be in Nunavut are already negotiating IIBA's with the KIA, for example, in the Kitikmeot, so the benefits are already coming. The Government of Nunavut comes along and offers them a Development Partnership Agreement and some funding for off-road.

The costs to the Government of Nunavut are probably going to be a fairly large amount of money through the Fuel Tax Rebate, as the minister alluded to in his presentation.

Since they've had time to negotiate one with Cumberland Resources, I am wondering if the minister could give an indication as to if they've calculated the benefit to the government; to Nunavut from signing a Development Partnership Agreement with the mining companies that operate in Nunavut. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Peterson. Minister of Finance, Mr. Simailak.

Hon. David Simailak (interpretation): Thank you, Mr. Speaker. I'm sure that's going to be benefiting the people of Nunavut. We will see that through education and training.

We, as a government, will have to look at what types of training opportunities we should be putting out there, and we're going to be seeing more and more road construction. There's going to be a lot of spin-offs through the mining sector, and so on. It is something that the government and the entities are more than pleased to work on. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Minister. Your second supplementary, Mr. Peterson.

Mr. Peterson: Thank you, Mr. Speaker. I thank the minister for that answer. I haven't seen a copy of the development partnership agreement, so I'm not exactly sure what provisions or conditions are in there that will obligate mining companies to deliver on whatever they're going to promise to deliver to Nunavummiut.

My question for the minister: how will the Government of Nunavut monitor all of the partnership agreements to ensure that mining companies adhere to the terms and conditions of the agreement that they signed with the Government of Nunavut? Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Peterson. Minister Simailak.

Hon. David Simailak (interpretation): Thank you, Mr. Speaker. For example, if we use the Cumberland Resources, we had a recent signing of a development partnership agreement, I think not too long ago, and it's something that we were very pleased with.

This is going to be monitored by our staff to make sure that these agreements are adhered to by both parties. It's going to benefit the government, it's going to benefit the people, and it's going to benefit the regions overall.

I know that both parties are going to adhere to the agreements that they signed. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Minister. Your final supplementary, Mr. Peterson.

Mr. Peterson: Thank you, Mr. Speaker. I thank the minister for the answer. I'm hopeful that he's as confident in the DPAs as he sounds.

I know agreements, like contracts, you can't force people to live up to contracts; you can sue them for breach of contract but you can't force them; just because you sign a contract that you have to adhere to it.

My question for the minister: can the minister tell the House what penalties are available to the Government of Nunavut if a mining company failed to live up to the development partnership agreement terms and conditions that they signed with the Government of Nunavut? Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Peterson. Minister Simailak.

Hon. David Simailak (interpretation): Thank you, Mr. Speaker. I'm sure the mining companies are going to adhere to what they signed to because they want to make the money here; they want to develop the resources over here. I'm sure that they will adhere to the agreements. It's as beneficial for them as it is for Nunavut.

So with the penalties: if one of the parties breach the contract, then this contract could be broken or terminated. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you. Oral Questions. Member for Akulliq, Mr. Mapsalak.

Question 013 – 2(4): Plans for Funding Three Regional Health Centres

Mr. Mapsalak (interpretation): Thank you, Mr. Speaker. While the minister was delivering his budget address, he said that they would monitor the funding and they expect not to see any new funding.

For that reason, I would like to ask the minister responsible in regard to the three new regional hospitals. I know that the Minister of Health is responsible for Health and Social Services but I would like to ask the minister in regard to the funding.

When they are going to be using large sums of funding for the three regional hospitals, have you made a decision to at least provide adequate funding for the three regional hospitals? Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Mapsalak. Minister of Finance, Minister Simailak.

Hon. David Simailak (interpretation): Thank you, Mr. Speaker. Perhaps, if you can redirect your question to the Minister of Health and Social Services in regard to the funding made available for the three regional hospitals. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you. Minister responsible for Health and Social Services. Ms. Aglukkaq.

Hon. Leona Aglukkaq: Thank you, Mr. Speaker. The planning for the three facilities operations and maintenance project is still going on, but not as quickly as we had anticipated.

Some of the challenges around trying to build and recruit for three facilities is the situation with housing, as an example, and we have advanced in some of those initiatives in Rankin Inlet, as well as here, and in Cambridge Bay.

We're hoping that by this year we will be able to move in that area. Also finishing off the boarding home in Cambridge Bay and starting with the process of the boarding home in Rankin Inlet, and looking at expanding the one here through a request for proposal process.

So parallel to that is building the capacity of our operations slowly as we build those other pieces that are necessary to operate the facility. So, although there are some enhancements to some salaried positions in each region, we're still not at 24/7 capacity to deliver health care in those three regions.

All the other pieces have to tie into that. It is quite complex in how we're trying to move forward. So, that is what we're looking at internally as we move forward to expand the services in the north. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Minister. Your first supplementary, Mr. Mapsalak.

Mr. Mapsalak (interpretation): Thank you, Mr. Speaker. Is the Minister of Health and Social Services saying that the three facilities for this coming winter will not be complete or available for use? Do I understand that correctly? Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Mapsalak. Minister responsible for Health and Social Services. Ms. Aglukkaq.

Hon. Leona Aglukkaq: Thank you, Mr. Speaker. Trying to move forward in building the 24/7 facilities in the three regions is quite complex in that it's not going to just be resolved by putting salary money.

We need housing, we need boarding homes, and we need the other pieces that are required to deliver the services at the facilities. So, as we move forward in addressing the housing file, the boarding home situation, as those advance we will then start to piece the operations and maintenance pieces to operate the facility.

We can't recruit without housing. So, we have moved forward in those areas in Iqaluit, Rankin Inlet, and Cambridge Bay. At the same time, we also need boarding homes to deliver 24/7 or alternate arrangements, and building of our own staff housing.

So, we're moving down that path. The hospital here, as an example, will be opening in June. The other two pieces, the services are advancing, but not as quickly as we had anticipated because of other pieces we need to deliver 24/7 care in the north. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Minister. Your second supplementary, Mr. Mapsalak.

Mr. Mapsalak (interpretation): Thank you, Mr. Speaker. Does the minister know how long the planning will take? Can the minister tell me how long the planning will take? Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Mapsalak. Minister of Health and Social Services, Ms. Aglukkaq.

Hon. Leona Aglukkaq: Thank you, Mr. Speaker. I would think for the next two years. It won't happen overnight. We will continue to work on it until we're at the level that we're satisfied. I don't have an exact timeline when we expect to have everything in place, but internally we are trying to move forward on different fronts in expanding the services in the North. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Madame Minister. Oral Questions. Member for the High Arctic, Mr. Barnabas.

Question 014 – 2(4): Government of Nunavut's Response to Motion Concerning Airline Service

Mr. Barnabas: Thank you, Mr. Speaker. My question today is for the Minister of Economic Development and Transportation.

As you will recall the Legislative Assembly passed a formal motion at our last sitting on November 24, 2006 concerning the urgent need for the Government of Nunavut to work with the Northern Air Transportation Association to bring forward an action plan to improve the availability of affordable and reliable air service to our smaller communities.

I understand that in the Finance Minister's speech he mentioned that there are mines that will be opening in Nunavut. When there are mines that are opening in Nunavut the surrounding communities have better service, but the rest of the communities are still in the same situation. I was pleased, too, that my colleague from Kugluktuk seconded my motion and I was pleased that the motion was approved without opposition.

My question for the minister is: what steps has he taken to act on the motion that was passed by the Legislative Assembly? Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Barnabas. Minister of Economic Development and Transportation, Mr. Simailak.

Hon. David Simailak (interpretation): Thank you, Mr. Speaker. At this time I cannot tell you what my officials have done to that motion that was passed. So I cannot tell you what has been done on that motion because I have not discussed this issue with my officials. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Minister. Your first supplementary, Mr. Barnabas.

Mr. Barnabas (interpretation): Thank you, Mr. Speaker. I am sure that the minister will be able to provide a response during this session.

(interpretation ends) The minister's department has been working to update the 2001 Nunavut Transportation Strategy. When will the new strategy be completed and made public? Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Barnabas. Minister Simailak.

Hon. David Simailak (interpretation): Thank you, Mr. Speaker. The review has been completed. The report has been given to our departmental officials from the Department of Transportation.

I am now reviewing the Strategy, whether it needs additional improvements. So once the officials from the Department of Transportation review this then they'll make a report. If it needs to be amended; yes, it will be amended. I cannot tell when this strategy will be completed and made public, but the first review has been completed already. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Minister. Your second supplementary, Mr. Barnabas.

Mr. Barnabas (interpretation): Thank you, Mr. Speaker. My constituents in Grise Fiord continue to have concerns about airline services. Will the Government of Nunavut's new Transportation Strategy take the needs of the smallest communities into account? Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Barnabas. Minister Simailak.

Hon. David Simailak (interpretation): Thank you, Mr. Speaker. I have not seen the strategy yet, so therefore I can't tell you what we can do. My officials are now reviewing the Nunavut Transportation Strategy and I have seen that strategy personally myself. So I have no idea what they will do with the smaller communities. Thank you.

Speaker (interpretation): Thank you, Mr. Minister. Your final supplementary, Mr. Barnabas.

Mr. Barnabas (interpretation): Thank you, Mr. Speaker. The Nunavut Government has a new Fuel Tax Rebate Program, which the Minister of Finance alluded to in his budget address.

(interpretation ends) The GN has a new Fuel Tax Rebate Program to encourage mining companies to explore in Nunavut. Will the minister commit to looking at similar ways to encourage the airlines to improve their services to our smaller communities? Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Barnabas. Minister Simailak.

Hon. David Simailak (interpretation): Thank you, Mr. Speaker. The Fuel Tax Rebate Program is for the mining sectors, hunters, fishers, trappers, and outfitters. The Nunavut Transportation Strategy; your question is going to be included in that strategy. I'm sure that they will review it to improve all of the services for all of the communities.

As I stated earlier on, I have not seen the strategy myself, and my officials are now reviewing the strategy. I'm sure that we'll know what it will contain. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Minister. Question Period is now over. I would like to remind you that we are now done with Oral Questions. We will go back to Oral Questions tomorrow.

Going to the Orders of the Day. Item 8. Written Questions. Item 9. Returns to Written Questions. Item 10. (interpretation ends) Replies to Opening Address. Item 11. Replies to Budget Address. Item 12. Petitions. (interpretation) Item 13. Reports of Standing and Special Committees. Item 14. Reports of Committees on the Review of Bills. (interpretation ends) Item 15. Tabling of Documents. Member for Iqaluit Centre, Mr. Tootoo.

Item 15: Tabling of Documents

Tabled Document 012 – 2(4): Beauty and the Beast Program Musical

Mr. Tootoo: Thank you, Mr. Speaker. As I alluded to in my Member's Statement, I would like to table a copy of the program for the musical performed at the Inuksuk High School, Beauty and the Beast, and in there, it has all of the names of the people involved in making that a great success. So instead of reading all of the names, I'll table the program that has all of the names in there for all the members to read. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Tootoo. Please bring the tabled document to the table. Item 15. (interpretation ends) Tabling of Documents. Item 16. Notices of Motions. Minister responsible for Finance, Minister Simailak.

Hon. David Simailak: I'm sorry, Mr. Speaker, I'm ahead of you on the agenda; my mistake. Thank you.

Speaker: Thank you, Minister. (interpretation) Item 16. Notices of Motions. There seems to be none. Item 17. Notices of Motions for the First Reading of Bills. Minister Simailak.

Item 17: Notices of Motions for First Reading of Bills

Bill 01 – Appropriation (Operations & Maintenance) Act, 2007-08 – Notice

Hon. David Simailak: Thank you, Mr. Speaker. I give notice that on Friday, March 9, 2007 that Bill 1, *Appropriation (Operations and Maintenance) Act, 2007-08*, be read for the first time. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you. Item 17. Notices of Motions for the First Reading of Bills. Item 18. Motions. Item 19. First Reading of Bills. Minister of Finance, Mr. Simailak.

Item 19: First Reading of Bills

Hon. David Simailak: Thank you, Mr. Speaker. I request consent of this Assembly to waive the two-day notice requirement to allow for the first reading of Bill 1, *Appropriation (Operations and Maintenance) Act, 2007-08*. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Minister Simailak. The minister is requesting consent to waive the two day notice requirement for the first reading of Bill 1. Are there any nays? There are no nays. Minister, you can proceed with your motion.

Bill 01 – Appropriation (Operations & Maintenance) Act, 2007-08 – First Reading

Hon. David Simailak (interpretation): Thank you, Mr. Speaker, and my colleagues. (interpretation ends) I move, seconded by the Honourable Member for Rankin Inlet South/ Whale Cove that Bill 1, *Appropriation (Operations and Maintenance) Act, 2007-08*, be read for the first time. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you. The motion is in order. Question has been called. All those in favour. All those opposed. The motion is carried. Bill 1 has had its first reading.

Item 19. First Reading of Bills. Item 20. Second Reading of Bills. Minister of Finance, Mr. Simailak.

Item 20: Second Reading of Bills

Bill 01 – Appropriation (Operations & Maintenance) Act, 2007-08 – Second Reading

Hon. David Simailak: Thank you, Mr. Speaker. I move, seconded by the Honourable Member for Nattilik that Bill 1, *Appropriation (Operations and Maintenance) Act, 2007-08*, be read for the second time. Thank you, Mr. Speaker.

This bill authorizes the Government of Nunavut to make operations and maintenance expenditures for the fiscal year ending March 31, 2008. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you. The motion is in order. To the principle of the bill. Question has been called. All those in favour. All those opposed. The motion is carried. Bill 1 has had its second reading and is now ready for Committee of the Whole.

Item 20. Second Reading of Bills. Item 21. Consideration in the Committee of the Whole of Bills and Other Matters. Mr. Peterson.

Motion 001 – 2(4): Adjournment for the Day

Mr. Peterson: Thank you, Mr. Speaker. Pursuant to Rule 46, I move, seconded by the Honourable Member for Iqaluit West, that this House adjourn for the day. Thank you, Mr. Speaker.

>>Applause

Speaker (interpretation): Mr. Peterson, can I please get you to identify the seconder for that motion. Mr. Peterson.

Mr. Peterson: Thank you, Mr. Speaker. The Honourable Member for Iqaluit West seconded the motion. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Peterson. The motion is in order. All those in favour. All those opposed. The motion is carried.

We'll go on to Item 24. Orders of the Day. Mr. Clerk.

Item 24: Orders of the Day

Clerk (Mr. Quirke): Thank you, Mr. Speaker. A reminder of meetings for tomorrow morning: at 9:30 a meeting of the regular caucus in the Tuktu Boardroom, and at 11:00 a meeting of the full caucus in the Nanuq Boardroom.

Orders of the Day for March 8:

1. Prayer
2. Ministers' Statements
3. Members' Statements
4. Returns to Oral Questions
5. Recognition of Visitors in the Gallery
6. Oral Questions

7. Written Questions
8. Returns to Written Questions
9. Replies to Opening Address
10. Replies to Budget Address
11. Petitions
12. Reports of Standing and Special Committees
13. Reports of Committees on the Review of Bills
14. Tabling of Documents
15. Notice of Motions
16. Notice of Motions for First Reading of Bills
17. Motions
18. First Reading of Bills
19. Second Reading of Bills
20. Consideration for Committee of the Whole and Bills and Other Matters
 - Bill 1
21. Report of Committee of the Whole
22. Third Reading of Bills
23. Orders of the Day

Thank you.

Speaker (interpretation): Thank you, Mr. Clerk and colleagues. This House is adjourned until Thursday, March 8 at 1:30.

Sergeant-at-Arms.

>>*House adjourned at 16:16*

