



**Nunavut Canada**

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**Wednesday, March 28, 2007**

**Pages 1095 – 1216**

**Iqaluit**

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

## Legislative Assembly of Nunavut

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**Iqaluit, Nunavut**  
**Wednesday, March 28, 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, Mr. Peter Kattuk, Honourable Peter Kilabuk, Mr. Steve Mapsalak, Honourable Patterk Netser, Honourable Paul Okalik, Mr. Keith Peterson, Honourable Edward Picco, Honourable David Simailak, Honourable Louis Tapardjuk, Mr. Hunter Tootoo.

**Item 1: Opening Prayer**

**Speaker** (Hon. Peter Kilabuk)(interpretation): Good morning. I would like to ask Mr. Netser to say the opening prayer.

>>*Prayer*

**Speaker** (interpretation): Thank you, Members, Premier. Good morning. Orders of the Day. Item 2. Ministers' Statements. Minister for Culture, Language, Elders and Youth, Minister Tapardjuk.

**Item 2: Ministers' Statements**

**Minister's Statement 049 – 2(4): Tabling of the Language Legislation**

**Hon. Louis Tapardjuk** (interpretation): Thank you, Mr. Speaker. Just before I begin, I would like to welcome Paul Kaludjak's staff from Nunavut Tunngavik, and they are here, and also the Francophone Association will be coming here, too, as well this morning.

Mr. Speaker, language is the heart of our culture. It shapes how we see and describe the world around us. It is an expression of our deepest societal values. Through our language, it gives us a sense of belonging, of pride and identity.

The Government of Nunavut is committed to protecting, promoting and advancing the Inuit Language, Inuinnaqtun and Inuktitut, as never seen before in any Canadian jurisdiction, while maintaining its commitments to Anglophones and Francophones and their language rights in our Territory.

Mr. Speaker, later today, at an appropriate time, I will be tabling the proposed Official Languages Bill and the proposed Inuit Language Protection Bill for public consultation. These proposed bills require further input from language stakeholders and Nunavummiut on key issues where consensus has not yet been fully achieved.

The proposed legislation is nevertheless the result of collaborative efforts of the Language Legislation Steering Committee consisting of Nunavut Tunngavik, the Languages Commissioner, Iliqusilirijikkut and other Government of Nunavut

departments. The Members of the Language Legislation Steering Committee have been working passionately throughout the last two years to develop a bill that reflects the recommendations of the Legislative Assembly Special Committee's Report on Official Languages. These bills also reflect the unique linguistic needs expressed by various focus group consultations that occurred throughout Nunavut.

The proposed provisions of the Inuit Language Protection Bill will have an impact on all of us including our children, families, communities, business, schools and governments. It will establish the foundation for our language to grow and expand in every aspect of our lives. It will give us the tools to develop and strengthen the Inuit language in Nunavut.

The proposed legislation will guarantee that our children have a right to receive Inuit language instruction in school and ensure that by their graduation they are fully proficient in the Inuit language, in both its spoken and written forms. By providing our children with a strong foundation in the Inuit language, we will be ensuring the survival of our language.

Mr. Speaker, in order to support the effective implementation of the various proposed provisions of the Inuit Language Protection Bill I am excited to inform the Assembly that the Inuit *Uqausinginnik Taiguusiliuqtiit* will be created.

Mr. Speaker, under the proposed Official Languages Bill, the official languages of Nunavut will be the Inuit language, English, and French.

The proposed Languages Bill will provide the Languages Commissioner with enforcement and investigative capabilities to ensure compliance of public and private organizations with their language obligations.

The Official Languages Bill and the Inuit Language Protection Bill will be introduced during the spring sitting of the Legislative Assembly. Thank you.

>>Applause

**Speaker** (interpretation): Thank you, Minister. Orders of the Day. Item 2. Ministers' Statements. Item 3. Members' Statements. Member for Arviat, Mr. Alagalak.

### **Item 3: Members' Statements**

#### **Member's Statement 102 – 2(4): Hudson Bay Quest**

**Mr. Alagalak** (interpretation): Thank you, Mr. Speaker. I rise today to congratulate the Arviarmiut who took part in the Hudson Bay Quest. The Hudson Bay Quest is a dog team race from Arviat to Churchill.



(interpretation ends) Mr. Speaker, Darryle Baker was the youngest racer and he came in third place. He's a very good role model for the younger generation because he participated in a long haul race for the first time in Arviat.

The oldest racer was Phillip Kigusiunak. (interpretation) He is over 70 years old and he is a life long dog team owner and is well respected for his participation in traditional life. Philip finished in fourth place in the race. I am very proud of him. His nickname is Tusarnaarut.

The other elder who participated in the race is Jimmy Mukpah. He is respected for his volunteer work in my community. As well, Andre Paniguniak participated in the race this year. He was the winner of the Hudson Bay Quest last year, between Churchill and Arviat. He is a long time dog team owner and a full-time hunter and trapper. He is a very good role model. He said it is okay that even if you are small, you can do great things.

If we didn't have Andy Kowtak, I think this kind of program would not be available because he spends a lot of time helping out with organizing dog team events in Arviat. Whoever wants to find out about the dog team races...

**Speaker** (interpretation): Mr. Alagalak, your time is up. The microphone was not on when you asked for consent to conclude.

**Mr. Alagalak** (interpretation): Yes, I am sorry. I was looking in front of me. I would like consent to conclude my statement. Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Mr. Alagalak. The member is asking for consent to conclude his statement. Are there any nays? There are no nays. Mr. Alagalak.

**Mr. Alagalak** (interpretation): Thank you, Mr. Speaker. Thank you, colleagues. I ask my colleagues to join me in congratulating the participants of the Hudson Bay Quest and encourage them to work hard with their teams to get ready for next year's race. We should especially encourage the young people to continue on with the Hudson Bay Quest.

I know they do that here in the Baffin region. I would also like to encourage them to continue with the dog races. Thank you, Mr. Speaker and colleagues for providing me with the extension for the conclusion of my statement.

>>Applause

**Speaker** (interpretation): Thank you, Mr. Alagalak. Members' Statements. Member for Uqqurmiut, Mr. Arreak.

### **Member's Statement 103 – 2(4): Long Term service Awards in Clyde River**

**Mr. Arreak** (interpretation): Thank you, Mr. Speaker. I would like to recognize the long time employees of the government from my community. They are the workers in the

communities in Nunavut. They are: Bobby Joanas, five years, Graham Field, five years, Benjamin Hainnu, five years, Tommy Enuaraq, 10 years, Josie Tigullaraq, 10 years, Iga Sanguya, 10 years, Uriah Qaqqasiq, 15 years, Inuk Inuaraq 15 years, and the person that just passed away recently, I would also like to congratulate the individual that died last year, Piugatuk Kalluk; for government service for 20 years. Mary Hainnu for 25 years. These are the people that work for the Nunavut Government in my community and they received their long service awards. Thank you, Mr. Speaker.

>> *Applause*

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

#### **Member's Statement 104 – 2(4): Live-In Program Graduation**

**Mr. Peterson:** Thank you, Mr. Speaker. I rise today to inform the House about the second Live-In Program that was successfully completed in Cambridge Bay this week. The Live-In Program is offered by the Cambridge Bay Wellness Centre for people who have made a personal decision to take charge of their lives and to take a stand against substance abuse that is harming them and those whom they love.

Nine individuals started the four week program. I am proud to inform you that all of them will graduate from the program at a ceremony that will be held in the presence of family, friends, and invited guests at the community in Cambridge Bay this week.

The success of the Live-In Program is due in large part to the personal commitments and sacrifices that the participants made to better their lives. They worked very hard to succeed in this community-based program. Because the program is held close to home they received a lot of support from their families and friends in the community.

There are many advantages for offering a program like this in the community. Participants were able to support each other and all the staff were available to assist them if there were any personal issues that arose. The ability to maintain contact with their families was also a contributing factor to the program's success.

We have all heard about individuals who are sent to treatment centres and programs in the south. Sadly, when they're sent out and go on their own, they have no support mechanisms to help encourage them to succeed. The result is that the individual usually returns to their community before the completion of the program, or after they complete the program, but quickly fall back into the grip of substance abuse.

I have spoken on several occasions in the past about the proactive efforts of the Cambridge Bay Wellness Centre. They are finding solutions to social issues that actually do help people closer to home to overcome personal issues so that they can go on to live happy and productive lives in their communities.

The Department of Health and Social Services funded the Live-in Program through funds received from the Northern Native Alcohol and Drug Addictions Program. The department recognized the valuable contributions that the Wellness Centre makes to help people in Cambridge Bay to overcome the harmful effects of substance abuse.

Mr. Speaker, I would like the House to join me in congratulating the nine participants on the occasion of their graduation on Friday, March 30, and wish them happiness when they return to their families. Thank you, Mr. Speaker.

>> *Applause*

**Speaker** (interpretation): Thank you, Mr. Peterson. Members' Statements. Mr. Curley.

### **Member's Statement 105 – 2(4): Original Coral Harbour Descendants**

**Mr. Curley** (interpretation): Thank you, Mr. Speaker. I rise today to acknowledge and pay tribute to the very first ones that were born. They said they all died off in 1900 in regard to social scientists' and anthropologists' documentation, that's what they said: the first inhabitants for Coral Harbour all died off. I can even say today that the tourism information, if you look at the tourism information, that's talking about Coral Harbour, it states that the first people who lived on that island all perished in the beginning of the 1900s.

I can say that these people did not all perish. There are still some original *Sallirmiut* people from Coral Harbour. So therefore, it must hurt to see documentation in the schools stating that they all perished, but I can tell you that there are two individuals in Rankin Inlet who lived there and they are the third generations. These are the individuals that come to talk to me when they go through hardships.

First of all, I would like to say in regard to that the information that we use for tourism can't we correct them? Because it hurts the people when they say that these individuals all perished on that island and there are younger generations in Chesterfield Inlet, Rankin Inlet, Whale Cove, and also in Igloolik.

Also the minister said that he's named after the original islanders in Coral Harbour, and one of the individuals, the original individual people went to Igloolik.

One thing I can say Mr. Speaker that the original Coral Harbour people, they were adopted and there were some survivors so I just wanted to acknowledge that. Thank you, Mr. Speaker.

>> *Applause*

**Speaker** (interpretation): Thank you Mr. Curley. Item 3. Members' Statements. Member for Hudson Bay, Mr. Kattuk.

**Member's Statement 106 – 2(4): APTN Weather Forecasting**

**Mr. Kattuk** (interpretation): Thank you, Mr. Speaker. Although I don't want to just complain but I do want to make a statement.

First of all, I'm very proud of the map right beside you, and I'm very proud to see that the Belcher Islands, Sanikiluaq is included now.

One thing that I'm not proud to see is that the Aboriginal Peoples Television Network they, they have a weather channel and they talk about the weather and they don't even include the Sanikiluaq weather forecast, when they include all the Northwest Territories and Nunavut communities but they don't even include the Sanikiluaq islands in their weather forecasts.

I might have written a letter to the Aboriginal Peoples' Television Network but to date they still have not included Sanikiluaq in their weather forecasts on the Aboriginal Peoples' Television Network so I need to voice this because there has been a concern raised in my constituency.

They say that Sanikiluaq residents believe that they feel forgotten. There are, the population is 750. The weather forecasts in the computer you can see, if you can look for Nunavut ... that would include all the forecasts for Nunavut, it should include Sanikiluaq Belcher Islands in Aboriginal Peoples' Television Network weather forecasts. Thank you, Mr. Speaker.

>>Applause

**Speaker** (interpretation): Thank you, Mr. Kattuk. Item 3. Members' Statements. Item 4. I'm sorry. Returns to Oral Questions. Item 5. Recognition of Visitors in the Gallery. Mr. Premier.

**Item 5: Recognition of Visitors in the Gallery**

**Hon. Paul Okalik**: Merci Monsieur Presidente. Je voudrais faire beinvenue au Membres de l'Association Francophonie aujourd'hui a la chambre, specifiquement M. Arnault et M. Cuerrier. (interpretation)...and Mr. Speaker I would like to welcome the President of Nunavut Tunngavik Incorporated, Paul Kaludjak and his officials, Nathan Ovide, Navarana Beveridge, and Virginia Lloyd.

>>Applause

Welcome. Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Mr. Premier. Item 5. Recognition of Visitors in the Gallery. Minister Akesuk.

**Hon. Olayuk Akesuk** (interpretation): I would like to recognize some individuals from my constituency who are visiting in the Gallery; Pitseolala Manning and Annie Petaulassie. I would like to welcome them into the Gallery. Thank you, Mr. Speaker.

>>Applause

**Speaker** (interpretation): Thank you, Minister Akesuk. Welcome to the Gallery. Minister Tapardjuk.

**Hon. Louis Tapardjuk** (interpretation): Thank you, Mr. Speaker. I too would like to acknowledge an individual from my community Elizabeth Awa and welcome to the Legislative Assembly.

>>Applause

**Speaker** (interpretation): Thank you, Minister Tapardjuk. Item 5. Recognition of Visitors in the Gallery. Thank you, I would like to welcome you to the Gallery for those visiting the Assembly this morning. Thank you. Item 6. Oral Questions. Oral Questions. Member for High Arctic, Mr. Barnabas.

### Item 6: Oral Questions

#### Question 139 – 2(4): Implementation of the Family Abuse Intervention Act

**Mr. Barnabas** (interpretation): Thank you, Mr. Speaker. Good morning and also to my colleagues. (interpretation ends) My question today is for the Minister of Justice. Mr. Speaker, there have been concerns in the community of Resolute Bay with respect to how the RCMP are handling domestic violence disputes.

The concern is that too many couples are being separated by court order and are not allowed to see each other; being a small community some breaches do tend to happen causing individuals to be arrested as a result.

Mr. Speaker, can the minister update us today on the implementation of *Family Abuse Intervention Act*. Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Mr. Barnabas. Minister of Justice, Minister Okalik.

**Hon. Paul Okalik** (interpretation): Thank you, Mr. Speaker. We are now planning workshops on how to work with the *Family Abuse Intervention Act* and we are now working with the departments. We're looking at ways on how we can best utilize our staff and we would like to start implement this in December and I know we will need to find additional funding perhaps this coming spring. Thank you, Mr. Speaker.

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

**Mr. Barnabas:** Thank you, Mr. Speaker. My constituents have told me that they want to see a greater role for elders in providing counselling. The *Family Abuse Intervention Act* indicates that a community intervention order may include a provision directing that the applicant and respondent attend traditional Inuit counselling with a specified traditional counsellor. Can the minister indicate today for the public record how the department will identify these counsellors to do this important work in our communities? Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Mr. Barnabas. Minister of Justice, Mr. Premier.

**Hon. Paul Okalik** (interpretation): Thank you, Mr. Speaker. We are now in the planning stages with the assistance of Culture, Language, Elders and Youth and Health and Social Services. We are now working together to start planning on this and I know that it is going to be beneficial for all of Nunavut. Thank you, Mr. Speaker.

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

**Mr. Barnabas:** Thank you, Mr. Speaker. The Act now allows in certain circumstances for a person to be removed from home if they pose a danger to others. I agree that people need to be protected. However, given the housing shortage in Nunavut, the question where these people will physically go after they have been removed is unclear. Can the minister indicate to the House how this issue will be addressed? Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Mr. Barnabas. Minister of Justice, Mr. Premier.

**Hon. Paul Okalik** (interpretation): Thank you, Mr. Speaker. In the past the dangerous people would be left behind and this is a very important issue and we want to be very careful in dealing with that. As I stated before, we are now in planning for the implementation stage so therefore I cannot respond to you. Our officials and the departments will work together to start planning on that. Thank you, Mr. Speaker.

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

**Mr. Barnabas** (interpretation): Thank you, Mr. Speaker. I thank the Premier. I know that the elders have to be acknowledged and recognized if they're going to be counselling. How are you going to be using traditional knowledge so that you can give certification to the elders that will be counsellors? Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Mr. Barnabas. Minister of Justice, Mr. Premier.

**Hon. Paul Okalik** (interpretation): Thank you, Mr. Speaker. I'm not too sure of whether we will certify the elders. So at this time I have no idea of how we will best implement this Act. Our goal is to utilize traditional counselling services. Thank you, Mr. Speaker.

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

**Question 140 – 2(4): Protection of Gravesites**

**Mr. Curley** (interpretation): Thank you, Mr. Speaker. I would like to direct my question to Community and Government Services.

Mr. Speaker, as the minister knows, there are gravesites located both inside and outside of municipal boundaries. In a number of cases, gravesites are not formally recorded or registered. It has come to my attention that incidents have occurred where gravesites have been damaged by the operations of heavy equipment.

Can the minister tell me today whether her department is willing to investigate these kinds of incidents if they receive reports, and if not, why not? Thank you.

**Speaker** (interpretation): Thank you, Mr. Curley. Minister of Community and Government Services, Minister Brown.

**Hon. Levinia Brown** (interpretation): Thank you, Mr. Speaker. I thank the member for raising that question. We have to be nice to each other.

This is very important and I feel for his concern. The gravesites that are outside the communities, we don't know whose responsibility they are but when they're outside the boundary of the community, maybe it would be the responsibility of the Minister of Culture, Language, Elders and Youth. I can have a discussion with him.

The gravesites that are within the hamlet boundaries are the responsibility of the hamlet, and there are many gravesites where there are no names. Yes, these are very important and I can have a discussion with my colleague. Thank you, Mr. Speaker.

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

**Mr. Curley** (interpretation): I thank the minister for her response. As the minister knows, we have elders who would prefer to be laid to rest at places outside of municipal graveyards. In these cases the places have special meaning to them, such as their birthplaces. Will the minister commit to working with local elders' groups to ensure that their final resting places will remain undisturbed?

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

**Hon. Levinia Brown** (interpretation): Thank you, Mr. Speaker. As I stated earlier, this is very important, and just last month in January or February, this elder wanted to be buried in their preferred site and we honoured his request.

It's up to the individual. Yes, I would like to see this. As a minister I would try and conform to their requests. I can work with my colleague because I believe he's responsible and you mentioned that the hamlets are responsible for the gravesites. If there are damages by the heavy equipment, then they can be dealt with by the RCMP and that's the information that I have received. Yes, I will work on this. Thank you, Mr. Speaker.

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

**Mr. Curley** (interpretation): Yes, I understand the minister's response. There's about two or three elders who don't wish to be buried in the local graveyard, and I understand that it is the responsibility of the hamlet. I'm talking about that because for the old gravesites there is no registration or records being kept as to who was buried where outside the community. It's to benefit the descendants of that person.

My second supplementary: what compensation may be available to the families of people whose graves have been damaged or desecrated?

**Speaker** (interpretation): Thank you, Mr. Curley. Minister of Community and Government Services, Minister Brown.

**Hon. Levinia Brown** (interpretation): Thank you, Mr. Speaker. The hamlets have bylaws in regard to the graveyards. Maybe we have to revisit their bylaws to make sure that they're more secure. If there are instances like that, if they're damaged, maybe within that bylaw, if it specifies, it would be better for the family.

We definitely will have to make a plan to record and register the deceased in certain places. The hamlets and Community and Government Services, they're both listening and I will be advising them as to what they should be working on. That's all I have for now, Mr. Speaker. Thank you.

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

#### **Question 141 – 2(4): Repatriation of Artefacts**

**Mr. Mapsalak** (interpretation): Thank you, Mr. Speaker. My question is directed to the Minister of Culture, Language, Elders and Youth.

In the near future there will be a museum being erected. Nunavummiut have artefacts that are down south and a lot of them are overseas. Will the minister repatriate those cultural artefacts? Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Mr. Mapsalak. Minister of Culture, Language, Elders and Youth, Minister Tapardjuk.



**Hon. Louis Tapardjuk** (interpretation): Yes, while we're making plans for the cultural centre, we will have to produce a strategy as to how we would repatriate the artefacts.

The Inuit Heritage Trust, under section 33, it specifies that we have to work with the Inuit Heritage Trust. We are currently starting talks on this, especially for the artefacts that are outside of Nunavut. Thank you, Mr. Speaker.

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

**Mr. Mapsalak** (interpretation): Thank you, Mr. Speaker. It is clear. Those artefacts were just taken from Nunavut without asking or getting permission. Does the minister expect that those things will be repatriated? Thank you, Mr. Speaker.

**Speaker** (interpretation): Minister of Culture, Minister Tapardjuk.

**Hon. Louis Tapardjuk** (interpretation): Thank you, Mr. Speaker. This will require quite a bit of work. We have to try to plan for what would be the easiest way. The Ottawa Museum of Civilization holds artefacts that were taken from Nunavut. As a government, we have to try and negotiate and work together but we have to think about it.

For those individuals that are private collectors, we will have to consider how we are going to try to work with them. There are people in the United States, England, Rome, Denmark and elsewhere outside Canada that, if we want to repatriate the artefacts, we would have to make careful plans. At this time, we are starting to consider this, but at this time, I can't say exactly how it will work. Thank you, Mr. Speaker.

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

**Mr. Mapsalak** (interpretation): Thank you, Mr. Speaker. The minister has probably approached the federal government. Does he have any idea if he will get support from the federal government? Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Mr. Mapsalak. Minister of Culture, Minister Tapardjuk.

**Hon. Louis Tapardjuk** (interpretation): Thank you, Mr. Speaker. Under the Nunavut Land Claims Agreement, under *Article 33*, it specifically states that the federal government has agreed because they are also signatories of the Nunavut Land Claims Agreement. So for that reason, the federal government has supported this. Thank you, Mr. Speaker.

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

**Mr. Mapsalak** (interpretation): Thank you, Mr. Speaker. Does the minister have any idea as to how long this will be worked on, to repatriate the artefacts? Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Mr. Mapsalak. Minister of Culture, Mr. Tapardjuk.

**Hon. Louis Tapardjuk** (interpretation): Thank you, Mr. Speaker. At this time, I can't say what that will be. I can't even say when I would be able to give a report. But we are going to have a meeting in Rankin Inlet along with Inuit Heritage Trust on human remains. After that meeting, I would be able to report. We are starting to have discussions with Inuit Heritage Trust along with other stakeholders. Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Minister. Oral Questions. Member for Hudson Bay, Mr. Kattuk.

#### **Question 142 – 2(4): Polar Bears in the Hudson Bay Area**

**Mr. Kattuk** (interpretation): Thank you, Mr. Speaker. Mr. Speaker, yesterday I directed a question to the Minister of Environment and his response was that within Hudson Bay the population of polar bears are losing weight.

I'd like to ask the minister: does he have any idea why they are losing weight? Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Mr. Kattuk. Minister of Environment, Minister Netser.

**Hon. Patterk Netser** (interpretation): Thank you, Mr. Speaker. I believe I responded to the member that we are trying to find out as to why they are losing weight around his area.

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

**Mr. Kattuk** (interpretation): Thank you, Mr. Speaker. Can the minister tell me when this study will be completed? Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Mr. Kattuk. Minister of Environment. Minister Netser.

**Hon. Patterk Netser** (interpretation): Thank you, Mr. Speaker. When we do studies on polar bears, it's just for a short time because we usually do studies in the fall. So at this time I cannot state when exactly it will be completed. Thank you, Mr. Speaker.

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

**Mr. Kattuk** (interpretation): Thank you, Mr. Speaker. Which population of polar bears are they doing a study on? Exactly what location are they doing the study in? Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Mr. Kattuk. Minister of Environment, Minister Netser.

**Hon. Patterk Netser** (interpretation): Thank you, Mr. Speaker. We are doing a study in the western Hudson Bay population, but we constantly do a study around his area. Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Minister Netser. Your final supplementary, Mr. Kattuk.

**Mr. Kattuk** (interpretation): Thank you, Mr. Speaker. The people who are doing the studies, are they just biologists? Will the residents of Sanikiluaq be involved too? Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Mr. Kattuk. Minister of Environment, Minister Netser.

**Hon. Patterk Netser** (interpretation): Thank you Mr. Speaker. We will be working with the HTO in Sanikiluaq. While I'm the minister, I will be working with all the HTO's in the communities. Thank you, Mr. Speaker.

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

#### **Question 143 – 2(4): Program Funding for Energy Savings**

**Mr. Curley** (interpretation): Thank you, Mr. Speaker. I would like to direct my question to the Minister responsible for Nunavut Housing Corporation. On March 19, the Premier and the Minister of Environment stated that there was going to be an additional \$5 million to be used for EcoTrust. I believe it's a three party agreement. Then there is the residual heat that would be used to heat up the government facilities and I'm sure that will reduce the cost of expenditures.

In regard to the private homeowners, there was a statement. The minister made a statement saying they were going to be looking at energy cost savings measures for homeowners. But I think that since we heard that the cookie crumbled, I think we are just left with just a little bit.

What kinds of programs are you going to be setting up to reduce energy consumption for buildings and homeowners? Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Mr. Curley. Minister for Housing, Mr. Akesuk.

**Hon. Olayuk Akesuk** (interpretation): Thank you, Mr. Speaker. We will be working with the Minister responsible for Energy and with the Housing Corporation. We've been looking at how we can reduce consumption in public facilities, for private homeowners, and for public housing. We are looking at how we can retrofit the old houses to make sure that there's less energy consumption. We have to keep in mind that the energy costs are rising. Thank you.

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

**Mr. Curley** (interpretation): Thank you, Mr. Speaker. We would like further clarification because I believe that this program is new and is directed to private homeowners.

Is it possible for the minister to commit to making an additional report at the May session? Since the Minister responsible for Energy has his hands on it already, and the cookie is crumbling, is it possible for you to commit to making a report in the May session?

**Speaker** (interpretation): Thank you, Mr. Curley. Minister responsible for Energy, Mr. Akesuk.

**Hon. Olayuk Akesuk** (interpretation): Thank you, Mr. Speaker. We have already started working on reducing energy consumption for private homeowners, and for seniors and disabled persons. We are looking at additional programs to benefit private homeowners. Possibly in the fall I will have a clear idea of what we're going to be proposing to do to reduce energy consumption. Thank you.

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

#### **Question 144 – 2(4): Incorporating Inuit Qaujimajatuqangit in Court Sentences**

**Mr. Alagalak** (interpretation): Thank you, Mr. Speaker. I will try to make sure that I keep focused on you.

I will direct my question to the Minister of Justice, our Premier. The Inuit have been concerned about their culture and the retention of it. We have had a court system for a long time now but the Inuit are focusing on implementing *Inuit Qaujimajatuqangit* into the government departments.

Usually what happens is when there's no judge available in Nunavut they retain one from outside of the Nunavut jurisdiction. Usually when they're up here they bring the customs of their province. There is usually a big difference between the Nunavut judge practicing and a judge that has been retained from the south. Usually the judges from outside of Nunavut give harsher sentences.

I would like to ask the Minister of Justice if this is true, or not? Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Mr. Alagalak. Minister of Justice, Mr. Premier.

**Hon. Paul Okalik** (interpretation): Thank you, Mr. Speaker. The judges do their own sentencing, and I can't really get into it but we've only got three judges in Nunavut practicing and we are trying to get an additional one to practice in Nunavut.

I have been having discussions with my federal counterpart so that we can get an additional judge to practice up here, possibly in the fall. We have been working very closely with our federal counterpart because they want to see a fourth one.

They have a very heavy workload and with the jury trials, we do need additional judges. Because we've only got three, we have to retain one from outside of Nunavut to make sure that we keep up with the caseloads. Thank you.

**Speaker** (interpretation): Your first supplementary, Mr. Alagalak.

**Mr. Alagalak** (interpretation): Thank you, Mr. Speaker. In regard to retaining judges from outside of Nunavut, we hear that they practice differently. They just seem to have a free hand on how they sentence the people making an appearance in court. When you retain a judge from outside of Nunavut, do you make sure that they are fully informed about the Inuit culture and tradition? Do you do that before they are sent up here? Thank you.

**Speaker** (interpretation): Minister of Justice, Mr. Premier.

**Hon. Paul Okalik** (interpretation): Thank you, Mr. Speaker. It's out of our hands. They are independent, as I said but I am urging my federal counterpart to appoint an additional judge. We will keep lobbying the federal government to make sure that they appoint a fourth one who will learn the customs and traditions of the people up here.

All I can say is that we are trying to get a fourth judge. I can't tell them how to carry out their jobs, but our federal counterparts are well aware that we need a fourth one. Thank you, Mr. Speaker.

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

**Mr. Alagalak** (interpretation): Thank you, Mr. Speaker. I almost said judge. (interpretation ends) It is very difficult to believe those judges are on their own and they make their own rules. (interpretation) That's what I'm getting from the Minister of Justice; he's saying that they operate on their own and so on. They're working for the Nunavut Government and they're providing a service to the people of Nunavut.

I don't whether it was yesterday or the day before but we are going to be getting another lawyer in Nunavut. I would like to urge the minister to make sure that we get a fourth

judge. Using a judge from outside of Nunavut is not acceptable. I would like to urge the minister to make sure that we get a fourth one who will practice in Nunavut. Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Mr. Alagalak. Mr. Premier.

**Hon. Paul Okalik** (interpretation): Thank you, Mr. Speaker. How they practice is outside of the jurisdiction of the Nunavut Government. We have to appoint judges who will practice in Nunavut and we appoint alternate judges who will work here as and when.

Only the federal government can make an appointment for a permanent judge to work up here. So it's up to us to keep lobbying our federal counterparts. The federal government is just as concerned as we are about the low number of judges we have up here. Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Mr. Premier. Oral Questions. Member for Uqqurmiut, Mr. Arreak.

#### **Question 145 – 2(4): Funding to Build the Qikiqtarjuaq School**

**Mr. Arreak** (interpretation): Thank you, Mr. Speaker. At this time I would like to direct my question to the Minister of Education. The other day the federal government approved their budget and in their budget there was money set aside for infrastructure. In Qikiqtarjuaq, the Qikiqtarjuaq School has been in the plan for quite some time now. Is it possible to build that Qikiqtarjuaq School before 2010? Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Mr. Arreak. Minister of Education, Mr. Picco.

**Hon. Ed. Picco**: Thank you, Mr. Speaker. The member has raised the issue of the Qikiqtarjuaq School on several occasions and we actually had a motion in the House. The money is expected to flow from the new federal budget in May and June.

At that time, the Financial Management Board will have an opportunity to review the new monies that are coming forward for the Government of Nunavut. The infrastructure monies that the member is talking about are not monies that we are able to access to build new schools in Nunavut.

However, the monies that have been identified by the federal government, which is new revenue for the Government of Nunavut, there may be an opportunity to look at that to see what we can do within the framework of the capital budget. But again, that would have to go through the Financial Management Board for that decision. Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Minister Picco. Your first supplementary, Mr. Arreak.

**Mr. Arreak** (interpretation): Thank you, Mr. Speaker. And thank you, Mr. Minister. So does that mean I can look forward to getting a new school prior to 2010, and are we going to be seeing that Qikiqtarjuaq plan in May or June? Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Mr. Arreak. Minister of Education, Mr. Picco.

**Hon. Ed. Picco:** Thank you, Mr. Speaker. As I said earlier those extra new monies that are coming forward have not been identified in our budget because we did not know up until last week what the amounts would be from the federal government.

So, there has been no allocation made to those funds. What I am suggesting to the member is that allocation may be O&M money, for example in the programs and services. Or some may be put into a capital program and that's the decision that has to occur in sometime in May with the Financial Management Board.

I think the members realize that there are some serious issues with the education facility in Qikiqtarjuaq and that would be one of the priorities that we would have to look at. But again, that decision hasn't been made yet. Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Minister. Oral Questions. I am sorry. Member for Quttiktuq, Mr. Barnabas.

#### **Question 146 – 2(4): Hans Island Sovereignty**

**Mr. Barnabas** (interpretation): Thank you, Mr. Speaker. The Canadian and Danish Governments and other governments have talked about one of my communities: Hans Island. I want to ask the Premier what is happening in regard to Hans Island sovereignty. Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Mr. Barnabas. Mr. Premier.

**Hon. Paul Okalik** (interpretation): Thank you, Mr. Speaker. We are not included in the dispute between those governments in regard to Hans Island. I know that Nunavummiut have to be protected as well but this is outside of our jurisdiction and we would like to be able to help the federal government to see what kinds of help that we can provide them with. Thank you, Mr. Speaker.

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

**Mr. Barnabas** (interpretation): Thank you, Mr. Speaker. The people of Qaanaaq and Greenland have always occupied some land in my community. The Vikings have been coming around for some time. Now there is a border, they are having a dispute over Hans Island and we are saying that the clock is ticking.

What is going to happen if one of those countries or government thinks that Hans Island belongs to them?

**Speaker** (interpretation): Thank you, Mr. Premier.

**Hon. Paul Okalik** (interpretation): Thank you, Mr. Speaker. I can't really respond to that question because the federal government is involved in that dispute. If we can help them for the protection of our waters, we will do anything to help them out. Thank you, Mr. Speaker.

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

**Mr. Barnabas** (interpretation): Thank you, Mr. Speaker. The geological survey of Denmark and Canada has said that they have been dealing with this for some time just to find out where the border lies. Nunavut Tunngavik Incorporated, the Government of Nunavut and the federal government, are they going to be involved when they are doing the geological survey?

**Speaker** (interpretation): Thank you, Mr. Barnabas. Mr. Premier.

**Hon. Paul Okalik** (interpretation): Thank you, Mr. Speaker. We have not been asked to be involved with that geological survey but if we were asked, we would be willing to be involved. Thank you, Mr. Speaker.

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

#### **Question 147 – 2(4): Cambridge Bay Airport Upgrade**

**Mr. Peterson:** Thank you, Mr. Speaker. My question is for the Minister of Economic Development and Transportation. My hamlet council has told me that the Cambridge Bay airport is a priority to them and the Kitikmeot. In fact, the Kitikmeot mayors have supported the Hamlet Council of Cambridge Bay to get that airport upgraded.

It is an unsafe airport and operated under a term called 'Deviation from Standard'. That is fuzzy wording for an unsuitable airport for certain aircraft. I raised this issue in the House before. My question for the minister is can he tell me when the Government of Nunavut will upgrade the Cambridge Bay airport? Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Mr. Peterson. Minister for Economic Development and Transportation, Mr. Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Speaker. We have to ask for funding from the federal government in order to upgrade through the Airport Capital Assistance Program in Nunavut.



We asked for funding to do upgrades on the Cambridge Bay airport but we did not receive any funding. We will have to try to get some more funding from the federal government in order to upgrade that airport in Cambridge Bay. Thank you, Mr. Speaker.

**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 understand that an Airport Capital Assistance Program proposal was developed and submitted to the federal government. I believe it was limited to widening the runway.

I wonder if the minister could share some information with me today and tell me what information the new ACAP proposal will contain that will give the new application a greater chance to be approved by the federal government department that's responsible for ACAP. Thank you, Mr. Speaker.

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

**Hon. David Simailak** (interpretation): Thank you, Mr. Speaker. We are compiling a new request that we will be giving to the federal government to upgrade the airport in Cambridge Bay.

I expect that the request will be given to the federal government in October to try to get some money for ACAP to widen the airstrip in Cambridge Bay. At this time what we're doing is we're putting a proposal together, like the member said, to widen, or to make the airport longer.

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

**Mr. Peterson:** Thank you, Mr. Speaker. I thank the minister for that update. I certainly hope that application is successful this time around.

Can the minister tell me if his department has made the Cambridge Bay Airport their number one priority to access funds through the ACAP program in 2007? Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Mr. Peterson. Minister for Economic Development and Transportation, Minister Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Speaker. Like I said, we'll be putting in a proposal and we will hear from the federal government in October of 2007 regarding the airport in Cambridge Bay. 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 again for that answer.

It might be worthwhile for the minister to visit the Hamlet of Cambridge Bay and speak to the Hamlet Councillors and the Mayor. He could also ask the Kitikmeot Mayors about the Cambridge Bay Airport.

So I'd like to ask the minister: will the minister commit to meet with the Cambridge Bay Hamlet Council before the spring sitting and discuss their concerns about the Cambridge Bay Airport, and outline the department's plan is to upgrade the airport? Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Mr. Peterson. Minister for Economic Development and Transportation, Minister Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Speaker. I can't commit to going to Cambridge Bay before the May session, but I know that I will be going to Cambridge Bay in June. I will be more than happy to meet with the hamlet council and the mayors at that time in June. Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Mr. Minister. Oral Questions. Member for Iqaluit Centre, Mr. Tootoo.

#### **Question 148 – 2(4): KDBC Contribution Agreement**

**Mr. Tootoo:** Thank you, Mr. Speaker. My question is for the Minister responsible for Economic Development and Transportation.

It is dealing with contribution agreements that it has in general, but particularly, I'm looking at the one that they have with KBDC. When the department enters into a contribution agreement with any organization, I understand that there is a Schedule A that outlines what the funding is going to be used for.

My question for the minister is, and my understanding of the agreement is, if there's any change, or deviation from what was outlined in Schedule A, that written permission has to be sought and received from the department for any change. I am just wondering if he could indicate if they do require written permission to deviate from the numbers that are outlined in Schedule A of the contribution agreement. Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Mr. Tootoo. Minister for Economic Development and Transportation, Minister Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Speaker. Yes, our staff is working on that right now to see whether that is the case. We have not had any response as yet.

Now, that the member tells me that, we will be looking at the agreement. I have had my staff look into this agreement at this time but we don't have any response on it right now. Thank you, Mr. Speaker.

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

**Mr. Tootoo:** Thank you, Mr. Speaker. As I indicated if you go over what's outlined in Schedule A, I believe a written request for permission is required. In the event when they review the audited financial statements from the organizations and if there is a surplus that they haven't used the funding in the areas that's outlined, would that be something that is collected back by the department? Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Mr. Tootoo. Minister for Economic Development and Transportation, Minister Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Speaker. I have not heard whether that's the case, whether the money that is not used goes back to the Department or not. Thank you, Mr. Speaker.

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

**Mr. Tootoo:** Thank you, Mr. Speaker. I just ask because I know in some areas comparing the contribution agreement to the audited financial statements, some areas are over considerably. And so, I'm just wondering if you look at the wages and benefits, for example, for the 2005-06 year that's in the contribution agreement, they have \$178,000 and in their audited statements it's about \$196,000.

Also, if you are looking at the numbers according to the contribution agreements, compared to the audited statements, if you look at some of the categories you know, they spent barely over half of the funding on what it's supposed to be spent on. So I guess in cases like that is there a requirement for them to, if they look at it, and see no we didn't spend it on where we were given permission to spend it on, therefore like in any other cases they'd have to reimburse the government for that funding. Thank you, Mr. Speaker.

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

**Hon. David Simailak** (interpretation): Thank you, Mr. Speaker. Like I said, I have not had that information as yet or whether they should return the remaining funds. I will look into that for the member and I will find out what happens to the money that is a surplus and I'll get my staff to get on that as soon as they can. Thank you, Mr. Speaker.

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

**Mr. Tootoo:** Thank you, Mr. Speaker. The only one I really had a chance to have a good look at was the 2005-06 contribution agreement, where for example it outlines the board of directors for \$11,000 and according to their audited financial statements, they only spent half of that.

Same thing with the rent and insurance; it didn't cost them, according to their financial statements, as much as they budgeted. Also, their legal fees, where they had indicated they were approved for \$75,000 and they only spent \$30,000. So, they are not spending the money where their proposal was approved.

Like in any case if any other business applied for a grant or contribution, they have to account for that. If they don't spend that money in that area they have to be given back to the government. So I'd like to just ask the minister if he could particularly look in those cases where there are under expenditures according to some of the contribution agreements to the audited financial statements that have occurred. Thank you, Mr. Speaker.

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

**Hon. David Simailak** (interpretation): Thank you, Mr. Speaker. These are old, and sometimes it's impossible to get some information but in regard to your question, I will look in the discrepancies and look into the funds that they expended. Thank you, Mr. Speaker.

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

#### **Question 149 – 2(4): Program Funding for Health Care Professionals**

**Mr. Curley:** Thank you, Mr. Speaker. I have a question for the Minister of Education. Nunavut has a serious shortage of doctors, nurses and other health care professionals. The federal budget that was tabled contained a pot, which says in part, we will work with the provinces and territories to increase the numbers of, and expand the educational programs for doctors, nurses and other health professionals.

The minister, during his presentation, did not appear to be perked up about this clause and I wanted to ask the minister why he did not announce whether or exactly how he intends to work with the minister or the federal government to increase and expand the numbers of, particular the Nursing Program probably would be eligible for this amount.

The minister failed to indicate any kind of action. Now, the federal budget has been approved. I would like to ask the minister exactly what you intend to do about this offer. Thank you.

**Speaker** (interpretation): Thank you, Mr. Curley. Minister of Education, Minister Picco.

**Hon. Ed. Picco:** Thank you. It is a first that the federal government is going to make an offer to help us with our education programs. We know, and Mr. Kaludjak, is here today that the major focus with Nunavut Tunngavik Incorporated's suit with the federal government is the training programs that they have to fund. I guess a quick answer to the member's question is when the federal government identifies extra dollars available; they don't actually mean to start training programs in Nunavut.

They identify seats in most cases, for example, for medical schools where they actually allocate seats for doctors programs. When we approached the federal government in the past for money, for example to help sponsor a nursing program, the answer was actually no. As I said earlier in answer to a question on the federal budget, the budget was approved yesterday in the House of Commons.

Our work now is to look at what parameters within that federal budget may mean extra dollars for Nunavut in specific program areas and that is what we will be doing over the coming days. The money from the federal government will not be flowing probably until sometime in April and late May. Thank you, Mr. Speaker.

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

**Mr. Curley:** Thank you, Mr. Speaker. Our government may not have had concrete offers to increase the numbers and expand educational programs for Nunavut, nurses or doctors or other health care professionals. But this is the statement that the budget contains that they are willing to work with the provinces and territories. So will the minister table his plan of action when we reconvene again in May about this particular offer? Thank you.

**Speaker** (interpretation): Thank you, Mr. Curley. Minister of Education, Minister Picco.

**Hon. Ed. Picco:** Thank you, Mr. Speaker. Again, once the federal budget has been approved and now it has been approved, now we will be able to look at what type of dollar values will be available for Nunavummiut, which includes a whole range of program specific areas in that budget; one of them being training opportunities. So yes we will be looking at those opportunities within the federal budgets and be able to move forward with it. Thank you, Mr. Speaker.

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

**Mr. Curley:** Thank you, Mr. Speaker. I'd like to thank the minister for his intention to consult with the federal government. I would like to remind the minister that, as stated earlier, we do have a very serious shortage of nurses and doctors and other health care professionals.

We can use a concrete example. We have a brand new hospital in Rankin Inlet or healthcare centre. It has no doctors and has a shortage of nurses and other health care professionals. Will you use that as an example? This qualifies for an additional expansion

of services or educational programs. So the federal government is leaving it to the minister to put the dollar amount. A good example is Rankin Inlet. Thank you.

**Speaker** (interpretation): Thank you, Mr. Curley. Minister of Education, Mr. Picco.

**Hon. Ed. Picco:** Thank you, Mr. Speaker. The member is being a little disingenuous when he says when the federal government is leaving it to me to decide. I tried to get \$1 million a year for the nursing program in the past. Mr. Kaludjak and NTI are going forward with a billion dollar lawsuit on training. Again the devil is in the details, as it were.

We know that there has been a money announcement in the federal budget. We want to see what that means. I think it is important to point out that for every \$1 billion the federal government is bringing forward in programs; it is on a per capita basis. That means out of every \$1 billion, the Government of Nunavut gets about \$750,000. So when you look at those pictures of dollar values, I don't want to get Nunavummiut's expectations up that somehow there's a pot of gold at the end of that federal government rainbow for training dollars.

We will have an opportunity to look at what is available and where there are monies available for Nunavummiut we will be aggressively proceeding to access those monies, for example, under the Aboriginal Employment Skills Programs and under the Labour Market Development Agreement that they have in place. Thank you, Mr. Speaker.

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

**Mr. Curley:** Thank you, Mr. Speaker. I thank the minister for stating clearly why he has failed to acquire additional federal dollars. I think this time you have to go with a little more optimism. The fact we do have a case like Rankin Inlet with a brand new hospital, a shortage of doctors, no place for staff to stay as housing is a problem.

I believe that when the federal government says that we will work with the provinces and territories to increase the numbers, they are leaving the responsibility of identifying what you need in the hands of our own government.

I would like to ask the minister if he has a concrete case that due to the shortage of nurses and so on, the hospital in Rankin Inlet has not opened. Will you use that as an example when you communicate with the Minister of Finance in Ottawa? Thank you.

**Speaker:** Thank you, Mr. Curley. Minister of Education, Mr. Picco.

**Hon. Ed. Picco:** Thank you, Mr. Speaker. I always thought I was pretty persuasive in my arguments with our federal partners...I had a chance in the last... Thank you for your acknowledgement and support, Mr. Curley.

What I am trying to say is the Government of Nunavut has been aggressively pursuing, on different fronts, with the Premier leading the way with the Prime Minister, where access to opportunities for training dollars are available to make that case. I believe there is a strong case to be made for the health centre in Rankin Inlet. Of course, that would be one of the areas we will be pursuing.

**Speaker** (interpretation): Thank you. Members, the Question Period is now over. Orders of the Day. Item 7. Written Questions. Member for High Arctic, Mr. Barnabas.

### **Item 7: Written Questions**

#### **Written Question 004 – 2(4): Environmental Contaminants**

**Mr. Barnabas:** Thank you, Mr. Speaker. My Written Question is to the Minister of Environment, titled Environment Contaminants.

- 1) Pursuant to the Environmental Protection Act, the Department of Environment has the responsibility to identify and prevent potential threats of environmental contamination. What steps have been taken, either under the Act or through other departmental initiatives, to monitor the levels of mercury in Nunavut wildlife?
- 2) How is the Department of Environment involved in determining the extent to which the Nunavut environment is subject to damage from such energy-producing technologies as hydroelectric power?
- 3) What tools are in place for Wildlife Officers, or other officials of the Department of Environment, to inform the public in circumstances where levels of environmental contaminants, such as mercury, are found to be rising?

Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Mr. Barnabas. Written Questions. Member for Iqaluit Centre, Mr. Tootoo.

#### **Written Question 005 – 2(4): Supplemental Costs of Staffing HSS Positions with Non-Certified Nurses**

**Mr. Tootoo:** Thank you, Mr. Speaker. My Written Question is for the Minister responsible for Health and Social Services and it deals with the supplemental costs of staffing Health and Social Services positions with non-certified nurses.

- 1) What were the total supplemental costs of hiring additional nursing staff as support for the International Nurses recruited by Trillium Consulting and subsequently employed by the Department of Health and Social Services who were unable to practice independently before they had successfully passed the Canadian Registered Nurses Exam?

Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Mr. Tootoo. Please bring the Written Questions up to the officers. Item 7. Written Questions. Item 8. Returns to Written Questions. Item 9. Replies to Opening Address. Item 10. Petitions. Item 11. Reports of Standing and Special Committee. Item 12. Reports of Committees on the Review of Bills. Item 13. Tabling of Documents. Mr. Evyagotailak.

### **Item 13: Tabling of Documents**

#### **Tabled Document 070 – 2(4): Electoral Boundaries Commission Report – Letter of Support for Recommendations from Hamlet of Kugluktuk**

**Mr. Evyagotailak** (interpretation): Thank you, Mr. Speaker. I would like to table this letter from the Mayor of Kugluktuk providing information from the Mayor on what was talked about in Kugluktuk.

**Speaker** (interpretation): Item 13. Tabling of Documents. Minister Tapardjuk.

#### **Tabled Document 071 – 2(4): Proposed Inuit Language Protection Bill**

#### **Tabled Document 072 – 2(4): Proposed Official Languages Bill**

**Hon. Louis Tapardjuk** (interpretation): Mr. Speaker, as stated in my Ministers' Statement it is my pleasure to table the proposed *Nunavut Official Languages Act* and the proposed Inuit Language Protection Bill for public consultation. Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Minister. Please bring forward the document to the table. Thank you. Item 13. Tabling of documents. Minister responsible for Community and Government Services, Minister Brown.

#### **Tabled Document 073 – 2(4): Enokhok Centre, Cambridge Bay Leased Information Site Inspection 2005, Building Envelope Assessment 2007, Yardsticks for Costing**

**Hon. Levinia Brown** (interpretation): Thank you, Mr. Speaker. I am pleased to table the following document in regard to Cambridge Bay lease negotiations information. Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Minister. Please provide the tabled document to the officers. Item 13. Tabling of Documents. Mr. Premier.

#### **Tabled Document 074 – 2(4): Utility Rates Review Council of Nunavut's Rules of Procedure and Practice and Rate Setting Guidelines March 2007**



**Hon. Paul Okalik** (interpretation): Thank you, Mr. Speaker. (interpretation ends) I wish to table Utility Rates Review Council of Nunavut's Rules and Procedures and Practice and the Rate Setting Guidelines. Under section 6(4) of the Utility Rate Review Council Act, as Minister responsible I am required to table these documents at the earliest opportunity when they have been formally adopted by our Executive Council and I hope that they will help all constituents in fulfilling their part during debates for setting rates. Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Mr. Premier. Please bring the documents to the officers. Item 13. Tabling of Documents. Item 14. Notices of Motions. Item 15. Notices of Motions for First Reading of Bills. Item 16. Motions. Member for Iqaluit Centre, Mr. Tootoo.

### **Item 16: Motions**

**Mr. Tootoo:** Thank you, Mr. Speaker. I'd like to seek unanimous consent to deal with Motion 011 – 2(4). Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Mr. Tootoo. Mr. Tootoo is asking unanimous consent to deal with Motion 011 – 2(4). Are there any nays? There are no nays. Proceed.

### **Motion 011 – 2(4): Censure of the Executive Council**

**Mr. Tootoo:** Thank you, Mr. Speaker.

WHEREAS the Government of Nunavut's 2005-06 Annual Lease Activity Report, which has been tabled in the Legislative Assembly, reveals the single most expensive commercial lease held to date in the Government's portfolio has been Lease Number LS-410-1115;

AND WHEREAS this lease was originally awarded on a sole-source basis;

AND WHEREAS the start date of this lease was February 1, 1987;

AND WHEREAS the annual value of this lease has been \$1,120,248.12;

AND WHEREAS the expiry date of this lease was February 1, 2006;

AND WHEREAS the Government of Nunavut had ample opportunity to undertake a public process and issue a Request for Proposals with which to determine the availability of alternate office space in the community in question;

AND WHEREAS the Members of the Executive Council of Nunavut, in their capacities as members of the committee of the Executive Council called the Financial Management Board, made a decision not to pursue such a process;

AND WHEREAS this action is inconsistent with our shared commitment to a transparent and accountable government;

NOW THEREFORE I MOVE, seconded by the Honourable Member for Cambridge Bay, that the Executive Council of Nunavut be censured.

Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you. The motion is in order. Members, before we proceed, I would like to state that any member has the right to speak to the motion for up to 20 minutes and the mover is the first to speak to the motion. The mover has the opportunity to be the last one to speak to the motion. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Speaker. This motion comes as a result of frustration on behalf of the regular members and their disappointment with the way that this particular lease was handled.

I know myself and other members were under the belief that after raising the issue in April and May, 2005, that different alternatives would have been looked at. The government has come back since then and said that now we don't have a choice, that this is the best deal we could get.

If they didn't go through a public process there is no way of knowing if this was the best deal or not. We want to develop the economy but doing these sole-source type deals definitely doesn't give anyone else an opportunity to be able to participate in any opportunities. We all recognize that now we are trapped in this situation. This motion reflects our dissatisfaction with Cabinet and Financial Management Board on the handling of this issue.

It appears that, based on their documents, we have already paid close to \$24 million for this building that is 20 years old and now we are looking at probably another \$15 million to \$20 million over the term of the lease. By then, it is going to be a 40 year old building. I understand that even yesterday the building was evacuated for health reasons, or something. I'm not sure why. I don't even know if they are back in the building yet.

This is a 20 year old building that we have paid a lot for already and the fact that they didn't even try as they had indicated and we were under the belief that they would, after raising this issue two years ago, that they didn't go to a public process and they just went with a sole-sourced negotiated lease. That is why we are bringing forward this motion. Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Mr. Tootoo. Member for Cambridge Bay, Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Speaker. I am the seconder of the motion. I want to reassure you and all my colleagues I didn't make that decision lightly. The Government

of Nunavut and all the Members of the Legislative Assembly made a commitment in 2004 to operate in an open and accountable, fair and transparent manner. To me, that includes providing information to MLAs, Regular Members on this side of the House, who are the voices and eyes of Nunavummiut.

The issue with the lease shows that the Executive Council does not always believe in what they said in 2004, and what they all agreed to. Although I wasn't an MLA in the First Assembly, I have read documents from the First Assembly. There was a document from the Auditor General of Canada in 2001 that recommended that the Government of Nunavut to implement a stronger leasing policy.

I've read the Standing Committee for Government Operations and Accountability reports since that year. I've been the vice-chair since 2004, so I well know what the Standing Committee of Government Operations and Accountability is doing. They make a lot of recommendations to the Government of Nunavut. One of the recommendations is that they review the Lease Activities Report that the Government of Nunavut submitted in mid 2005. I recall specifically recommending that they review leases that would expire soon.

In my opinion, that didn't occur. The government said that they began a review in September 2005. That didn't leave them enough time to do an adequate review. When it did make the decision to implement the review process on that particular lease, they made a decision to bypass some important steps in their own leasing policy. These are steps that would have enhanced the review process and increased accountability for the Government of Nunavut, for all the MLAs, and Nunavummiut.

When Members of the Legislative Assembly asked for some financial information during the budget process when we were reviewing Community and Government Services, we were told that financial information is privileged information. I was shocked and appalled the other day when we asked for some financial information and we were told it was confidential, I was totally unprepared for an answer like that. It still bothers me today.

The Government of Nunavut has stated that they got a good deal and that the lease represents the best value for the money that they are paying. I don't know if I'll ever know that they did because when they bypassed some important steps in their leasing policy the lease did not go through a public tender process.

My colleague, Mr. Tootoo, mentioned that the building was evacuated yesterday. It is an old building. We've mentioned that in the House on several occasions. It was evacuated yesterday and over 100 employees were evacuated out of the building. I think the halogen suppression system failed and released chemicals into the air. They were trying to determine last night and this morning whether those chemicals are toxic.

I am very concerned for my constituents. I asked the Minister of Community and Government Services thereafter, "When they do make improvements will that building be upgraded so that the tenants, the Government of Nunavut employees who are very

important to us, will they have a modern and safe facility?" The minister indicated that it would be. And I hope that they do.

In conclusion, I will urge all members of the House to support this particular motion. Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Mr. Peterson. To the motion. Member for Rankin Inlet North, Mr. Curley.

**Mr. Curley** (interpretation): Thank you, Mr. Speaker. I also rise today because I will be supporting the motion. We don't want to do that to the Cabinet but this is not the only time that they have done that. I believe that they bought a building, and it was very expensive, and the lease was transferred without using a public tender.

The reason why I raised that, when we were dealing with this line, is we couldn't get the information on the figures and we were told that they were confidential information but some leases are confidential within Nunavut and some of them are not.

But they are all leases. I know the NBCC; an Inuit owned company, the leases become public information and they are in the budget information. But there was a mention if there is a negotiation going on it becomes confidential. But let me state why I support this motion because Nunavummiut have to know. The Nunavut Government contract regulations state they have to abide by those if it's a public interest, best for the public. Then they can tender it before the termination of the lease.

Maybe... (interpretation)...the government has to think, are we going to ask the private sector who are capable of constructing buildings. Whose responsibility should that be? According to the contracting regulations, the minister responsible for properties, I believe that is CGS, has to consider and the contracting management team.

(interpretation ends) In this case the minister or the government or the contracting managers of our government failed to review exactly what the terms of the leases were before they expired.

The contracting regulations, I think, are the guiding principles of our government to ensure the government uses a fair process for the amounts of dollars that the consumers and the tax payers of Nunavut must account for.

In this case the minister ignored, or the Cabinet ignored, the regulations. Not only that, they ignored *Article 24*. They ignored not only *Article 24* of the Nunavut Land Claims Agreement but they failed to honour NNI policy, which is the document derived out of *Article 24*.

*Article 24* are a series of principles to ask contracting agents at any level of federal or territorial governments to abide by certain principles and explain in detail exactly how the contracting procedures and opportunities for Inuit firms to bid could be honoured.

But this government failed to honour those commitments. What was shocking to me was, even our own Premier for 14 years, was under the belief that *Article 24* did not cover leases.

So yesterday he issued a statement and said, "Oh I misled you on this one day." I don't believe it was this one day that the Premier did not understand that leases were also part of the procurement initiative, procurement commitments for Inuit Firms to give it an opportunity to bid. The Inuit people, Inuit firms were not offered to bid on the contract that is sole sourced to this firm, in re-negotiating a 20 year old property.

How can the ministers, or the Cabinet, convince Nunavummiut this 20 year old building is in the public interest and we should renew it for another 20 years. Imagine who in his right mind would be convinced that you should buy a 20 year old car because the modern day cars or trucks are no good for this part of the world. It's exactly the same.

I'm ashamed to say that we're investing in a facility that is outdated; it's not up to code, the fire marshal should have done an inspection and other inspections and those inspection reports should be made public, if they are going to enter into that 20-year lease.

So, in conclusion I just want to say that I urge all the members, including the cabinet ministers, to stand up and support this motion and I will be asking for a recorded vote on this one. Thank you.

**Speaker** (interpretation): Thank you, Mr. Curley. To the motion. Mr. Premier.

**Hon. Paul Okalik:** Thank you, Mr. Speaker. I think it would be difficult to censure ourselves so I think that would be a bit of a conflict of interest in this instance. The lease that is in contention pre-dates Nunavut. We did not sign it. We renewed it because we had to use it. It was signed by the Northwest Territories in 1986. None of us, except for maybe one member, was a part of that Cabinet that signed the lease. I do not know why they signed the lease.

Since 1999, we have been constructing our own. Yes, there was a lease but we decided to buy it in the interest of saving money in the long run because we'll need it in the long run. So that is unfortunate at the time when the lease was signed and we were stuck with it and we had to use it. We have employees that have to work and provide services for the good people of Cambridge Bay and the surrounding communities so that is why we have been using it and we will continue to use it.

We did our best to salvage what was before us. Unfortunately, our officials did their best in assessing what was available in the community and what we could utilize and they've decided, with our support, that at this time with the limited resources that we do have that we continue to use the facility. And at the end of the day we will own it.

Yes, it is 20 years old but we have workers throughout Nunavut in much older buildings. So, we will continue to use it past 20 years. Yes, there will be work done to improve the situation. And, I am sure in light of the latest news there'll be additional work that will have to be done. But to censure us for decisions that were made 20 years ago, I think is a bit harsh. I think that there are other means of addressing these kinds of situations.

My Cabinet tried to re-negotiate a five-year agreement so that we can look at alternatives in the meantime. Unfortunately, that was not feasible. In the interest of saving money and utilizing the resources that we do have, we decided that we would buy it at the end of the 20-year period. The cabinet worked very hard on this particular instance. It was not an easy decision.

But in light of the limited infrastructure that we do have, not just in Cambridge Bay but throughout Nunavut, it was best to utilize what we have today and live with the current situation. During the review of this, I said I do want to ever go through this again. And I made a commitment to my colleagues that we will change this fact. That in the future where we are stuck with a long-term lease and it is going to expire within the next five years, it will be mandatory to go to the public and ask for proposals. That is what we will do so that we will not go through this exercise ever again. That is transparency. That is what I am committing to do.

Unfortunately, we don't have that right now but we will change that so that we will not have to go through this again. So, I respectfully ask my colleagues to withdraw the motion and let's find a way to work together and improve what we are under today. Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you, Mr. Premier. To the motion. I wish to inform the House that I don't have any more names on my list and the mover has a chance to last reply. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Speaker. I don't think any of us here have said we are censuring our Executive Council because of a lease that was signed 20 years ago. As the Premier indicated, we are not holding them accountable for that mistake that was made 20 years ago. The mistake that was made was outlined two years ago that there was a concern in regard to this and there was a belief that it would be looked at differently, that the option of going and looking at it with enough advance time to be able to seek public input, would happen.

The Cabinet, the Financial Management Board chose, they were presented with different options, they chose to forego that process and sole-source negotiate the renewal and they said it was the best deal. Well, how do we know it was the best deal? If there were other developers, nobody else had a chance to even offer a different alternative. Maybe it would have been but we will never know.

That is why the members are frustrated and are bringing forward this Motion of Censure. Not because of, as the Premier had indicated, a lease that was signed 20 years ago. This

government was made aware close to two years ago, April/May around the same time, that there were concerns around this lease. We were led to believe things would be looked at differently. That didn't happen.

As he indicated, I'm very happy he is committed to provide an avenue or mechanism for long-term leases that will automatically go out for expressions of interest or requests for proposals so that we don't have to go through this again. We didn't even have to go through this now. That's why we raised it two years ago. It seems, out of frustration on the members on this side of the House that our concerns are not being addressed until after the fact. It's great now that you did the single biggest lease the government has; now we will change it after we already have this one cemented.

That is where the members think it shouldn't have happened. Again, I am sorry Mr. Premier, I will not withdraw my motion and I would encourage all Members on this side of the House and Mr. Arreak on the other side of the House to support this motion. Thank you, Mr. Speaker.

**Speaker:** Thank you, Mr. Tootoo. The debate is now closed. We will now vote on the motion. We have a request for a recorded vote.

So all those in favour, please stand and sit down when I have called your name. Mr. Tootoo. Mr. Evyagotailak. Mr. Barnabas. Mr. Curley. Mr. Arreak. Mr. Mapsalak. Mr. Alagalak. Mr. Peterson. Mr. Kattuk.

All those opposed, please stand and then sit down when I have called your name. Minister Akasuk. Minister Aglukkaq. Minister Picco. Minister Simailak. Mr. Premier. Minister Brown. Minister Tapardjuk. Minister Netser.

Members, the results of the votes are as follows: those for the motion: nine. Those against the motion: eight. Those abstaining: none. The motion is carried.

(interpretation) Going back to the Orders of the Day. Item 16. Motions. Item 17. First Reading of Bills. Item 18. Second Reading of Bills. Item 19. Consideration in Committee of the Whole of Bills and Other Matters. Bill 1, Bill 2, Bill 3, Bill 8, and Bill 9 with Mr. Arreak in the Chair. In accordance with the authority vested in me by Motion 4 – 2(4) the Committee of the Whole will stay in session until it reports itself out.

At this time we will take a lunch break and resume at 1:30 in the afternoon.

Sergeant-at-Arms.

>>*House recessed at 12:01 and the Committee resumed at 13:34*

### **Item 19: Consideration in Committee of the Whole of Bills and Other Matters**

**Chairman** (Mr. Arreak)(interpretation): Welcome back to the Committee of the Whole. We have Bill 1, Bill 2, Bill 3, Bill 8, and Bill 9. What is the wish of the committee? Mr. Barnabas.

**Mr. Barnabas:** Thank you, Mr. Chairman. In the Committee of the Whole today we wish to continue with Bill 1, and commence with the main estimates of Economic Development and Transportation, followed by the Department of Finance and Legislative Assembly. The committee also wishes to proceed with the review of Bill 2, Bill 3, Bill 8, and Bill 9. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Barnabas. Are we in agreement that we deal with the main estimates for the Department of Economic Development and Transportation?

**Some Members:** Agreed.

### **Bill 01 – Appropriation (Operations & Maintenance) Act, 2007-08 –Consideration in Committee – Economic Development & Transportation**

**Chairman:** Thank you. I would like to ask the Minister of Economic Development and Transportation to make his opening remarks. Mr. Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman, (interpretation) I am happy to provide the 2007-08 Main Estimates of the Department of Economic Development and Transportation.

The department's main estimates total is \$50,296,000. (interpretation ends) This amount is comprised of \$13.481 million for departmental salaries and benefits, \$15.199 million for operations and maintenance costs, and \$21.616 million, or 43 per cent of the total budget for contributions to individuals, businesses, non-governmental and municipal organizations to support economic development and transportation projects throughout the territory.

The Department of Economic Development and Transportation has prepared a “no-growth” budget for 2007-08. Despite the growing demands on our projects and services, the department will not exceed current expenditure levels. We do expect, however, to improve the outcomes of our programs in 2007-08 over past years. This will be achieved through more efficient program delivery, improved communications to the public on the goals of our programs, and better reporting of program results.

We also anticipate improved program outcomes as a result of the implementation of specific sector strategies approved this year for the mineral exploration and mining sector, and the arts & crafts sector. Programs such as the \$4 million Strategic Investments Program will be targeted toward development opportunities in these sectors, particularly new business opportunities.



As members of this committee are aware, at the beginning of this fiscal year the department made significant changes to program delivery, resulting in a more focused Strategic Investments Program, which now includes separate schedules for businesses and for organizations and municipal governments that contribute to Nunavut's economic foundations.

In addition, the department revised its small business-funding program, to create the new Small Business Support Program, and developed a policy for implementation of the \$5 million program for non-decentralized communities mandated by Cabinet from the Northern Strategy Trust Fund. The department expects to spend \$2.5 million on the Small Communities Initiatives Fund in 2007-08.

It will be a budgetary priority of this department in 2007-08 to deal more effectively with business and business development in the coming year.

Altogether, the department makes available to business in Nunavut more than \$5.7 million in contributions, through the Strategic Investment and Small Business Support programs, and support for regional chambers of commerce and business development centres.

The department also provides business support through its two crown corporations – the Nunavut Business Credit Corporation and the Nunavut Development Corporation. In addition, the department through the NNI Secretariat, the Canada-Nunavut Business Service Centre, and Nunavut Tourism supports the development of our private sector.

As the Nunavut economy grows with the initiation of new large-scale development projects, particularly in the mining sector, the department will focus its efforts to ensure that the business community in Nunavut is able to respond to this opportunity.

I am also expecting favourable results for businesses and communities from the creation of the policy this year for Development Partnership Agreements with mining companies, the first of which, for the Meadowbank Gold Project, has been signed and will begin implementation in 2007-08.

I would now like to highlight for the committee, some of the key budgetary priorities for the Department of Economic Development and Transportation for the coming year.

- Working closely with Nunavut Tunngavik Incorporated, the NNI secretariat will launch a new web site that will assist business and all interested parties in the application of the policy.
- The department will improve its public communications to ensure its programs and services are understood and used more effectively.
- We will undertake public consultations on the revisions to the *Travel and Tourism Act*, in order to provide a better legislative structure to support the tourism industry.

- The department will implement the Canada/Nunavut International Business Development Memorandum of Understanding to support export development and attract investment to the territory.
- The department will implement a Memorandum of Understanding with Indian and Northern Affairs Canada, to ensure our business and economic development programs are implemented cooperatively and in a way that simplifies access to funding for Nunavummiut.
- The department will support at least two major inshore fisheries projects and will assist with the implementation of a new allocation strategy for offshore fisheries.
- As part of the implementation of the *Nunavut Mineral Exploration and Mining Strategy*, the department will undertake a review of permitting and regulatory structures to remove inefficiencies and implement the Nunavut Mine Training Initiative.

Finally, before I conclude these opening remarks, I want to briefly point out some highlights from the main estimates that focus on the improvement of Nunavut's transportation infrastructure.

Transportation is central to the development of the Nunavut economy, and as we improve this infrastructure, we reduce barriers to economic growth and the participation of Nunavummiut in this growth.

- In the coming year the department will oversee the completion of the major construction phase of the new Arctic Bay airport, and the rehabilitation of Apron 1 at the Iqaluit International Airport.
- We will continue to support the development of major road projects, including the Bathurst Inlet Port and Road Project and the Manitoba-Nunavut Highway project.
- With our federal counterparts, we will work on the implementation of the *Nunavut Small Craft Harbours Report*.
- The department will complete a legislative review of the *Motor Vehicles Act* and implement a new driver's licence system.

In summary I would like to say again that our goal in 2007-08 will be to overcome restraints in program spending by becoming more effective in program delivery, including reporting on program outcomes.

I welcome your comments and questions on the Main Estimates for 2007-08 for the Department of Economic Development and Transportation. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister Simailak. Do you have witnesses that you would like to bring to the table? Minister Simailak.

**Hon. David Simailak:** Yes, I do. Thank you.

**Chairman:** Thank you, Minister. Does the committee agree to bring the witnesses?

**Some Members:** Agreed.

**Chairman:** Thank you. Sergeant-at-Arms, please escort the witnesses.

(interpretation) For the record Minister please introduce your witnesses.

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. To my left is Paul Suvega, Assistant Deputy Minister for Economic Development and Transportation, and to my right, Deputy Minister Alex Campbell. Thank you.

**Chairman:** Thank you, Minister. Does the chair of the standing committee have opening comments? Please proceed, Mr. Curley.

**Mr. Curley** (interpretation): Thank you, Mr. Chairman. Welcome Minister, Deputy Minister and Assistant Deputy Minister, Paul Suvega and Mr. Campbell.

I am pleased to provide you with my comments as the Chair of the Standing Committee on Infrastructure, Housing and Economic Development. The Committee has reviewed the 2007-08 main estimates and business plan of the Department of Economic Development and Transportation and had the opportunity to meet with the minister in February.

Members noted that the department would be undertaking several legislative initiatives in 2007-08. Members look forward to scrutinizing amendments to the *Travel and Tourism Act* and the *Motor Vehicles Act*.

During the review of the 2007-08 Capital Estimates in this House in December, I voiced the concerns of the committee with respect to the lack of federal commitment to funding the small craft harbours that are described in the department's Small Craft Harbours Report. Members remain concerned that there has been no announcement with respect to federal support for the construction of harbours in the seven communities outlined in the report.

Members note that the second round of consultations for the route selection study for the Nunavut to Manitoba road was held in February. Members support the construction of nation-building infrastructure that connects our territory to the rest of Canada but remain concerned that funding has not been committed for the actual construction of the road.

Members note that the department has restructured its economic development programs for small businesses and hamlets, including the way that Community Economic Development Officer positions are funded. Members encourage the minister to continue supporting important economic development initiatives at the community level.

Members also note that there is no longer a Community Initiative Program. Members recognize that the department is trying to do more with less and that the goal of the program review was more efficient program delivery. Members also noted that one of the department's priorities in its business plan is to publish an annual report on the impact

and effectiveness of the department's programs and services on the development of the territorial economy. Members look forward to reviewing the first annual report in 2008.

Members are concerned that the 2007-08 Business Plan for the Nunavut Business Credit Corporation was not included in this year's budget package. Members note that the request for proposals to undertake an operational review of the Nunavut Business Credit Corporation and Nunavut Development Corporation was issued in September 2006.

Members also note that 2005-06 annual reports for both corporations are now overdue. Members look forward to receiving updated information on the status of the operational review of the two crown corporations. Committee members noted that the department is working to implement some form of memorandum of understanding with the federal department of Indian and Northern Affairs Canada. The standing committee urges the minister to make the memorandum of understanding public by tabling it in this House at the earliest opportunity.

Members note that several strategies are referenced in the department's business plan but have not yet been tabled. These include the Carving Stone Supplies Strategy, the Nunavut Arts and Crafts Strategy, and the Char Marketing Strategy especially in the lakes and rivers we need to have a marketing strategy. The committee urges the minister to table these strategies in a timely manner along with the business plans.

Members note that the Government of Nunavut's Mineral Exploration and Mining Strategy was released at the 2007 Annual Convention of the Prospectors and Developers Association of Canada in Toronto.

One of the action items listed in the strategy is to develop our uranium policy. Another action item is to implement the Nunavut Mine Training Initiative. Members look forward to receiving these in addition to the implementation document that is referred to in the strategy. Members note that the Government of Nunavut and Cumberland Resources have entered into a development partnership agreement. This agreement is with respect to the Cumberland Meadowbank Gold Project and is required in order for Cumberland to access the Nunavut Fuel Tax Rebate Program.

Members look forward to updates from the minister on the cost of the Fuel Tax Rebate program and benefits that have been secured under the Development Partnership Agreement.

Members note that the department continues to emphasize the importance of streamlining the regulatory regime with respect to all economic development, including the mining sector. Members note that the start of the Barriers to Business Study was announced almost two years ago. The standing committee urges the minister to make public the results of the study and to report on actual initiatives that have reduced barriers to business in Nunavut.

Members note that the department expects to spend \$2.5 million on the Small Communities Initiatives Fund in 2007-08. The standing committee urges the Government of Nunavut to ensure that the fund is operated with the utmost transparency and accountability. It is essential that Nunavummiut are able to track the benefits arising from spending through the fund.

Members noted that Bill C-45, a new federal *Fisheries Act*, has received first reading in the House of Commons. Given the fact that approximately two-thirds of the Canada's coast line lies in Nunavut, members believe that it is very important that Nunavut make a formal submission on Bill C-45. The standing committee looks forward to reviewing any formal submissions that are made by the Government of Nunavut on this proposed federal legislation.

Mr. Chairman, that concludes my opening comments. Individual members may have their own concerns and comments as we proceed. I would like to thank, as the committee chair, our researchers. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Curley. Before we proceed I'd like to remind members of the following. According to Rule 77(1) you have ten minutes to speak, and according to Rule 77(2) subject to the discretion of the chair a member may speak more than once on a matter but not until every member wishing to speak has spoken. I suggest to members that wherever possible, you ask your detailed questions during the page-by-page review of the departmental estimates.

Do members have general comments? Mr. Arvaluk.

**Mr. Arvaluk:** Thank you, Mr. Chairman. I would like to remind the government that we negotiated the Land Claims Agreement, some of us for half of our lives, with our goal to self determination for all Nunavummiut, not just a few.

That is why, in the agreement there are carefully identified articles including *Article 24* and the Inuit Impact Benefits Agreement and other provisions such as Nunavut Wildlife Boards and the Inuit Designated Organizations.

These articles are aimed to allow affected communities to benefit from future economic development such as mining in Mary River. When BaffinLand started test drilling several years ago, they spoke to affected communities like Pond Inlet, Igloolik, Clyde River, and Arctic Bay. They contracted the Pond Inlet Cooperative to supply a work force, 40 plus workforce and supply food for that work force and also to rebuild the old road from Milne Inlet to Mary River. Now, I am told that these contracts might not be renewed.

The mine is not in production yet and affected communities are already excluded from economic benefits. The Government of Nunavut is a body to protect the concerns of Nunavummiut. I would urge the government to intervene to ensure that Pond Inlet, Arctic Bay, Igloolik, and Clyde River directly benefit from the economic development there otherwise it will just be like Nanisivik that we know a few years ago.

(interpretation) Mr. Chairman, just to supplement further. The Inuit Impact Benefit Agreements need to be set properly and the government will have to be fully involved. They say they are fully involved but if they are not involved the communities surrounding the mine will be left out. As we are aware of all the mines there will have to be ships involved and there is not a big enough ship. They believe that the ship that they will construct will be the size of three football fields.

So everything is going to be impacted there. Along with Nunavut Tunngavik Incorporated, Qikiqtani Inuit Association and the Government of Nunavut and the community of Pond Inlet will all have to be involved.

The government should involve each and every one and this is the Government of Nunavut and it should govern and be careful with the ones that are going to be impacted especially the community of Pond Inlet. BaffinLand goes through the community of Pond Inlet and I don't know if they are involved with economic development plans I don't know what is going to happen. But I am going to be asking questions in regard to that later on. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you, Mr. Arvaluk. I don't have anybody else on my list. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. I'd like to welcome the Minister and his officials to the Committee of the Whole.

Some of the things that I'd like to mention and I will be looking at questioning further on when we get to the appropriate sections within the budget, I guess kind of stems from the role I play as Chair of Government Operations and Accountability and just dealing with accountability and transparency of some of the programs that are run through the department, especially dealing with Business Development Credit Corporation and some of the other partnership agreements that are in place with the department as far as grants and contribution go.

Another area, I know that I will be looking to ask the minister some questions on is dealing with audit that took place with the Department of Transportation, the Motor Vehicles division here and finding out what types of steps have been, measures the department has taken to address some of the concerns that were highlighted there.

Generally speaking, I had, you know for the last year, had some concerns with the processes, and like, more of the accountability process for grants and contributions and I'll be looking at some point to get some clarification on exactly how the department follows up on that.

I think another important issue, as the Chairman has indicated, is dealing with the small craft harbours. I know a port here is something that's been in the works for some time, and I be asking at the appropriate time for an update on where things are going with that,

or with any of the small craft harbour issues that have been raised throughout the territory.

I know that those types of things are in great need. You know we've had circumstance here in the past where emergency services personnel had to wade into the water, up to their waists or so to be able to help someone. There has to be a safer way to be able to provide, if necessary, hopefully it's not necessary but at some point, not only here, but in all our communities, whether we like it or not these types of things could happen to make sure we're ready for them.

I guess that's about it for my opening comments. It was short and sweet and I look forward to asking the minister some questions when we get to the appropriate budget sections. Thank you Mr. Chairman.

**Chairman:** Thank you Mr. Tootoo. General comments. Mr. Peterson.

**Mr. Peterson:** Thank you Mr. Chairman. I welcome the Minister and his officials to the Committee of the Whole today. I'll try to keep my comments short and sweet as well. I would say that the Department of Economic Development and Transportation is one of the most important departments in our government.

In his dual role as the Department of Finance, in the Minister's Budget Speech he said that we have a promising future. In my mind a promising future depends on the development of our economy. As we've mentioned before, the economy, I think is very, very dependant on the transfer payments from the federal government and all the communities are currently dependant on transfer payments from the Government of Nunavut.

When everyone is dependant on government transfer payments, it is more like an artificial economy. If you remove any of those transfer payments, our economy is going to suffer. Communities are going to suffer. Businesses are going to suffer. I believe it's very important for us as Members of the Legislative Assembly and the government to make every effort we can to facilitate the development of our economy.

I know there are a lot of people across Nunavut working on that: you have the Land Claims organizations, you have the Nunavut Economic Forum, and you have the federal government but it will take a concerted effort for all those people to make it easier for our business to operate in Nunavut and to develop the business opportunities out there.

What I see lacking in Nunavut is another area; I'll use the Kitikmeot as an example, since I'm most familiar with it. We have considerable mining opportunities over there in the Slave Geologic Province, but we don't have basic infrastructure to support the development of those mining opportunities. One mine by itself can generate a lot of employment and training, contracting, subcontracting opportunities, significant economic wealth can be created in the communities.

When people have an additional source of funding they bring that wealth back to the communities. They will want to spend that money and that will very likely be spent in the communities, if there are entrepreneurs who spring up there to be able to develop businesses where people will be able to spend their money.

Right now, anyone that does have money they're spending it in places like Yellowknife, or Edmonton, or Winnipeg, or Ottawa, and that's not good. We have try and keep that money in Nunavut. One dollar generated in a community has a multiplier effect of two to three dollars, so that stimulates other opportunities for people.

We need to support the entrepreneurs; we have to have businesses infrastructure, what I mean by that is buildings where entrepreneurs can operate a little bit. It probably costs a business person in Nunavut two to three times what it costs the business person in the south to construct a building. If you go down south they don't even have to invest in infrastructure, they can lease that space, whereas in Nunavut the business person has to build their own offices and garages, and so on and so forth.

That's a serious investment in capital on the part of our entrepreneurs in the north. Many have to find the working capital to hire their employees and it is very difficult for them. We also need to find a way to provide bookkeepers and accountant services to our business community.

Everybody knows you have to have good solid financial information and reporting systems to succeed anywhere. I think it's very critical in Nunavut, where it's extremely difficult to operate at the best of times, if you don't have accountants or bookkeepers. Many of our businesses are struggling in that regard, many have to deal with the regulatory regimes like Revenue Canada, Territorial/Federal Government reporting. You have to report to the Territorial Government on loans and grants and contributions so that is a very complicated process.

There are all kinds of areas that we have to focus on and in the Kitikmeot we have many, many opportunities. After three years as an MLA, I am not seeing a lot of new businesses being developed over there. I went through Kugluktuk about a month and a half ago and people came up to me in the airport and they were telling me that things have pretty much died in Kugluktuk, there's absolutely nothing going on there, I am sure my colleague will attest to that; the same in some of the other communities.

Cambridge Bay is not too bad because we do have the government there, but as I said earlier we don't want to become too dependant on the government, even government employees want to be able to take their paycheque and spend it somewhere in the community, but they are going to Yellowknife and Edmonton as I mentioned.

So we have to work very hard as a government, as a department and as MLAs to improve the economy or you are going to continue to stand up year after year in your other portfolio as the Minister of Finance and report that we have a bright future but where 80 to 90 percent of our funding comes from the federal government. As I said, that's just an



artificial economy; when your economy is dependant on government funds to me that's not healthy.

I'll be asking questions about the Bathurst Inlet Port and Road. I would like an update on the Nunavut Economic Development strategy, there are a number of good recommendations made in there; the uses of the strategic infrastructure fund; the program capacity building area because we have community economic development officers; and the government's other programs, the business support and the community infrastructure program. With that, Mr. Chairman, I will end my comments.

**Chairman:** Thank you, Mr. Peterson. I have no more names on my list for general comments. We will now proceed to the page-by-page review of the Main Estimates. Starting on page K-5. Economic Development and Transportation. Branch Summary. Corporate Management. This page also includes page K-6. Mr. Curley.

**Mr. Curley (interpretation):** Thank you, Mr. Chairman. We made a reference to the committee. I would like to ask the minister; in the 2007-08 Business Plan, the Nunavut Business Credit Corporation Report. Will that be tabled? Why is the annual report for NBCC for 2006-07 late? Thank you.

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

**Hon. David Simailak (interpretation):** Thank you, Mr. Chairman. The report will be forthcoming. At this time the Auditor General is currently working on NBCC and is doing an audit for 2005-06. They're currently working on the audit. This should be coming out very soon. Thank you, Mr. Chairman.

**Chairman (interpretation):** Thank you, Minister. Mr. Curley.

**Mr. Curley (interpretation):** Thank you. I stated earlier under the committee report the Nunavut Development Corporation 2005-06 Annual Report. When will it be tabled in the House because it's over a year late? Can the minister respond to that? Thank you.

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

**Hon. David Simailak (interpretation):** Thank you, Mr. Chairman. That report is completed. The Nunavut Development Corporation Annual Report for 2005-06 has to be approved by the Cabinet. Once it's approved then it will be tabled in the House. Thank you, Mr. Chairman.

**Chairman (interpretation):** Thank you, Minister. Mr. Curley.

**Mr. Curley (interpretation):** Thank you, Minister. Once it's approved by the Cabinet, who else approves it? Thank you.

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

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. The Cabinet has to approve it in order for it to be tabled. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you, Minister. Mr. Curley.

**Mr. Curley** (interpretation): Yes, I understand that. This is an independent corporation and the requirements for the Nunavut Development Corporation; it probably states in the legislation that they have to table their annual report in the House. It would seem that it would be more appropriate if its Board of Directors approved it. Isn't that the case?

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

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. We will be tabling those reports because they first have to be approved by the Cabinet. That's the procedure. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you, Minister. Mr. Curley.

**Mr. Curley** (interpretation): Thank you, Mr. Chairman. Just this past winter the Nunavut Business Credit Corporation and the Nunavut Development Corporation were reviewed by a consultant that was appointed by the government. I believe this has been completed.

What was the outcome of the consultant's report and what was the outcome of the operational review? Thank you.

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

**Hon. David Simailak**: Thank you, Mr. Chairman. There was a review of NBCC and NDC and the review has been completed and the report of the consultant is completed and is now presently being reviewed by our personnel. It will either be amended or they'll edit it and then it will be given to the Minister.

**Chairman**: Thank you, Minister Simailak. Mr. Curley.

**Mr. Curley** (interpretation): Thank you, Mr. Chairman. Thank you, Minister. During the Committee in February you stated that you would be able to table the report. Are we going to be able to see the results of that operational review that you alluded to and are you going to be able to table it in the House? Thank you.

**Chairman**: Thank you, Mr. Curley. Minister Simailak.

**Hon. David Simailak** (interpretation): Once they are completed and reviewed by us, it'll be approved by the Executive Council and then it will be tabled. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister Simailak. Mr. Curley.

**Mr. Curley** (interpretation): Thank you, Mr. Chairman. Well at that time, we will refer to your commitment again at that time and I am sure we will be able to see it in our May sitting.

My next question is in regard to the Nunavut Development Corporation and it has been in operation without any senior personnel. I am referring to the Nunavut Development Corporation.

**Chairman:** Thank you, Mr. Curley. Minister Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. We had to wait for the operational review of the Nunavut Business Credit Corporation and the Nunavut Development Corporation and that is what is holding us up at this time. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister Simailak. Mr. Curley.

**Mr. Curley:** Thank you, Mr. Chairman. I want to follow up on that because I think it is really quite important because of the legal requirements of these corporations are to have a Chief Executive Officer and without a Chief Executive Officer formally appointed as required by law, it tends to have an impact on the team; the executive team as well as the management team. Is there any particular reason that Nunavut Development Corporation has not had a President since March 2004? Thank you.

**Chairman:** Thank you, Mr. Curley. Minister Simailak.

**Hon. David Simailak** (interpretation): To date they have had no president but up to 2006 they did. They did have one, Mr. Chairman. Thank you.

**Chairman:** Thank you, Minister. Mr. Curley.

**Mr. Curley:** Thank you. I would like the minister to table that Gazette because the current Gazette that we have which is the basis for legal appointments or not. It indicates clearly here that his term expired in March 2004.

So, unless that is wrong could the minister undertake to table that because there must be a reason for not reappointing the President that was appointed at that time. The only reason would be political I think or the internal management. It is supposed to be a pretty standard thing. So is there a political reason other than management or operational issues? Thank you.

**Chairman:** Thank you, Mr. Curley. Minister Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. Well, like I said, we are waiting for the operational review outcome before making any further progress. The operational review covered a lot of items and from then on, we will see how we can revamp the Nunavut Business Credit Corporation and the Nunavut Development Corporation.

So with that, I wanted to make sure that we complete that operational review before doing anything else. Thank you.

**Chairman** (interpretation): Thank you, Mr. Minister. Mr. Curley.

**Mr. Curley** (interpretation): So as long as it's not a political issue. The Nunavut Business Credit Corporation seems to have problems and the Nunavut Development Corporation seems to be going okay. I don't know what the tie is between the two. Are we going to be able to get the information prior to the May session?

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

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. I can say that we will be able to complete all of this prior to the May session. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you, Mr. Minister. K-5 and K-6. Mr. Tootoo.

**Mr. Tootoo**: Thank you, Mr. Chairman. As my colleague was asking some questions in regard to the consultant's report, the minister has indicated that they are in progression of reviewing that, and I know that no final decision has been made yet in regard to anything in there.

Can the minister give us an indication of what types of recommendations were made by the consultant in that report of the operational review? Thank you, Mr. Chairman.

**Chairman**: Thank you, Mr. Tootoo. Minister Simailak.

**Hon. David Simailak**: Thank you, Mr. Chairman. No, I am not in a position to do that right now. I know that my staff have received the report and they have been going through it, so we're discussing it further with the consultant. Once we come to an agreement, at that time, I will get to see the report. I have no idea of what recommendations are in there at the moment. Thank you, Mr. Chairman.

**Chairman**: Thank you, Minister. Mr. Tootoo.

**Mr. Tootoo**: Thank you, Mr. Chairman. Can the minister indicate when the department received the report? Thank you, Mr. Chairman.

**Chairman**: Thank you, Mr. Tootoo. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. It would have been mid to late February. Thank you.

**Chairman:** Thank you, Minister. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. If the minister hasn't seen that yet, I'm just wondering if his officials could give us an idea of what types of recommendations were made by the consultant, that they are looking at in that report. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Tootoo. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. I think that would be premature because the report itself is not finalized yet. It's still under discussion between my staff and the consultants. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. I very much look forward to seeing that report.

Another question I have is I know I brought it up earlier in this sitting in Question Period and the Nunavut Business Credit Corporation falls under this area. I would just like to ask the minister if he knows why the Auditor General decided to go and do a special audit on Nunavut Business Credit Corporation. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Tootoo. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. Mr. Campbell is in a better position to answer that particular question. Thank you.

**Chairman:** Thank you, Minister. Mr. Campbell.

**Mr. Campbell:** Thank you, Mr. Chairman. Just to provide some information on the types of audits that the Auditor General is completing on NBCC right now: there's a financial audit that's in the process of being finalized.

I was told that would be completed by the end of this month; a draft report finalized. That's for the period, as the minister indicated earlier, for the period ending March 31 of last year.

In addition to that we have agreed with the Auditor General that a special audit be conducted on NBCC to look at the governance structure, the administrative structure, and to provide a report on that basis. The reasons why we have requested these to be done are to identify areas that need improvement at NBCC. Thank you, Mr. Chairman.

**Chairman (interpretation):** Thank you, Mr. Campbell. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. In regard to governance and administrative audits, maybe I'll just ask the minister or his officials if they could just give us a brief outline of how that governance and administration is handled now. I know that it's a Crown Corporation that's under the department, but it also has a Board of Directors.

I'm just wondering if the minister or his officials can say who's responsible for what with the NBCC from the ministerial level down. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Tootoo. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. To Mr. Campbell please. Thank you.

**Chairman:** Thank you, Minister. Mr. Campbell.

**Mr. Campbell:** Thank you, Mr. Chairman. The NBCC is an independent Crown Corporation of the government. The Crown, through the chair, reports to the minister. I provide some operational and guidance support for the CEO of the organization. The Board of Directors are appointed by the Executive Council. A regular recruitment process appoints the CEO with HR being involved in the exercise. I guess that's it for now. If you need any more information, you can...

**Chairman:** Thank you, Mr. Campbell. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. I'd like to thank Mr. Campbell for that response.

If I interpret that correctly the department and the minister don't have any direct role to play in the actual governance and administration of that organization. The fiduciary responsibility falls on the Board of Directors. Is that correct? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Tootoo. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. To Mr. Campbell please. Thank you.

**Chairman:** Thank you, Minister. Mr. Campbell.

**Mr. Campbell:** Thank you, Mr. Chairman. The minister is responsible for the Crown, first of all, through the *Nunavut Business Credit Corporation Act*. He, through our recommendations, we issue a letter of direction to the Crowns on an annual basis. The Crown Agency Council, as well, is involved in providing the departments with support and some recommendations on improving financial reporting, accountabilities and governance issues.

So the Crown Agency Council is also involved in providing some direction, as well as acting in an advisory capacity for the minister. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Campbell. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. Mr. Campbell had indicated that they had requested the Auditor General's staff to do an audit on the governance and administration of the Nunavut Business Credit Corporation.

I don't know if he can indicate why they felt that an audit like that was necessary. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Tootoo. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. Mr. Campbell will answer that question. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Campbell.

**Mr. Campbell:** Thank you, Mr. Chairman. We've had ongoing, as the members would appreciate and understand, concerns about the annual reporting and financial reporting of this particular crown, NBCC, due to a number of reasons including the capacity to staff the office at NBCC.

We've raised issues through the letters of direction on areas that we as a government wanted NBCC to improve on. The board of directors have tried to make sure some of those letters of directions were being followed through and proper procedures have been put in place. We rely heavily on CEO's and their finance staff to deliver on some of the business plan commitments that they've made at NBCC.

My role as a deputy minister in that process is just to periodically report on progress to the monthly reports that were prepared by the CEO and providing commentary on some of the administrative procedures that they do provide.

But in a nutshell, it was these ongoing concerns that the department had, as well as, I'm sure, the members here, at not seeing the annual reporting of NBCC. The Auditor General has taken upon itself to review the corporation and to provide some solid recommendations to the Legislative Assembly and to the government on how to improve some of those practices at NBCC. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Campbell. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. If I'm interpreting correctly, what I'm hearing is that the Minister and Mr. Campbell don't really have much in the way of responsibilities, other than through the chairperson and the board, for the day to day operations, governance and administration of the NBCC, but that responsibility lies predominantly with the board of directors. Is that correct? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Tootoo. Minister Simailak.

**Hon. David Simailak:** That is correct. Yes. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. I was just wondering if the minister or his officials are aware of any specific concerns, as far as regular governance and administration, that haven't been followed by either the staff or the board with NBCC. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Tootoo. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. Mr. Campbell.

**Chairman:** Thank you, Minister. Mr. Campbell.

**Mr. Campbell:** Thank you, Mr. Chairman. I don't want to interrupt the powers of the auditor general, in this process. They are presently auditing the financial transactions of the crown. We have been concerned, as I said earlier, as a department, and the minister has been concerned. The minister has taken steps in using the legislation to change the reporting requirements on the previous CEO reporting directly to me on an interim basis until we can sort out some of those administrative and management and operational issues that are of concern to the department.

I can say to the members that, yes, I know of some of those concerns that have been identified, but I don't want to relay those to the members. That responsibility I think should be the Auditor General making her report to the members, Thank you Mr. Chairman.

**Chairman:** Thank you, Campbell. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. I can appreciate the position that Mr. Campbell is in on that, but I would just assume that there were some deficiencies and things that were of concern that were serious enough to get the Auditor General to go in and do an audit in that area.

I guess given that as well, have there been any changes in structure other than the CEO reporting directly to the minister? Have there been changes in staff or any changes in any other reporting procedures since the beginning of this audit? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Tootoo. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. The Board of Directors of NBCC is still responsible for carrying out various responsibilities and are doing a very, very good job working with the Office of the Auditor General, working with our department, working with the interim CEO that's in there, and working very, very hard to bring the NBCC up to snuff. And, all of that work is continuing. Thank you, Mr. Chairman.



**Chairman:** Thank you, Minister. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. The minister indicated there's an interim CEO in place right now. How long has that been in place? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Tootoo. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. Since just before Christmas. Thank you.

**Chairman:** Thank you, Minister. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. I just wonder if I can ask the minister if he can tell us what happened to the previous CEO that was there. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Tootoo. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. Yes, the previous CEO resigned. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. Just before Christmas, and I know that you were out around the time when I was raising some issues with and about NBCC. So I'm just wondering if, as a result of the audits or any of the issues that have been raised, led to the resignation of the CEO. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Tootoo. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. No, it was not because of those reasons. Thank you.

**Chairman:** Thank you, Minister. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. I guess, as you just said right now, there's an interim CEO there right now, and also, you indicated that's the same thing with Nunavut Development Corporation. Is that position remaining interim until a decision is made on the consultant's report on the operational review? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Tootoo. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. Yes, that is correct. Thank you.

**Chairman:** Thank you, Minister. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. I'm just wondering if one of the things that they're looking at is the possibility of amalgamating those two organizations. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Tootoo. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. Yes, that's one option the consultant was asked to look at. Thank you.

**Chairman:** Thank you, Minister. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. I guess in looking at that I would like to ask the minister to explain what types of factors that they would look at in determining whether or not to consider an option like that of amalgamating or keeping them as two separate Crowns. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Tootoo. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. That will depend entirely on the recommendations by the consultant. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. I'm not an expert in this area but if you look at my understanding of it, the Business Credit Corporation is an organization which is basically a lender of last resort to provide businesses an opportunity to start up and grow throughout the whole territory.

Nunavut Development Corporation strictly deals with certain little pockets of businesses that have a number of, I believe, subsidiaries under that and that's all that they focus on. So I would like to ask the minister how they could conceive of two totally different mandates for two different corporations and how they would look at amalgamating the two completely different mandates like that? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Tootoo. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. I don't know how to answer that question at the moment. At the moment that's a hypothetical question. As I said, that's one of the things the consultant has been asked to look at and once we have seen the consultant's report we will get a better idea of what, if anything, can be done there. That's going to have to wait a bit longer. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. I understand that but I'm just wondering if there hasn't been any thought given to how, since they have been asked to at that idea, that they may have some idea of an approach on that.

Also, one question is that, one of the factors the minister would look would be that these two corporations are in two different communities right now. One thing that this government has been strong on is decentralization. If positions are transferred out of one community, it is hoped that other ones will fill them.

I know in Iqaluit, we don't have any positions in either of these two areas that are affected but I'm sure both Cape Dorset and Rankin Inlet would be curious to hear if that would be a factor, if there was a decision made to amalgamate those two corporations, that there would be a change. Both those corporations provide employment opportunities in their two respective communities. If there is a decision like that made, would that be a factor to look at, making sure that there is no job loss in those communities that are affected? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Tootoo. Minister Simailak.

**Hon. David Simailak:** Again, I don't know the answer to that question at the moment because we are nowhere near there yet; I have not even received a copy of the final report yet. Once we have received the final copy of the report we will then look at any and all options that are in there and take it step-by-step from there. At the moment I don't know the answer to that question. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Economic Development and Transportation. Corporate Management. K-5. Mr. Arvaluk.

**Mr. Arvaluk** (interpretation): Thank you, Mr. Chairman. During my opening comments I talked about Pond Inlet being able to get some boats but it can't be done until the government assists my community to help protect the community. The economy could be developed in Pond Inlet and the Inuit can be involved, if they get some assistance. Under business plans in K-10, it states that in community economic development there has to be a community based approach. Is that just for Economic Development and Transportation or can they include BaffinLand in Mary River.

**Chairman:** Thank you, Mr. Arvaluk.

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. Yes, we would like to be involved with the economic development of the Pond Inlet community because they have an economic development officer in the community as well. I think he lives in Pond Inlet and works for the hamlet council.

And there are also some people over there that might want to start up a business and BaffinLand could also be involved as well for the economic development of Pond Inlet. If they want to start taking on contracts and if they want to get more assistance, I think

they have some private businesses, some government staff and the economic development officer to help out. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Arvaluk.

**Mr. Arvaluk** (interpretation): On one of the pages in your main estimates, I have a concern. The senior economic development individuals, the directorate, should be providing the Baffin community economic development officers or the municipality with a report to make sure that everything is along the line of what they are supposed to do.

For example, in business plan K-4, healthy communities, the business plan states it very well. It seems like if it is just lip service, it is not going to become reality and if it is just said then it is passed and there won't be an impact. Healthy communities should mean to identify communities with serious economic needs or to provide assistance to them so that the community can be healthy.

I think the income support people said productive lifestyles, for example. And also in page K-11 of your business plan, it states under mineral exploration and development, businesses or business opportunities will develop in at least 10 communities in the year 2006 and exploration investment in Nunavut was estimated to be approaching \$200 million. And within the next five years, Nunavut may have five operating mines employing up to 1,700 people.

My question is under your business plan page K-13. Critical Issues. Number 4, there is increased public scrutiny of our response to economic opportunities. So my question is if they are going to be using this properly when are we going to get a response?

We don't see these responses after the response. Can we see these actually become reality in the communities? Thank you.

**Chairman** (interpretation): Thank you, Mr. Arvaluk. Minister Simailak.

**Hon. David Simailak** (interpretation): The comments that you made are true as we're going to be using the healthy communities and other issues that you just raised, and also, K-13 number four, critical issues; that's what we're going to do.

My colleague knows himself as to who is the director in our office, who works on those issues and he knows the officials that work in that office. It's up to the residents of Pond Inlet; it's at their discretion as to what kind of things that they would like to see from BaffinLand.

I met with BaffinLand officials. They took part when I tabled the strategy and they said they want to work closely with the community of Pond Inlet and the other communities in Nunavut.

It's evident that they will be receiving the request from BaffinLand and I'm sure that they will be supportive because the hamlets themselves have community economic development offices and there are some businesses already existing in the communities. The hamlet council is backing up the economic development. As well, our officials can provide support to the Pond Inlet Hamlet Council.

So I don't see a reason why it should not go ahead. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you, Mr. Minister. Mr. Arvaluk.

**Mr. Arvaluk** (interpretation): Thank you, Mr. Chairman. We are just leery. For example, the road construction from Milne Inlet to Mary River, they said that contract is going to be done by the Qikiqtaaluk Corporation. We were told that the Co-op contract for providing food services and providing over 40 employees may not be renewed. Is that going to be renewed?

So it's not totally up to the residents of Pond Inlet. If it were totally up to them, they would have held on to those contracts. So I believe you need to monitor closely that this plan under K-4 and on other pages, especially under K-13, to be used properly and to make sure that they're used. After the fact, if Pond Inlet, Arctic Bay, Igloolik, or Clyde River were not involved, when you try to set them, it becomes impossible.

We realized that occurred in Nanisivik. We don't want to see this occurring again. What kinds of benefits did Arctic Bay receive from the mining company in Nanisivik?

So we don't want to see this occur in the Pond Inlet area, so therefore you as Economic Development have to monitor these very carefully so it won't occur again.

**Chairman** (interpretation): Thank you, Mr. Arvaluk. Minister, it was more like a comment, if you would like to respond. Minister Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. Yes, it's better if the community can do things on their own, like the HTOs and the municipalities. They're working closely with those entities during the exploration stage. If they find an appropriate company to do a contract then they would provide the contract.

Perhaps, maybe there's a lack of communication between BaffinLand and the hamlet council. I really don't have any idea of what the problem is between those two entities but during the exploration stage of mining companies I have noticed that anytime they find a good appropriate company they usually contract them.

This is the very first time I have heard about this issue; so therefore, I really don't know how to respond to your question. Perhaps I'll get more information from my official in Pond Inlet. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you, Mr. Minister. Mr. Arvaluk.

**Mr. Arvaluk** (interpretation): My last question is under the Directorate.

For those of us who are regular members and people in the communities, sometimes we are just given rumours. Sometimes when somebody tells us we really don't believe them.

Could the minister update me in a written form so I could have the same understanding as the communities of Pond Inlet, Arctic Bay, Clyde River, Igloolik, and Clyde River?

Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you, Mr. Arvaluk. In Inuktitut, it's *Kangiqtugaapik*, for Clyde River. Minister Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. Clyde River is where my grandchild lives.

Yes, I can look into that but I am in support of Pond Inlet to do investigations on those because they have their own municipality. They have their own CEDO. The community has the authority, but we will look into it. I will urge the community, and I'm sure that there would be more credibility and strength, if the community of Pond Inlet, or the hamlet, try to find out what they're looking for. I will look into that myself but I urge Pond Inlet to look into this themselves. Thank you.

**Chairman:** Thank you, Mr. Minister. Economic Development and Transportation. Branch Summary. Corporate Management. K-5 and K-6. Total Operations and Maintenance. \$7,837,000. Do you agree?

**Some Members:** Agreed.

**Chairman** (interpretation): Before we proceed with page K-7 we will take a 20-minute break.

>>*Committee recessed at 15:02 and resumed at 15:32*

**Chairman** (interpretation): Thank you for coming back. We are on Economic Development and Transportation. Branch Summary. (interpretation ends) Page K-7, K8, K-9, K-10, K-11, K-12, K-13, K-14, K-15, and K-16 are part of Page K-7. (interpretation) Do you understand? Mr. Curley.

**Mr. Curley** (interpretation): Yes, I wanted to raise another question. The Nunavut Development Corporation President. (interpretation ends) Yes, you are correct we got the correct version now, so I appreciate your comments. (interpretation) But at this time I would like to direct my question to the same, so who is the acting President for Nunavut Development Corporation? Thank you.

**Chairman** (interpretation): Thank you, Mr. Curley. We are on K-7 up to K-16. Minister Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. At this time they don't have a president, but a board of directors. John Hickes is the business manager. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you, Minister. Mr. Curley.

**Mr. Curley** (interpretation): Thank you, Mr. Chairman. So if I were to ask the minister what is the role of the business manager ... is it included in the person years? Thank you.

**Chairman** (interpretation): Thank you, Mr. Curley. We finished K-5 and K-6, and I think you're still referring to that, still. Mr. Minister.

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. John Hickes was appointed by the board. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you. Mr. Curley.

**Mr. Curley** (interpretation): Did the board of directors recommend reappointing him, or did the minister not want to reappoint him? Thank you.

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

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. As we stated before, after we finish the review then we will be able to complete this. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you. Mr. Curley.

**Mr. Curley** (interpretation): Yes, I know we passed the directorate but another question that I wanted to pose, are the board of directors' independent from the minister, or do their decisions have to be recommended to the minister in regard to personnel?

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

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. They have their own board of directors, as was said earlier, that's how they're put together.

**Chairman** (interpretation): Thank you. Mr. Curley.

**Mr. Curley** (interpretation): Yes, we will expect to see what they will do with this. Another comment I wanted to make, it's merely a comment as we will probably discuss it in May. The minister will probably consider the loan funds because they seem to run very smoothly and they're very important to the business community, to the Inuit, and the old

Eskimo Loan Fund. I think the amount of dollars that were given from the federal government is still there.

I haven't heard at this time but I feel that the loan fund should be an independent body. With the development corporation with the business manager running, I just don't feel that it should be done like that because there are loan funds and there are Inuit that have business loan funds and some of them have equity contributions. The Business Development Corporation, I think there would be more concern. This is mainly a comment.

I also would like to bring up; first of all, I would like to thank the department and the assistant deputy minister. I watched him in regard to the anti-sealing lobby in Ottawa. You were in Ottawa and there were department panel discussions. I would also like to thank your officials still in the European Union.

Can the minister state exactly what they're boycotting there because I heard that they're making legislation to boycott seal products. Is it all fur products, which includes Inuit? Maybe you can elaborate as to exactly what they're boycotting. The reason I bring it up is because Inuit have to understand exactly what they're boycotting and impact that will have on the Inuit. Thank you.

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

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. Pauloosie Suvega can respond to that because he looks after that. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you, Minister. Mr. Suvega.

**Mr. Suvega** (interpretation): Thank you, Mr. Chairman. The European countries haven't said to boycott the Inuit, just the seal pelts and meat that are imported from Canada. They have also stated that the aboriginal people will not be affected. We keep pushing that we will be affected as Inuit by that while we're trying to earn a living. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you. Mr. Suvega. Mr. Curley.

**Mr. Curley** (interpretation): Thank you. Thank you to the minister and his assistant deputy.

First of all I believe that Aaju Peter was in Brussels, we even saw her on TV. I also have a daughter in Europe and my daughter was so proud of her. My daughter had said that she didn't have the sealskin clothing. I'd like to thank her. That is the way we have to lobby because as a government, I don't think we're doing enough because at this time Mary Simon is in Europe.



To Paul Suvega's answer ... when such products are banned, we Inuit feel the effect on us. It's not just the economy; we have to sell by-products from the seals. They have to understand. Can the minister state if you are unable to lobby yourself can you assist the different organizations to lobby? Thank you.

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

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. Whenever we can we try and assist, as Pauloosie Suvega was in Ottawa when they were doing the demonstrations. We assisted through our staff with the clothing that they wore. We will continue to do so, whenever we can. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you, Mr. Minister. Mr. Curley.

**Mr. Curley** (interpretation): Thank you. Our fellow Inuit want to hear more of this; where the government supports this. The European Union it takes them awhile for things to become legislation. I think we should send lobbyists before this becomes legislation. If a politician from this government can go over there to lobby.

I wonder if you hire consultants to do the lobbying for you in the European countries because we have to do as much as we can. Maybe some students can be sponsored to take trips to the European countries. Why doesn't the government invite the European Union to the May session so can explain to them? Why don't you try those different kinds of avenues to ask them and invite them because there are Inuit in Iqaluit and they can watch people eating seal meat and they can see people selling the by-products?

I urge you to ask the European Union to see firsthand how we use the seal. Thank you, Mr. Chairman.

**Chairman**: Thank you, Mr. Curley. Minister Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. Currently, we are part of the Fur Institute of Canada; we are a member of that institute. And we have asked that Institute to give us more support as to what we are trying to do. So that is what we have done to date. Thank you, Mr. Chairman.

**Chairman**: Thank you, Mr. Minister. Mr. Curley.

**Mr. Curley** (interpretation): Thank you. I thank the Minister. Yes, we are a member but we can also do our own lobbying even though we may be members of that institute. As I stated earlier, maybe using consultants, you could ask the European Union to come to Iqaluit. If we were to have unanimous consent to officially invite, I wonder if that would help with the lobbying to the minister. Thank you.

**Chairman**: Thank you, Mr. Curley. Minister Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. We have invited media and journalists from Europe so we can give them first hand information and explanations on how it is up here. It is most likely that this will proceed and just before they come here we will make plans so we can have people ready to give presentations to the European journalists. We will certainly check into this further. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister Simailak. K-7. Mr. Alagalak.

**Mr. Alagalak** (interpretation): I didn't put up my hand but I would like to. On K-8 and K-9, under Prospector Assistance Program, it states \$100,000 is given. Is that for all of Nunavut? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Alagalak. Minister Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. Yes, this applies to all of Nunavut. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Alagalak.

**Mr. Alagalak** (interpretation): Thank you, Mr. Chairman. Since 2005-06, the funding has been similar. We are told that the prices of fuel keep going up and the Inuit obtain licenses for prospecting and if there are aircraft close by they can be transported along with their gear. Now, the prices of everything else went up. In our region, in Keewatin, there is far less funding that is available because it costs so much now. I wonder how we can fix this so it'll run smoother this summer. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Alagalak. Minister Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. We had just left it at \$100,000. Sometimes we deplete this line item and sometimes we don't. For example, in 2006 there were 15 applications; nine from the communities which we gave assistance to.

The total amount that we used was \$110,000. Pangnirtung, Iqaluit, Grise Fiord, Rankin, Repulse, and Taloyoak made applications. Sometimes this line item is depleted and at times we have leftovers so we just left it at \$100,000. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you, Mr. Minister. Mr. Alagalak.

**Mr. Alagalak** (interpretation): Thank you, Mr. Chairman. I had also heard about some people who would like to apply for more money but they knew that there wasn't enough money left in this pot to get any further assistance.

Now that I have a better idea of how this program is run, I can now inform those people that it's okay if you make another application because they can go over this amount. Could I do that, Mr. Minister? Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you, Mr. Alagalak. Minister Simailak.

**Hon. David Simailak** (interpretation): If I heard somebody say that I would urge those individuals to make another application if they have to.

**Chairman** (interpretation): Thank you, Mr. Minister. Mr. Alagalak.

**Mr. Alagalak** (interpretation): Thank you, Mr. Chairman. Again, on K-8, we have the Fur Pricing Program where it is set at \$70,000 and it says here “grants to harvesters in the form of a guaranteed minimum price for selected furs. Individuals must be residents of Nunavut and hold a valid Nunavut general hunting or trapping license.”

Exactly what does that mean? Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you, Mr. Alagalak. Minister Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. As long as they are beneficiaries they are eligible for the Fur Pricing Program. Thank you.

**Chairman** (interpretation): Thank you, Minister. Mr. Alagalak.

**Mr. Alagalak** (interpretation): Thank you, Mr. Chairman. Thank you very much. According to what is said here, individuals must hold a valid Nunavut general Hunting or Trapping License. I am sure that’s there for a good reason. You have stated that the general hunting license doesn’t apply but I think that it should state here that there are individuals who are not beneficiaries who hold trapping licenses. I think that should be better worded there. Thank you.

**Chairman** (interpretation): Minister Simailak.

**Hon. David Simailak**: Thank you, Mr. Chairman. Yes as long as they have a valid license they can get grants. Thank you.

**Chairman** (interpretation): Thank you, Minister. (interpretation ends) Page K-7. Economic Development and Transportation. Economic Development. Mr. Tootoo.

**Mr. Tootoo**: Thank you, Mr. Chairman. On K-9 there is \$800,000 for the business development centres. I’m just wondering if the minister could indicate which business development centres those are, where that funding is split up. Thank you, Mr. Chairman.

**Chairman**: Thank you, Mr. Tootoo. Minister Simailak.

**Hon. David Simailak**: Thank you, Mr. Chairman. The Baffin Business Development Corporation is funded \$370,000; the Kivalliq Business Development Corporation is \$275,000. There will be a business development centre opening up in the Kitikmeot region around April 1, 2007 and they will get funding of \$155,000.

**Chairman:** Thank you, Minister. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. This funding, from questioning I asked the Minister, how is it all done, through partnership agreements or contribution agreements? Is that correct? Thank you, Mr. Chairman.

**Chairman:** Thank you Mr. Tootoo. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. Through contribution agreements. Thank you.

**Chairman:** Thank you, Minister. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. And in part of those contribution agreements there's an appendix there that outlines exactly what the funding is to be used for. Is that correct? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Tootoo. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. Yes, that is correct. Thank you.

**Chairman:** Thank you, Minister. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. Also, as part of the contribution agreement, is there required reporting? If there is, can the Minister indicate what they are? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Tootoo. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chair, yes there is. Mr. Campbell can go through what those requirements are. Thank you.

**Chairman:** Thank you, Minister. Mr. Campbell.

**Mr. Campbell:** Thank you, Mr. Chairman. We do have a standard contribution agreement for all organizations that they report on the money that we've provided to them through financial statements.

We've asked, as well, for business plans to be attached to the contribution agreements sometimes. We've also, at various times, asked for the governance structure of their organization as well as attachments.

We do have three standard attachments and it's A, B and C on the contribution agreements. Sometimes we don't use all three depending on the negotiations we have with the particular organization.

Some of these organizations that we provide in Nunavut, this funding is supposed to be for seed money. I've noticed that in some of these, we provide most of the money to the organizations. As an example, the \$275,000 that we provide to KBDC, we are hoping that they use that as seed money to attract other investments from other groups to contribute to their budgets. Thank you, Mr. Chairman.

**Chairman:** Thank you Mr. Campbell. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. I guess that the contribution agreements would be the same as a contribution agreement if someone went through KBDC to get some funding to buy some equipment for their business or for whatever purpose where it is outlined what you are going to spend it on and evaluate it but if it is going to cost less than what you thought it was going to, that amount of the contribution would drop accordingly to the percentage of the contribution and that there's a mechanism in place where that's monitored on an annual basis. Is that how they follow up and make sure they spent the money how they were authorized to spend the money? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Tootoo. Minister Simailak.

**Hon. David Simailak** (interpretation): I'll have Mr. Campbell respond to your question. Thank you.

**Chairman:** Thank you. Mr. Campbell.

**Mr. Campbell:** Thank you, Mr. Chairman. Depending on the situation, depending on the organization and depending on the mandate of that organization, the contribution agreement, we have a standard template for contributions, but we do have inserted specific requirements on different scenarios depending on the organization.

We do require regular reporting on these, on some of the operations from some of these organizations. What else can I say? We do have as well, audited financial statements that we insist on getting done.

The other thing I could say is that we don't receive the breakdown of their budgets. We don't necessarily enforce exactly the categories that they've submitted. One of the reasons why is we're trying to be flexible to organizations that may adjust their initiatives through the year.

We could go to the extreme and start picking on various line items and start enforcing some of those requirements. We do have regional offices in the three regions. We have program officers that are supposed to assist with the preparation of these contribution agreements and we do have program officers as well in the regions that do monitor the contribution agreements. But like any department, we sometimes have sometimes a lack of capacity to do all this monitoring.

In the last year and a half we have hired a monitoring and evaluation position at headquarters that will be responsible for gathering all of these contribution agreements. We're planning on having that person generate a report on an annual basis on how well we've done, or how we didn't do well.

Generally, if there's a surplus in some of these organizations, yes, an invoice is sent from the Department of Finance to try and recover the amount from the organizations, or we make an arrangement to apply it to the following year's contributions. So depending on the situation, we're trying to get our staff to be a bit more responsive and flexible in the way we deal with our clients.

One of the things, of course, is that we're also asked to try and reduce the barriers to business development. So we're trying to play a balancing act with the way we administer our programs. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Campbell. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. I just want to confirm, from my understanding, Mr. Campbell had indicated that the regional offices monitor, administer, and assist these regional business centres, for example, if one of them says, "Okay, we're going to change an amount in here," that they would have to go, as required by the contribution agreement, to get permission to change something.

So if they wanted to change the category, or move money from one category to another, that approval would have to be sought through someone at the regional office in order to be able to do that. Is that correct? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Tootoo. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. Mr. Campbell can answer that. Thank you.

**Chairman:** Thank you, Minister. Mr. Campbell.

**Mr. Campbell:** Thank you, Mr. Chairman. Yes, ideally that's a scenario that we would work towards but, as I said earlier, at the same we need to be flexible in allowing organizations to adjust their cash flow requirements and their financial requirements, depending on some of the initiatives that they do undertake.

So on the one hand we're trying to be flexible in dealing with our clients. At the same time we are cognizant of being responsible and accountable to the finances of the public purse. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Campbell. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. I can understand some flexibility needs to be there, but when you look at some cases as you go back like I went through the financial statements for KBDC that were just recently filed with legal registries, in one year there they show their legal fees at just about being half of the total contribution that they received from the department. I would think that would be a significant change that they would require permission to be able to do that.

You know it is not like we are just giving you a blank cheque and just go do whatever you want with it. You know that seems to be what has been happening down there and is that something that you know if they came to you and said, 'we decided this year we are going to spend half of the money that you give us in legal fees.' You know would that have been something that you would have thought twice about had you been given the opportunity to be asked about it? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Tootoo. Minister Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. I will get Mr. Campbell to answer that question.

**Chairman:** Mr. Campbell.

**Mr. Campbell:** Thank you, Mr. Chairman. As I said earlier ideally yes. That's the scenario that I strongly encourage and direct our staff to go, is to closely monitor the contribution agreements that we do provide to the organizations

But, at the same time we are being asked to be reviewing our barriers to business processes and be more flexible in how we deal with organizations. I appreciate the concerns that have been raised on this issue but we've felt as a department that the fluctuation of the last three or four financial statements that we have received from the organizations that the money has been used properly I guess as an organization.

The other clarification I should make is KBDC is a stand alone organization. We don't really have the mandate to dictate how they allocate their budgets. One thing we can do as a government I guess if that is where we want to go is to cut off the funding and let them operate on their own and try and find funding. But that is extreme. Right now as I said we are trying to encourage these organizations to look for other monies so other partners will be involved. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Campbell. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. I am not suggesting cutting off the funding. If you look at the BBDC here they are doing a wonderful job delivering their programs and services on behalf of the government. And when you look at the KBDC you know with the issues that they have brought forward when you talk about looking after public funds and justifying on how it is spent. When you know when you look at over a \$100,000

being spent on legal fees you know for a much smaller loan when there were other opportunities there to try and resolve that and that was being ignored.

And, you know for having a mandate to dictate their budget, the timing of the contribution agreement that does show the break down, this is how their funding that they have received from the government is to be spent. They put it on paper. They signed for it. The government has signed for it. So we do have a mandate to make sure that money is spent properly. The other money that they get from somewhere else that is right; they are arms length. That is their prerogative on how they want to spend it.

But as far as when it comes down to public funds, you know they signed a contribution agreement that our government has signed with them. And they have a responsibility, an onus and we also have an onus to make sure that those funds are spent accordingly. And also you know if there is a large variation in that, it stipulates right in the contribution agreement that they require approval in writing.

They have to request it in writing and permission has to be given in writing. If you know if you want to just write a blank cheque then why do you even bother having a contribution agreement? You know, I think it's important, given our government's fiscal position that the minister knows all too well, for us to say we want to do our best to manage our money properly but totally ignore or wash our hands if someone else is not doing that.

I think if they didn't like that clause in the contribution agreement then they shouldn't have signed it, but whether you like it or not, it's there. From that perspective, for the \$275,000, for that particular contribution you do have a mandate to monitor how that is spent.

And it is quite obvious, for whatever reason, that hasn't happened. I would suggest that you still have, you had indicated in the House earlier that you're renewing, you're signing another contribution agreement with them and putting some stronger reporting requirements in there.

You said that minutes don't exist, motions don't exist, well how do you know that they are doing things properly? We don't know and that's why those reporting requirements are there. In the unlikely event, and hopefully it never does happen because we never want to get into that, where an issue arises, you have got to be able to have something to back up the decisions that were made.

In this particular case there is absolutely nothing. I think that's totally unacceptable. It's appalling that they got away with it. I don't know how they can get away with that. Hopefully you can move forward and learn from this, that you can put measures and steps in place so that gaps or black holes like that don't happen in the reporting process so that if next time someone comes to any one of us with a concern and we can go to you about it and you're going to be able to say, here's why, bang, bang, bang, bang, bang, bang, bang.



Now, there's nothing.

That certainly doesn't look very well at all; doesn't look very good. Now, whether there are good reasons or not, I don't know but, you know what, we'll never know. We just have to take someone's word for it, and that's not how it should be. I seriously ask the minister to look at, particularly in a case like this where there have been ongoing problems and it's not new. Something has been going on, they just filed for the last three years, they just filed with legal registries, which they hadn't.

Little things like that. If it was Joe Blow from some other place and they were trying to get funding for that then I am sure the departmental officials would have been all over him. You have got to get this, we need your accounting, we need the backup, and we need all the information before year-end. Not to just ignore it. Why should they be treated any different than anyone else?

I really strongly urge the minister to take, in this particular case, until they can prove that they have cleaned up their act, that they put a lot stronger reporting mechanisms in place so that embarrassments like this don't happen again. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you, Mr. Tootoo. Just before I recognize Mr. Minister, I would like to recognize Mr. Evyagotailak.

**Mr. Evyagotailak**: Thank you, Mr. Chairman. We don't have a quorum.

**Chairman** (interpretation): Thank you, Mr. Evyagotailak. I will at this time ring the bell. Thank you. Minister Simailak.

**Hon. David Simailak**: Thank you, Mr. Chairman. Yes. I agree with my colleague, as I say. It has become abundantly clear in this sitting and the last sitting that there are problems. At the same time there is other good work being done by Keewatin Business Development Centre and the others.

Unfortunately, this is an area that they made mistakes on. I am sure they are learning from it, just as my department is. We will be more vigilant in the future to make sure that the contribution agreements there are followed and adhered to. We will continue doing that as we deal with these organizations. We will make sure that they're followed.

As I said, sure, this is a problem area; one that needs to be cleaned up very quickly and it will be cleaned up very quickly. In fact I directed my staff not to sign the next contribution agreement with these organizations until I am satisfied with the contents of those.

So we are cleaning things up. We as a department made some mistakes ourselves. We've learned from that. I am sure that over the last few years things have not been done exactly the way they should have been done, but that's in the past. My goal is to look forward and learn from past mistakes and move on. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Economic Development. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I would like to welcome the minister and his officials to the question period part of Committee of the Whole.

I wanted to follow up on the business development centres on page K-9. Just for clarification are these commonly known as, referred to in the past, as community futures organizations? Can the minister clarify? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** That is correct. Yes. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I thank the minister for that clarification.

The last, I don't know how many years, four or five years, there hasn't been a futures' organization in the Kitikmeot. I understand that there is an organization that is interested in taking on the Community Futures operation in the Kitikmeot.

I am wondering if the minister could provide me with an update on what the status is of the negotiations to have a Community Futures operation for the region with that organization. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. Just on the Community Futures organized program. That's a program that Industry Canada provides in southern Canada. This funding is not available for business development centers in Nunavut. Community Futures programming that is from Industry Canada. We are proposing to include that issue of Community Futures Programs in an economic development agreement with Canada that we are working on.

We have negotiated an agreement with the Kitikmeot Economic Development Commission to re-establish a business development centre in that region. That organization is expected to open on April 1. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I thank the minister for that clarification.

Just for clarification again. Could you provide the amount of money that the Kitikmeot Community Futures or business development centre receives for their core operations? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. We are proposing \$155,000 for April 1. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I thank the minister for that information.

I see these organizations will provide loans under \$125,000. I understand that there may be a link to the Nunavut Business Credit Corporation, and that these organizations approve loans but the funds will be accessed through the Nunavut Business Credit Corporation.

Is that the correct flow of funding? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Thank you Mr. Chairman. Yes, that is correct. Business Development Centres are eligible to borrow up to \$1 million each from the Nunavut Business Credit Corporation for small business loans. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. Thank you, Minister for that information. I look forward to the re-establishment of the Community Futures in the Kitikmeot. I'm sure there will be a line up there. I'm not sure right on April 1, that's a Sunday. They may have some people on Sunday, you never know.

The Nunavut Tourism on the same page, the core funding of \$2,175,000; that figure hasn't gone up in the last few years. Is there a reason why it's remained at the same level year after year? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. It's just that aren't providing additional funding to them than that amount. As I mentioned earlier, we contribute the SEED money and they look for money elsewhere to do the rest of what they want to do, but we do provide them with that amount \$2.175 million annually. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I wonder if the minister would have this information available; do you know how many jobs are created in Nunavut that are directly attributable to the tourism industry? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. No we don't have that information here presently but I can get it. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I thank the minister. I would like to see those kinds of figures. It would be interesting to know what the direct linkage is to jobs through tourism. I wonder if the minister has information available on what the tourism contribution is to the economy of Nunavut in terms of overall revenues brought into the Territory. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. In the amount of around \$30 million a year has been bandied about and I believe that's pretty close to the right number; around roughly \$30 million a year. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I thank the minister for that answer. I wonder if the minister could tell us if he expects the tourism revenues to increase over the next couple of years. That seems like a number ... the number I heard a few years ago was \$50 million, that's what \$30 million to \$50 million? It would be nice to know that the investments that we're putting into the tourism industry ... I believe that Nunavut Tourism has done a lot of good work in tourism, but perhaps if we gave them some more funding they could generate more tourism revenues to come into the territory. More tourists are going to mean more employment opportunities in the communities.

I believe quite a few jobs can be created in the communities in Nunavut that would be related to tourism as opposed to, say, not every community can have a mine next door. It's probably only four or five communities that can have mines. We have sports hunts, bird watching, naturalist tours and mountain climbing; those sorts of things. If we did more promotion perhaps we would have more tourism revenues.

I wonder if the minister can comment if the government should look at putting more money into Nunavut tourism to help them with their operations. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. The number that has been thrown around is about \$30 million here, it's probably conservative. I personally would like to think it's more than that and it will grow. We, as a department now have a formalized memorandum of understanding with Nunavut Tourism where we collaborate on issues like market development, product development, and investment attraction. There's a visitor exit survey that has been completed and we are just going to keep working with Nunavut Tourism so that we can keep growing that industry, the travel and tourism industry.

We are also working on doing revisions to the *Travel and Tourism Act* in the near future. We are continuing to work very closely with Nunavut Tourism and will continue to do so to develop this market even more for Nunavut and for Nunavummiut. (interpretation) Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I thank the minister for that information. Mr. Chair on Page K-12 at the top there's a reference to the Nunavut Economic Forum. The department provides \$50,000 to the Nunavut Economic Forum to support the coordination of the implementation of the Nunavut Economic Development Strategy. I believe that strategy came out in 2005, there were quite a number of priorities to undertake then and there are some more priorities to review in 2008.

I'm wondering if the minister could provide some information on the status of the Nunavut Economic Development Strategy. We are now in 2007 so we are two years past the time it was implemented and we're coming up on the year that the second set of priorities will have to be reviewed. I wonder if the minister could update us on the progress of Nunavut Economic Development Strategy. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. I do know that the Nunavut Economic Forum is currently reviewing social programs as a barrier to business in Nunavut. They are also looking at the non-profit portion of the strategic investments program and also looking at personal taxation in Nunavut.

I know that they are looking at those, currently reviewing those areas. But Mr. Suvega is in a better position to answer more directly that question. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Suvega.

**Mr. Suvega** (interpretation): Thank you, Mr. Chairman. (interpretation ends) The department continues to identify opportunities and introduce programs and started to expand the Nunavut Economic Development Strategy. Things that have arisen out of the strategy are things like the Mining Strategy, Fishing Strategy, and now, we're working on

the *Travel and Tourism Act*. In terms of providing an update, we can provide an interim one for you at a later date. (interpretation) Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Suvega. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I thank the minister and his official for that answer. I think it would be good to get an update because in 2005 there was quite a few priorities identified. I know there is more than just Department of Economic Development and Transportation involved, there are federal government departments, and there are other Government of Nunavut departments, other organizations.

So it's not just your department that's responsible for ensuring that those priorities are worked on but the other organizations as well. It would be good to know what the progress is on strategies from 2005, where they are in 2007 and then what the plans are to address the 2008 priorities. I think that would be useful information for all the members of the Legislative Assembly.

With that I'll ask a question on permitting and regulatory regimes in Nunavut. The other day I asked the minister about something in the Mineral Exploration and Mining Strategy, that you were going to undertake a review of all the regulatory permitting regimes in Nunavut and then once it was complete then you are going to facilitate a workshop involving all the regulatory groups and organizations in Nunavut, including the Government of Canada.

I wonder if you update us on what your plans are for the balance of 2007 to complete that overview and facilitate the workshop. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. Mr. Campbell will update the member on that. Thank you.

**Chairman:** Thank you, Minister Simailak. Mr. Campbell.

**Mr. Campbell:** Thank you, Mr. Chairman. I guess the answer is yes, we will work with the industry to try and identify some of the barriers to mining development. The other thing I should point out is the federal government just announced \$155 million of monies that are available to review this. I think the program was going to be doing a review anyway in that area. We will be following up with that announcement and see how we can tap into those resources and to try do a thorough review for Nunavut to participate in that process. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Campbell. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I thank Mr. Campbell for that information. I've read the media monitor on it and I think the federal minister said that the goal is to reduce red tape and bureaucracy by 50 percent; 50 percent is quite a significant number.

But it sends a strong message to everybody that maybe permitting and regulatory regimes are too arduous and cumbersome for organizations to go through when the federal minister has to make that kind of statement. I commend the minister and our minister for putting that action item in his Mining Strategy because it sends a strong message to the mining industry in Nunavut that the government is committed to reducing the red tape.

In all the years I have been around in the Kitikmeot since the mining companies have been trying to start up mines I have heard nothing but complaints about the long delays in getting permits. The costly amounts that they have to incur are discouraging people from investing in our territory. If we want to develop our economy we should be encouraging people because there are other places in the world that mining companies could go. They won't have to necessarily come to Nunavut if we are going to make it unattractive for them to invest up here. So I support the minister and I look forward to his department completing that review and then holding that workshop that they've outlined in their strategy. Thank you, Mr. Chairman. That is not a question. That is more of a comment.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. I thank the member for that support. We will be hopefully getting that review as quickly as possible and then holding the workshop on permitting and regulations as soon as we can.

As a matter of fact there is a Nunavut Mining Symposium coming up next month here in Iqaluit. I know that the most of, if not all of, the industry that is working in Nunavut presently will be there.

In fact I would encourage them to set up their own Nunavut Chamber of Mines, rather than staying with the Northwest Territories and sitting with a joint one with Northwest Territories Chamber of Mines. I would encourage them to set up our own Nunavut Chamber of Mines here in Nunavut.

In fact, I'd like to present that challenge to the industry. I think it is time for that to happen. I think Nunavut is ready for that and I think the industry is ready for that. And I encourage them to set up their own chamber here in Nunavut. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Economic Development and Transportation. Branch Summary. Economic Development. Mr. Arvaluk.

**Mr. Arvaluk:** Thank you, Mr. Chairman. Just a very quick question. I was not clear on the minister's answer to Mr. Alagalak's question on K-8 on the Fur Pricing Program.

As far as I know, it says right here residents of Nunavut must hold a valid Nunavut General Hunting License. I suppose it's for trapping as well. We never had a General Hunting License since the Land Claims Agreement.

I would like to ask the minister if he would change that, or at least add that residents of Nunavut, who qualify under, for example, as my colleague suggested, under *Article 5*, or holds a valid land claims enrolment card; one of the two, because we don't have any General Hunting License, or Trapping License. Thank you.

**Chairman:** Thank you, Mr. Arvaluk. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. We will clarify that wording for the next time. What it is trying to say I guess, with my answer to Mr. Alagalak's question earlier on. Yes, this includes beneficiaries and also includes non-Inuit who hold a General Hunting License or a Trapping License. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. K-7. Questions on Economic Development? Mr. Curley.

**Mr. Curley:** Thank you, Mr. Chairman. I have a clarification that is also needed on K-16, right in the middle of it. There was an allowance of \$2.5 million for last year and for previous years as well.

Could the minister explain how this program has changed in view of the fact that there is a zero amount now for 2007-08? What new programs are available for the initiatives that were formerly funded under this program? Thank you.

**Chairman:** Thank you, Mr. Curley. (interpretation) Are you saying on the business plan or the main estimates, or K-16?

**Mr. Curley:** Mr. Chairman, I'll correct it. It's actually on K-13 on the main estimates.

**Chairman:** Thank you, Mr. Curley. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. This line item is now included in the Community Capacity Building Program, which is on K-16. We changed it from the Community Initiative Program and changed it to the Community Capacity Building Program, which is on K-16, which is the former, Community Initiatives Program, and the Community Economic Development Officers Program. We combined those two into what is now the Community Capacity Building Program, which is on K-16. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Curley.

**Mr. Curley:** Thank you, Mr. Chairman. I thank the minister for explaining the change.



Could the minister, obviously this CIP program had a number of economic objectives, one of which is to promote the development of youth and a stable diversified economy. Are these objectives transferred to that program or are they just really in there for the O&M of municipalities, which in my view, should not be competing with the private sector. Thank you.

**Chairman:** Thank you, Mr. Curley. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. All of those that are listed under the old Community Initiatives Program are all transferred over to the Community Capacity Building Program. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Curley.

**Mr. Curley:** Thank you, Mr. Chairman. The program remains the same, and is transferred to communities. Does that mean they are transferred to every community on the same amount or per capita basis? Thank you.

**Chairman:** Thank you, Mr. Curley. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. With this new program now it includes that every hamlet receives \$190,000 towards hiring their Community Economic Development Officer and also the rest of the money is used for things like, allocated partnership funding to municipalities for things like to facilitating and strengthening community economic development through partnerships with municipal governments, to support communities in the development of community economic development plans and so on, and so on. So all of that is still in this program. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Curley.

**Mr. Curley:** Yes, if you can clarify that to me, to have the program that was, in my view, available to individuals who have entrepreneurial ideas and so on to kick start an economic venture or program with any other possible independent private sector partnership, or whatever. Now, it's sort of, if I might term it, a socialist type of program. Now, we give it to the local government and they will decide how it is going to be.

Is that the route we should be going that we just give all these organizations more funding rather than allowing individuals to have a free expression of ideas and proposals directly to analysts and whatnot. Do you have any reports on exactly how the program is shaping up and so on? If they got transferred to the community in the same amount, it would be imperative to compare or do you get reports from the community, is that part of the condition of the transfer of that program to municipalities? Thank you.

**Chairman:** Thank you, Mr. Curley. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. For example, the breakdown by region of this new program would be \$2.394 million for the Baffin, \$1.289 million for the Kivalliq, \$921,000 for the Kitikmeot region. Some of these changes were implemented to make the programs under the policy more user-friendly while holding the recipients accountable.

This program is monitored by our regional offices that are very closely connected to their municipalities. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Curley.

**Mr. Curley:** Yes, my next question has to do with the fact there were a number of programs, I believe, that were incorporated with the similar amount and so on. They included small business support programs, with about \$750,000 Strategic Investment Program and all the other contribution programs that you had.

So now these programs the minister tabled, I believe in 2005-06 into the House at one point, but previous grants, I believe, were tabled. When will the list of grants and contributions to 2005-06 be tabled in this House? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Curley. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. Yes, we can do that at the next sitting, this spring sitting. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. K-7. Economic Development and Transportation. Branch Summary. Economic Development. Total Operations and Maintenance. \$25,064,000. (interpretation) Do you agree?

**Some Members:** Agreed.

**Chairman** (interpretation): Thank you. (interpretation ends) We are on Page K-17. Yes, K-17. Economic Development and Transportation. Branch Summary. Transportation. Mr. Arvaluk.

**Mr. Arvaluk** (interpretation): Thank you, Mr. Chairman. Last summer, the navy ships were in our community in Pond Inlet and they had meetings with the hamlet council to see if they should get a harbour. The Canadian Rangers also participated during the exercise.

Can the minister tell me what the status is of the discussions that took place, whether they will get a harbour or not. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Arvaluk. Minister Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. If this was discussed I have no idea and I didn't even hear anything about it from the Navy. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Arvaluk.

**Mr. Arvaluk** (interpretation): Thank you, Mr. Chairman. Can the minister check into this through his federal counterparts and to be able to report back to us on the status? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Arvaluk. Minister Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. Yes, we will check with those people. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I wonder if I could ask the minister about the Bathurst Inlet Port and Road Project, if I can find the correct page on the business plan. On page K-24 of the business plan under the 2006-07 priorities, the status of that project to date is no proponents for the project have been identified but the new priorities for 2007-08, it goes on to state, "... determine the best option for the Bathurst Road and Port or an alternative."

I wonder if the minister could clarify me for the record and to my colleagues back in the Kitikmeot what is the department's priority is or what they are working on to "determine to proceed with the Bathurst Port and Road or an alternative." What does that mean? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. Does the committee mind if our staff member from Transportation, John Hawkins, can come down to the witness table?

**Chairman** (interpretation): Is the committee agreed John Hawkins comes to the witness table?

**Some Members:** Agreed.

**Chairman** (interpretation): Sergeant-at-Arms, can you escort the witness. Thank you. Welcome Mr. Hawkins. Minister Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. John Hawkins will be able to respond to this. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Hawkins.

**Mr. Hawkins:** Thank you, Mr. Chairman. As you know there were some developments, changes of ownership in some of the mining properties up in the Kitikmeot and there was a possibility that there should have been another site considered.

We did take a step back from it for a little bit to see what the mining companies up there thought and as it has come together over the last year, I suppose, it appears that the Bathurst Port and Road is the preferred solution up there by most of the companies working in the area.

So we have recently contributed \$326,000 towards the draft Environmental Impact Statement. To carry that project forward the mining companies are also participating in that. That should be ongoing. That statement should be completed by the end of year. There will be permitting following that, if it's required and if the companies are still willing to move that project forward. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Hawkins. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I thank the minister and Mr. Hawkins for that answer. That is a relief because although I am not on the committee, I know that the Bathurst Inlet Road and Port Committee has done a tremendous amount of work over the last ten years. They've spent \$6 million and \$1.5 million of this from the Government of Nunavut, in fact. They have to spend another \$3 million to complete the work to move it forward through the NIRB process.

I know it has been confusing over the last couple of years because of another company that moved into the area. They developed their own idea about how to develop infrastructure. The Bathurst Inlet Road and Port group has not diverged from their stated goal to complete that project in the Kitikmeot.

Just for the record, I'd like to mention that it's not a project that is going to be owned by the mining companies, it's a project that is going to be owned by the Kitikmeot Corporation and their affiliates, which are Inuit owned companies.

It's a little bit different from the other project that was proposed last year, which was going to be owned by a mining company. I would think that because it's owned by an Inuit owned company in the Kitikmeot, that's going to benefit the Kitikmeot and all of Nunavut, in the long term and short term that should make it easier for the Government of Nunavut and Government of Canada to support that infrastructure development.

I am hoping that next month, here in Iqaluit during the Nunavut Mining Symposium, that the minister mentioned earlier, that some of the mining companies would be able to lobby the minister and other organizations to help advance that project in Ottawa.

With that in mind I wanted to ask the minister, since Mr. Hawkins is here as well, he might be able to help; there is a reference on page K-25 of the business plan. Page K-25, through the National Transportation Strategy, it's one of the priorities - participating in the National Transportation Strategy with the Council of the Federation to the federal government. A couple of years ago there were a mention that there were two Nunavut projects in that strategy and it was supported by the provinces.

I'm wondering if the minister could update us on the status of the strategy and which Nunavut projects are included in that strategy at the national level. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. Yes, we continue to support the Council of the Federation's efforts to try and get the federal government to buy into their National Transportation Strategy by becoming a strategic partner in the implementation of that.

The strategy is proposing a new transportation funding partnership: the strategic transportation network. That's got preliminary provincial and territorial priorities and recommends changes to the policy network. For Nunavut, in terms of highway transportation; this includes the Nunavut-Manitoba road and the Bathurst Inlet Road. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I thank the minister for that information. That's good to know, it's going to be in the document and it'll get reviewed at the federal level.

On the same page, K-25 of the business plan, there is a reference to working with Transport Canada on the implementation of a policy, a funding mechanism to recoup costs incurred in meeting obligations for long range aircraft operations in Nunavut airspace. I'm a bit curious: what does that statement mean? If the minister could clarify. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. We are continuing to work with Transport Canada on the implementation of a mechanism to recoup the cost incurred in meeting the obligations of long-range aircraft operations in Nunavut air space.

Transport Canada's position is that the level of airport services provided in support of long-range operations is not a federal responsibility and that the provision of services and cost recovery is an issue between the international air carriers and the airports.

So this is regarding the obligations that our airports, with Iqaluit especially, for long-range aircraft operations flying through our Nunavut air space. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I thank the minister for that answer. I had heard some time ago, I pick up information in my travels, but when the aircraft fly overhead, European aircraft flying overhead, or North American aircraft flying over to Europe, they get passed off from one airport to another to help, but there's a fee for flying over airspace.

In provincial airspace, or territorial, or countries like Greenland there's a charge, is that correct; is there a fee that provinces and territories or countries can charge to airlines for flying overhead, and if so, what kind of charge would be sent to an airline? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. Mr. Hawkins, it's not Hawkins, its Hawkins, has the details on that. Thank you.

**Chairman:** Thank you, Minister. Mr. Hawkins.

**Mr. Hawkins:** Thank you, Mr. Chairman. The airspace is a federal responsibility so the different federal governments do control their space. In Canada's instance, NavCanada, who provide the navigational services, collects the fees. That's actually the case in most countries that whoever provides the navigational services collects the fees. We are not able to collect fees from the carriers.

Canada, as a signatory to the convention that allows this, that divides the airspace up and allows this activity, is able to collect those fees. As I said, NavCanada is able to collect those fees. The carriers are not willing to deal with us on a one-to-one basis or on an individual airport basis or on a territorial basis. They would be willing to deal with us through the federal government or through NavCanada on a single billing system. It is more the billing system that they are resisting than the actual charges. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Hawkins. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I thank the minister and Mr. Hawkins for that answer. Is there an opportunity for the territorial government to receive additional revenues from the airlines as this probably has to be worked out with NavCanada? And if so, those additional revenues, could they be used for the CARS operations and upgrading the airports in Nunavut? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. Yes, there would be an opportunity for Nunavut to get extra revenues through this charge, but if we were to collect any money some of them would go into the centrally administered funds. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I think the Minister of Finance put on his other hat there temporarily. We would certainly like to see those funds. If they came to be, we certainly would like to see more of those funds go to our airport operations because they're desperate for funds to pay their employees and provide other services. I thank the minister for that and I look forward to ... our standing committee looks forward to getting additional information on that when more information is available.

I noted on page K-18 of the main estimates that the Community Aerodrome Radio Stations contract with NavCanada expires on March 31, 2009. Could I ask the minister to give us an update on how many communities in Nunavut are currently under Community Aerodrome Radio Stations agreement with Government of Nunavut? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Mr. Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. Bear with me I am looking for that number. Thank you. They are all with the hamlets except for six in the Baffin and one in Kivalliq. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I thank the minister for that answer. Could the minister explain why seven communities that are not operating with Community Aerodrome Radio Stations agreement with Government of Nunavut? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. Yes, the hamlets would have had those contracts but have given them up over the years for various reasons. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I thank the minister for that answer. When a hamlet gives up the airport operations, who provides the airport operations; would that be the Government of Nunavut, or does the Government of Nunavut hire a contractor to provide that service? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. If and when any hamlet gives up their contract we issue a request for proposals and hire an outside contractor through that process. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I thank the minister for that answer. Does the outside contractor in the seven communities, are they all contractors located in each of the communities affected. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. Some of the contractors are people who live in the communities itself and some are from outside that community. It varies from community to community. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I thank the minister for that answer. I am wondering why, if the hamlet couldn't operate the Community Aerodrome Radio Stations contract in the community and not lose money, then how is it that the contractors in the communities or outside the communities can operate the Community Aerodrome Radio Stations contract and make money? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Again, it is for various reasons. Anything from the money that we budgeted being not enough for the hamlet itself and yet it is satisfactory for the private contractor be it a local a person or from outside. Again, it varies from community to community. Thank you, Mr. Chairman.

**Chairman:** Thank you Minister. Transportation Branch. Mr. Curley.

**Mr. Curley:** Thank you. (interpretation) While we're on transportation, it doesn't really have any programs but it's to do with policy. It's in regard to small craft harbours and I just wondered are you still in funding negotiations? The information that you tabled was very interesting. Perhaps you, I'm not sure whether this has been reported on or not, I'm looking at the tabled document that you tabled recently. I just wondered if the staff or you Minister could give us some information on which communities will receive something first. Do you have any knowledge? Thank you, Mr. Chairman.

**Chairman:** Thank you Mr. Curley. Minister Simailak.



**Hon. David Simailak:** Thank you, Mr. Chairman. (interpretation) Fisheries and Oceans and our department agreed with each other that it would cost about \$40 million for those communities that would get small craft harbours. I'm not really sure exactly which communities would benefit first, but we kind of know from the document that we tabled which community would be first to get the infrastructure. But I think it would be the community that would need that infrastructure for the purpose of ... Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Curley.

**Mr. Curley** (interpretation): Thank you, Mr. Chairman. I think if you're employees were involved that I appreciate that because I know which communities would benefit first. Like Rankin Inlet would be one of the first communities to receive the infrastructure but if you don't know whether that is the case or not, you could put it on top. Thank you.

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

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. I'm sorry but Rankin Inlet is not in that list.

**Chairman:** Thank you, Minister. Mr. Curley.

**Mr. Curley** (interpretation): Thank you, Mr. Chairman. Yes, those tabled documents are very interesting and should be read by the Members of the Legislative Assembly because it's very good information and they have the designs as well. But I think, I don't think Mr. Chairman needs one in his community.

I'd like to ask another question Mr. Chairman. I said last week that we are very quiet as a government, from Nunavut and that if we were more aggressive. It's going to seem like that we're not interested. Like the federal government already did a study about small craft harbours and other facilities in the communities. It seems like the members of the Legislative Assembly in Iqaluit aren't aggressive enough.

Since the Progressive Conservative became a government have they not communicated with your department as to what they are going to be doing for Nunavut like what was in their campaign promises.

**Chairman:** Thank you, Mr. Curley. Minister Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. Whenever I have a chance to talk to any of the ministers in Ottawa I mention the needs for Nunavut. I wanted the Territorial Financing Formula agreement to be new. I also speak with the federal Minister of Transportation about the needs of the communities of Nunavut.

We're not quiet about it. We're being aggressive about it, and the Minister of Transportation has not relayed any information to me in regard to small craft harbours and docking facilities. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you, Mr. Minister. Mr. Curley.

**Mr. Curley** (interpretation): Thank you, Mr. Chairman. I thank the minister. I feel that the federal government should be urged, and to be aggressive about wanting funding for those. I think the minister deals with the strategies.

What I would like to say is that Arctic sovereignty will not go away; they're not going to forget about it. So it has to continue. I don't want your department to stop being aggressive to the federal government in regard to those facilities that we need in Nunavut communities because of Arctic sovereignty.

So if you could keep on urging or being aggressive with the federal government in trying to get some funding, especially for the High Arctic. We're not really worried here in the Hudson Bay area, it's mostly the High Arctic areas. Can you continue with this, Mr. Minister?

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

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. Whenever we talk about economic development and transportation in Ottawa I always talk about that with the federal departments. I know about the Arctic sovereignty and our Government Leader is also very aggressive about Arctic sovereignty. We will continue to voice our needs. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you, Minister. K-17. Economic Development and Transportation. Branch Summary. Transportation. Total Operations and Maintenance. \$17,395,000. Do you agree?

**Some Members:** Agreed.

**Chairman:** Back to K-4. Economic Development and Transportation. Department Summary. Detail of Expenditures. Total Operations and Maintenance. \$50,296,000. Do you agree?

**Some Members:** Agreed.

**Chairman:** Are we agreed that the Department of Economic Development and Transportation is concluded?

**Some Members:** Agreed.

**Chairman:** Thank you. Thank you, Minister Simailak, Mr. Suvega, Mr. Campbell, and Mr. Hawkins.

(interpretation) If you have any closing remarks, Mr. Minister?

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. I will make sure that all the information requested by the members is worked on by our staff. I would like to introduce Ms. Cheryl Ross, although she wasn't at the witness table.

**Chairman** (interpretation): Just before we continue on to a different department we will take a break for 20 minutes. Thank you.

>>*Committee recessed at 17:14 and resumed at 17:39*

**Chairman:** I will call the committee to order. I would like to ask Minister Simailak of the Department of Finance to make his opening remarks. Minister Simailak.

### **Bill 01 – Appropriation (Operations & Maintenance) Act, 2007-08 –Consideration in Committee –Finance**

**Hon. David Simailak:** Thank you, Mr. Chairman. I am pleased to appear before the Committee of the Whole to discuss the 2007-08 Main Estimates and the Business Plan for the Department of Finance.

During 2007-08 the Department of Finance will concentrate on continuing to build and improve financial management across the government, including the public agencies, improving on the reporting on the government's public accounts within legislative deadlines, and continuing to pursue additional revenues for Nunavut.

Through the *Strengthening Financial Management* initiative, we have dramatically increased the capacity of the department to fulfill its responsibilities and to meet its mandated deadlines. During 2007-08 we will continue to build on this strength and we will also turn our sights outwards. We will offer hands-on assistance to departments to assist them in refocusing and building their internal financial controls and reporting capability. Interim variance reporting will be strengthened, along with tight, refocused third quarter and year-end reporting schedules with respect to crucial input into the production of the Interim Financial Report and the public accounts.

Through the Crown Agency Council, we will continue our spirit of cooperation and collaboration to ensure that our public agencies have the administrative and financial skills and support that they need to succeed. The Crown Agency Council will also work with the public agencies on improving their reporting of financial information for input into the public accounts. We will provide an increased internal audit presence to departments and public agencies with a view towards highlighting strength, while suggesting areas for improvement and, of course, ensuring financial and administrative compliance.

We also look forward to increased liaison with the staff of the Auditor General of Canada outside of the annual audit process. Our Internal Audit Services Division, in particular, will assist and complement the Auditor General's work, providing value-added audits, while reducing the year-end audit burden. These initiatives, along with the other priorities listed in our business plan will translate into increased transparency, accountability, and efficiencies throughout our departments and public agencies.

We are also pleased to be able to introduce accrual based budgeting into our financial framework as well as presenting additional information regarding our public agencies as part of our main estimates process. During 2007-08 we will continue our work to fully integrate the accrual based budgeting method. Initial work will also begin on evolving the current business planning process into a performance measurement based model. I look forward to updating members on this model once we get a bit further along the road with our research as to how we can properly introduce this major, positive shift in business planning.

We were all pleased, that some of Nunavut's unique needs were recognized in the federal budget released last Monday. These measures include a new Territorial Formula Financing Agreement, which has been increased by about \$38 million and special projects like \$23 million over seven years to assist us in strengthening financial management, and funding for incremental infrastructure projects of \$25 million per year for another seven years.

Further, we continue to pursue an advocacy approach to Canada with respect to our unmet needs. This new TFF is an excellent start, but we are not there yet. This government must continue with its commitment to fiscal responsibility, fiscal discipline, and accountability.

As I committed in my Member's Statement on March 20, I invite all members to work with us in charting a correct and prudent course for the future.

I will now turn, to a brief overview of the department's budget. Finance has six branches: Directorate, Policy and Planning, Financial Management, Internal Audit Services, Comptrollership, and the Centrally Administered Funds.

For 2007-08 the Department of Finance has allocated \$52.2 million in operations and maintenance expenditures as compared to \$50.2 million for the previous year.

The major components of the department's budget are \$21.2 million for compensation and benefits, \$29.8 million for centrally administered programs and costs including \$9.7 million for government wide employee benefits such as dental premiums, workers compensation premiums and employee medical travel, \$10.5 million for the lease costs of the Legislative Assembly building and other office buildings constructed by the Nunavut Construction Corporation prior to April 1, 1999, \$6.1 million for the regular Nunavut Electricity Subsidy Program, \$3.5 million for government of Nunavut's insurance

premiums. There's also \$4.5 million for other operations and maintenance costs in the department.

Compared to the 2006-07 main estimates, the significant changes are \$1.4 million increase to fund the recommendations, which arose from the last Auditor General's report and the review of GN financial structures, \$356,000 increase in the Nunavut Electricity Subsidy program, and \$460,000 increase in insurance premiums.

In summary the department's focus for 2007-08 will be to continue to provide central agency services in areas that includes support for the Financial Management Board, managing the governments overall fiscal position and overseeing the financial framework and accounting processes. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Do you have witnesses you would like to bring to the table Minister Simailak?

**Hon. David Simailak:** Yes, I do. Thank you.

**Chairman:** Thank you, Minister. Does the committee agree to bring in the witnesses?

**Some Members:** Agreed.

**Chairman:** Thank you. (interpretation) Sergeant-at-Arms, if you can escort the officials to the witness table please.

For the record, minister, please introduce your witnesses.

**Hon. David Simailak:** Thank you, Mr. Chairman. With me, directly to my left is Peter Ma, Deputy Minister. To my right, Mr. Scott Marriott, Director of Corporate Services. And also in attendance in the gallery is Jay O'Donnell, Comptroller General, Rosemary Keenainak, Assistant Deputy Minister, Financial Management and Chris D'Arcy, Director of Policy. (interpretation) Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you and welcome to the Gallery. (interpretations ends)

**Chairman:** Does the chair of the standing committee on government operations have opening comments? Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman and I welcome the minister and his officials to the Gallery.

I am pleased to provide you with opening comments on behalf of the Standing Committee on Government Operations and Accountability on the 2007-08 main estimates and business plan of the Department of Finance.

The standing committee notes that the proposed budget of \$52,197,000 is almost 90 percent higher than the department's initial budget of \$27,548,000 in 1999-2000.

The department's budget has increased by just over four percent from the 2006-07 main estimates. The department has budgeted for 181 PYs in 2007-08, which is five fewer than in last year's main estimates. 154 positions were allocated for the department in its 2004-05 main estimates.

Members recognize the role that the department plays as a central agency. One of the key functions that the department performs is supporting the Financial Management Board's coordination of the government's budget development process through the preparation of the annual main estimates, capital estimates and public accounts.

Mr. Chairman, one issue with GN-wide implications that I would like to comment on today concerns the growth in the size of the public service since the creation of Nunavut in 1999. According to the GN's own departmental business plans for the 2004-05 fiscal year, the total number of PYs across the government was approximately 3,040, not including the Qulliq Energy Corporation's positions. The number of PYs for 2007-08 is approximately 3,438. This is an increase of almost 400 positions, or 13 percent, in just three fiscal years.

The standing committee does recognize that the rate of growth across the government has slowed in the last year, with a net increase of 25 PYs over the 2006-07 main estimates.

This growth is taking place even though the government's overall vacancy rate is still around the 20 percent level. Although the GN's most recently-tabled employment statistics reveal that over 730 positions are vacant, departments are continuing to add new PYs to their organizational charts. The Standing Committee has been advised that the Financial Management Board has approved a new PY control mechanism to ensure that all PYs listed in departmental structures are fully funded. We must recognize that the bureaucracy cannot grow forever.

The GN has budgeted to spend over \$300 million in 2007-08 on compensation and benefits for employees, an amount which accounts for over 30 percent of total government spending. While it is important to compensate our hard-working staff in a manner that supports our recruitment and retention goals, we also need to recognize that dollars spent on compensation and benefits for new employees are dollars that are not available for other spending priorities, such as capital projects in communities, or increased financial assistance for young Nunavummiut to attend university or pursue other post-secondary qualifications.

The standing committee has consistently called on the department to enhance the transparency and accountability of government operations through such measures as ensuring that the government's financial statements are tabled within the timelines established by law, and expanding the level of detail contained in financial documents.

There has been progress in this area. For example, in June of 2006, the Minister of Finance tabled a comprehensive GN-wide report on grants and contributions made during the 2004-05 fiscal year. The standing committee looks forward to the timely tabling of these reports for subsequent fiscal years. The committee also looks forward to the tabling of the government's 2005-06 public accounts.

The standing committee is pleased to note that the government's 2007-08 main estimates and business plans include significantly more detail with respect to the planned budgets and priorities of Crown agencies, with the exceptions of the Nunavut Business Credit Corporation and the Qulliq Energy Corporation.

Mr. Chairman, one of the goals agreed to by all MLAs at our Arviat Caucus Retreat was to manage Nunavut's resources responsibly by acting decisively on the recommendations of the Auditor General and Legislative Assembly Standing Committees with respect to strengthened financial management across government departments and Crown agencies. Members will continue to closely scrutinize progress towards this commitment, and look forward to holding public hearings on this year's reports of the Auditor General.

The Department of Finance is responsible for administering the government's new Fuel Tax Rebate Program. The standing committee looks forward to the tabling of the first annual report on the program, which will enable all members to begin to evaluate the success of the program in achieving its objectives. The committee has also noted the government's recent response to a petition concerning the initiative, which indicated that further modifications to the program may be made.

The standing committee also urges the government to measure the success that the recently-approved Tobacco Tax increase actually has on reducing tobacco consumption in the territory.

The standing committee also looks forward to progress being made with respect to the issue of ensuring that the GN is able to capture Payroll Tax revenue from consultants and contractors who receive payment from the GN for their services.

The standing committee has noted that the GN has brought forward a new bulk refined petroleum products risk management strategy. This strategy will allow the government to use financial hedging instruments in its approach to purchasing fuel. Although this strategy does have the potential to reduce the price that we pay for fuel, it is not without a degree of risk. It is critical that the government be candid with Nunavummiut on this point, you just have to look at Air Canada.

Mr. Chairman, over \$10 million of the department's budget is allocated for paying the GN's commercial leases. The committee is pleased that the GN has begun the practice of tabling an annual report on its leasing activities. The committee also looks forward to the department making progress on developing a formal policy for the use of Public-Private Partnerships.

Mr. Chairman, the issue of Crown corporation governance is important. Members were pleased to note that the second annual activities report of the GN's Crown Agency Council was recently tabled in the Legislative Assembly, in addition to ministerial letters of expectation to Nunavut's Crown agencies, and the Crowns' responses to those letters. The standing committee will continue to monitor progress in this area, including such issues as the QEC's compliance with the direction given in respect to such matters as staff housing. The committee also reiterates its call for all ministerial directives, instructions, and other instruments directed to Crowns to be tabled in this House in a timely fashion.

The issue of budget adjustments and transfers is of concern to members. When the government changes the scope or timing of previously-approved capital projects during the course of a fiscal year, members whose communities are impacted expect that they and local community leaders will be consulted and kept informed in a timely manner. And I believe we just got a letter in that regard from the Minister so it's good to see some movement in that area.

It is important that the government adhere fully to section 4.3 of the GN's Financial Administration Manual. This section deals with the issue of consultation guidelines for capital project budget adjustments. The section specifies that, "each quarter, the Chairman of the Financial Administration Board will provide the Standing Committee on Government Operations with a report, by department, that identifies all capital adjustments made in that quarter."

Mr. Chairman, the operations of the Nunavut Liquor Commission fall under the jurisdiction of the Department of Finance. Members note that the department is planning to undertake a comprehensive review of the *Liquor Act* at a future point in time. The issue of access to liquor is a contentious one, and members recognize that different communities have different views on the extent to which access should be permitted. Members are also aware of the view that in those communities where alcohol is permitted, excessive barriers to the legal importation and purchase of alcohol can result in the unintended consequence of driving people into the hands of bootleggers.

That concludes my opening comments. I am sure other individual members have comments they would like to raise on their own, too, and questions and I look forward to that as we proceed. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Tootoo. Before we proceed, I would like to remind members of the following. According to Rule 77(1), you have 10 minutes to speak, and according to Rule 77(2), subject to the discretion of the Chair a member may speak more than once to a matter under discussion but not until every member wishing to speak has spoken.

I suggest to members that wherever possible you ask your detailed questions during the page-by-page review of the department total estimates.



Do member have general comments. There being none. I have no names for general comments. We will now proceed to page by page review of this departmental estimates starting with page C-5. C-5. Branch Summary. Directorate. Mr. Barnabas.

**Mr. Barnabas** (interpretation): Thank you, Mr. Chairman. Welcome minister and your officials. In 2006-07 there was \$2,245,000 that was introduced which was not ... the supplementary that was set in order to accommodate the concerns that were raised by the Auditor General in accordance with her report to the Legislative Assembly, what has the department spent and have they made any improvements financially? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Barnabas. Minister Simailak.

**Hon. David Simailak** (interpretation): I'll let Mr. Ma respond to that.

**Chairman:** Thank you, Minister. Mr. Ma.

**Mr. Ma:** Thank you, Mr. Chairman. A couple of financial management initiatives were undertaken as the minister stated this year. A number of the projects that we have started include what we call the Nunavut Financial Information System Review. That review is basically looking at what we have in place right now for financial systems. We have a contractor in place and we expect to have that review done sometime late next month.

A second initiative that we have undertaken this year is the Human Resource Strategy for Finance. A contract was recently issued, I believe in January, and that work is now progressing. That work would look at things that were talked about in the House. A possible option is something similar to the law student program: the Akitsiraq Program.

We have in that particular survey asked other jurisdictions for their input as well. I believe at this point we have received six responses back. Other things that we have worked on are funding authorities and we are working on that particular part of it. What else have we done this year? We have looked at strengthening public accounts. We are studying different ways to increase the speed of getting the public accounts done and I believe the Chairperson of the Standing Committee mentioned that in his opening comments. So those are some examples of some of the things that we have done this past year. Thank you.

**Chairman:** Thank you, Mr. Ma. Mr. Barnabas.

**Mr. Barnabas:** Thank you, Mr. Chairman. The Auditor General's last report to the Legislative Assembly which was tabled almost a year ago recommended the Government of Nunavut recentralize certain accounting functions in order to address weaknesses in the government's financial management. The Government of Nunavut business plan indicated that the government is still reviewing this issue. When will the government take decisions in this area and what position do you support? Thank you, Mr. Chairman.

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

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. We are currently working on this with the Department of Health and EIA so we can learn more. They're in Iqaluit. There are some in Iqaluit and Rankin Inlet. We will be using this to train more.

**Chairman** (interpretation): Thank you. Mr. Barnabas.

**Mr. Barnabas** (interpretation): Thank you, Mr. Chairman. When will the Nunavut Government 2005-06 Public Accounts be tabled in the Legislative Assembly? Thank you, Mr. Chairman.

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

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. Maybe in the spring session in May we would be able to table that. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you, Minister. Mr. Barnabas.

**Mr. Barnabas** (interpretation): The 2007-08 Business Plan states the priorities for the New Year. The Nunavut Government, through its reporting system should be able to report so that the reports will come out on time. They should be audited and un-audited financial statements. So I urge that the Public Accounts be introduced by December 31, or earlier.

Will they be implementing the priorities that they have stated in their plans? The way the consolidated financial statements are made. Thank you, Mr. Chairman.

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

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. We have positions that are not filled with the accountants in our department, and other departments. We are constantly looking for people to fill those positions. We have also asked for input from different jurisdictions so we are informed as to what they are doing. We are constantly trying to fill those positions to make improvements and we have no doubt. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you, Minister. Mr. Barnabas.

**Mr. Barnabas**: Thank you, Mr. Chairman. In the same page it is talking about PYs. The number of PYs in your department is being reduced from 186 in 2006-07 to 181 in 2007-08. Why is this department doing this? Thank you, Mr. Chairman.

**Chairman**: Thank you, Mr. Barnabas. Minister Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. Peter Ma will respond to that. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Ma.

**Mr. Ma:** Thank you, Mr. Chairman. In preparing the 2007-08 budget, in order to make our target, we froze nine positions. So that's why there is a decrease in those positions for this coming year. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Ma. Mr. Barnabas.

**Mr. Barnabas:** Thank you, Mr. Chairman. 32 of your department's vacant positions are located in Iqaluit. What challenges exist with respect to filling these positions? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Barnabas. Minister Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. Peter Ma will respond to that.

**Chairman:** Thank you, Minister. Mr. Ma.

**Mr. Ma:** Thank you, Mr. Chairman. I think all members know that one of the biggest challenges that we have is compensation. That's why we're doing the HR Strategy. As I indicated earlier, we have asked other jurisdictions for their input. One of the things that we're doing in the HR Strategy is a salary review.

Obviously, the migration of workers from eastern Canada to western Canada has impacted our ability to recruit and retain people. We know from experience in the past year that we've made offers but we just can't compete with other jurisdictions. It's not just us. We know from statistics from the Office of the Auditor General that they're having the same problem as well. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Ma. Mr. Barnabas.

**Mr. Barnabas:** Thank you, Mr. Chairman. On the same page, C-5, the GN has recently issued requests for proposals for banking services. At present, the Royal Bank of Canada is the GN's principal banker.

Could the GN use this RFP as an opportunity to encourage banks to expand their services to the smaller communities? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Barnabas. Minister Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. That's one of the questions that we posed to the bank: how the smaller communities can be assisted with

banking institutions. They will be responding on how they will deal with this. I haven't personally seen it. Hopefully, we'll be seeing it soon. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you. Mr. Barnabas.

**Mr. Barnabas**: Thank you, Mr. Chairman. On the PPD issue, the GN's new Fuel Hedging Policy is available on the government's website.

When do you anticipate the necessary regulations being passed by Cabinet so that the policy can be used for the 2007 re-supply? Thank you, Mr. Chairman.

**Chairman**: Thank you, Mr. Barnabas. Minister Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. The legal people and the guidelines that have been produced, the Cabinet will review it and maybe approve it. We should have been using that route before.

**Chairman** (interpretation): Thank you, Mr. Minister. Mr. Barnabas.

**Mr. Barnabas** (interpretation): Thank you, Mr. Chairman. Just recently in the news we heard that the big companies, especially Air Canada, used hedging. According to the price of the fuel, what are the risks if the government goes ahead with the plan? Thank you, Mr. Chairman.

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

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. Peter Ma will respond to that.

**Chairman**: Thank you, Minister. Mr. Ma.

**Mr. Ma**: Thank you, Mr. Chairman. Certainly there is risk in any sort of hedging strategy. However, given the impact of fuel prices in the last few years for this government we do need to implement something to reduce the cost of fuel for this territory. There is no question that hedging has some risks. It's how you control that risk.

We intend to use experienced people in this field for their advice. We certainly all know about Air Canada, Amranth and other hedge funders that have gone under. It's how you decide to hedge, a lot would depend on your strategy.

So for example, let's say we do 100 litres of fuel in a year. We may not hedge the full 100 litres; we may only hedge 75 percent of that. We would pick certain points in time where we buy a certain quantity. Our hedging charge would expire at a certain point in time, so you spread your risk.

How you hedge is how you manage your risk so to speak. Thank you Mr. Chairman.

**Chairman:** Thank you, Mr. Ma. Mr. Barnabas.

**Mr. Barnabas** (interpretation): Thank you Mr. Chairman. This will be my last question. (interpretation ends)

The Government of Nunavut's new investment guidelines were tabled in the House in December 2006. If the Government of Nunavut is successful in negotiating a new territorial formula financing agreement with Ottawa will the Government of Nunavut still be allowed to keep its surplus cash and invest it or will the money be clawed back. What is the federal government's position on this issue in TFF negotiations with Nunavut?

Thank you Mr. Chairman.

**Chairman:** Thank you, Mr. Barnabas. Minister Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. Well, we haven't seen exactly how it's going to be organized in the new agreement. But once we see it, we will be able to respond to your question. Thank you Mr. Chairman.

**Chairman:** Thank you, Mr. Minister. We're on C-5. Branch Summary. Mr. Arvaluk.

**Mr. Arvaluk:** Thank you Mr. Chairman. Along similar lines, maybe a little bit different, I asked a question to the Minister responsible for petroleum products services division about what happens if the fuel tank is not empty at the end of the year. For example three quarters or one quarter left in the tank. And when you buy new fuel, like last year with the fuel prices going up by ten cents, when you refuel that tank and you have to raise the prices since October 1 last year, do you include the old fuel and its price to the new fuel price of that time?

**Chairman** (interpretation): Thank you Mr. Arvaluk. (interpretation ends) I'm not sure if the Minister has a witness at the table responsible for that, but if you want to direct the question to another minister. Minister Simailak.

**Hon. David Simailak** (interpretation): I think we can respond to some degree if it's okay with the minister responsible for petroleum products. When we buy oil products, for example, we bought it in the summer and we didn't know till the fall that there was going to be an increase. If there's a surplus, we usually put the price of both the old and the new together. Thank you Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Arvaluk.

**Mr. Arvaluk** (interpretation): Thank you, very much, Mr. Chairman. Well, we knew there was a significant increase last year and the government had to step in, and put in a subsidy of about ten cents a litre, but then again, there was a surplus in some of the tanks in some of the communities. If we use an example of 80 cents last year and then if it

became a dollar this year, would you have them pay 90 cents, or would you follow the proportion of the old and the new? Thank you.

**Chairman:** Thank you, Mr. Arvaluk, Minister Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. Minister Picco would like to respond to that. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister Simailak. Minister Picco.

**Hon. Ed. Picco:** Thank you, Mr. Chairman. Just very quickly, when ... and the member is alluding to the pricing component of the fuel. The pricing component of the fuel is a blended cost that we have which includes the actual shipping cost and the purchase price. The member is talking about the fuel that is left over in the tank; the residual fuel in the tank.

Every community is different. In one community there may be ten percent residual fuels in another community there may be 30 percent residual fuel. But the total cost of buying that fuel for that one year period, if it is \$30 million, it has to be recovered. And that recovery comes from the fuel price that is set. We call that the Petroleum Products Revolving Fund and we have of course legislation around that.

So hopefully that helps to answer the member's question. When you have that amount of surplus in any given tank then that is actually factored into the blended cost that we just talked about. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Picco. Finance. Directorate. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. Welcome to the minister and his officials to Committee of the Whole. On March 20, the minister made a Ministerial Statement regarding the Territorial Formula Financing Agreement that was announced on March 19.

But in his Minister's Statement he said that by and large the O'Brien Report recommendations were contained in Monday's budget. During Question Period on March 20, I asked the minister which recommendations were not contained in the Monday's budget from the O'Brien Report and why not. The minister has an opportunity today with his officials present; if he could tell us which recommendations were not included in the federal budget. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. I remarked that most of the recommendations seemed to be in the new budget but we haven't received anything from the federal Finance yet so it is still hard to speculate on what was in there and what was not included. We're still waiting for information from federal Finance. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I thank the minister for that answer. The minister said that by and large, most recommendations were included. So it seemed to indicate to me that you have a pretty good idea what wasn't included. So can the minister tell us which recommendations, if they were not included, would have a negative impact on our territory? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. I will still prefer to wait until we receive the necessary information from Ottawa and once our staff has had a chance to digest it all and then start to get into those sorts of discussions. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I thank the minister for that answer. That is not what I wanted to hear. I have a copy of the Ministerial Statement and the minister mentioned: a base, or floor amount of funding based on Nunavut's needs; a yearly increase that is cost-based, and not simply a set percentage increase; a simplified approach to the measurement of territorial revenues; improved incentives for us to increase our own revenues and to develop our economy; simplified payment systems to increase predictability.

To me that sounds like a summary of information that you, as the Minister of Finance and the Department of Finance has probably been briefed by the federal government Department of Finance about what is and is not in the budget that is going to be beneficial to Nunavut.

So again, I would ask the minister if he could shed some light on the recommendations that weren't contained in the Monday's budget. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. The TFF formula is very complex between the different parts that lead into the final calculation. Once we have all of the necessary information from Ottawa, I would be pleased to offer members a TFF primer if you want to call it, if you were so interested, but I would prefer to wait until our department has had a chance to digest the information that we are still waiting for from Ottawa actually on the actual details of the copy of the federal budget itself. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I can sympathize with the minister why he wants to take time to review the TFF because I have a copy here from 2001-02 to 2002-03, 2003-04 and I substituted all of the formulas and it's amazing, I don't know how the federal and territorial governments calculate the funds that we're supposed to get and receive up here. I think I'll take the minister up on the TFF primer.

I hope it's not as thick as this because it makes me feel like I'll have to go back to math class because there are formulas in here that I think they need Ph.D. to figure out and a couple big computers. So when I read your Minister's Statement on a simplified approach to the measurement of territorial revenue I'm hopeful that that's what it really is, simplified. We certainly need some simple agreements here so we can understand where we are at and where we are going.

Perhaps the minister, he did say in his statement that improved incentives for us to increase our own revenues and develop our economy. I'm sure that the minister has some indication of what those incentives might be. We just finished with the Department of Economic Development and Transportation, of which the minister is also minister for that department, and I mentioned that we have got to stop depending on the federal government so much for transfer payments.

So I'm wondering: can the minister outline some of these improved incentives that would allow us to increase our own revenues and develop our economies? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. Peter Ma can respond to that. Thank you.

**Chairman:** Thank you, Minister. Mr. Ma.

**Mr. Ma:** Thank you, Mr. Chairman. I believe the minister's reference is to something that would be in the TFF formula. It's called the EDI. EDI is short for Economic Developments Incentive and I don't remember for sure but previously I think the number was something like 20 percent. In other words, part of your own source revenue gets counted into the formula so you get less revenue so there is no incentive for you to increase your own source revenue.

So we're hoping, and we have, like the minister says, we're waiting for confirmation from Federal Finance as to whether that percentage is changed. We are hoping that it has changed to our benefit but we have not received our confirmation. In the O'Brien Report that was one of his recommendations to provide more incentives to territories to increase their own source revenue. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Ma. Mr. Peterson



**Mr. Peterson:** Thank you, Mr. Chairman. I thank the minister and Mr. Ma for that answer. I wonder if I could ask the minister if he would commit to spending an hour with the regular members, perhaps during the spring session, to give us a more in depth detailed overview of the TFF including his primer on the TFF, if the minister could make that commitment. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. Yes, as I mentioned earlier, I would be pleased to do that during the May-June sitting. Thank you.

**Chairman:** Thank you, Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I thank the minister for that commitment.

Elsewhere in the ministerial statement the minister made a comment that any new funding should be needs based, not per capita based. I noted in some of the summaries for the federal budget from organizations such as Federation of Canadian Municipalities that there seems to be a move back to per capita funding for the provinces and territories on some important programs.

I wonder if the minister could explain what he believes would be the implications of per capita based funding for Nunavut. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. It took a number of years to convince the federal government that per capita based funding does not work for the north, not just Nunavut but the other two territories also.

I think this has become obvious from the federal budget that we are getting back to per capita funding in a number of fields. That's troubling. It's a step backwards. It means starting the same battle with Ottawa trying to convince them that per capita funding does not work for Nunavut. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I thank the minister for that answer. I know that it is difficult. When I was with the Nunavut Association of Municipalities we spent a couple of years lobbying the federal government. We actually took all the Mayors in Nunavut to Ottawa to pound on a few desks. We had a bit of success. We got the one percent allocation formula in the \$2 billion budget. One percent of \$2 billion is a lot of money and it helped us out with that Municipal Rural Infrastructure Fund.

I encourage and support the minister, and Nunavut Association of Municipalities, and anyone else that lobbies in Ottawa that per capita does not work for Nunavut. We're just going to continue to struggle if that's the case.

On page C-15 of the department's business plan there is a priority for 2007-08 that the department monitor performance of the economy and provide the Government of Nunavut with a semi-annual economic outlook for the territory.

I wonder if the minister could explain how they would develop and release a semi-annual economic outlook for the territory. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. It is important that the Government of Nunavut understands where the economy is performing in terms of growth, job creation, and other areas. We at finance work closely with the Nunavut Bureau of Statistics and other departments to monitor the performance of the economy on a semi-annual basis. The next economic outlook for the Nunavut economy will be included in the March budget. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I thank the minister for that answer. I have noted that the Bureau of Statistics, over the last six to eight months, has increased their amount of information that they're collecting and dispersing throughout the territory. So that is useful information for people who like to read statistics. I am sure you've got a few folks in your department that like doing that. It is useful information to help you determine where to invest your money.

Mr. Chairman, another priority for 2007-08 is to work with the Certified General Accountants Association to have them support advanced accounting training in Nunavut. Last summer, Mr. Chairman, of the standing committee met with the Auditor General for Canada and during the course of our meeting with her in the discussion and debate around the table, we all agreed that the Government of Nunavut and Nunavut in general has a huge shortage of qualified accountants in all departments, and all organizations and in the private sector. So I'd like to hear a bit more from the minister of what their plans are with work with that organization to have them help us develop our own accountants in Nunavut. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. Yes, we have been using Algonquin College out of Ottawa and through that we have helped 25 Government of Nunavut staff achieve exemption of five CGA courses and we are continuing to work with them with Algonquin College. We have had discussions with the Certified General Accountants Association directly about running their programs directly here in Nunavut.

However, we have not been able to come up with a final agreement to date but we are still continuing to work with them to see if we can get them to run programs directly in Nunavut. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I thank the minister for that information. Throughout your department, how many Chartered Accountants or CGAs do you have working for your organization? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. I looked around and it appears we don't have that information handy. I'll compile that information for the member. Thank you.

**Chairman:** Thank you, Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I thank the minister I hope he'll provide that information. It is not critical and I know last summer I think we ball parked in the Department of Finance was 27 throughout the territory in your department. So I am just wondering if that is up or down or flat. So that will be all the questions on that page, Mr. Chairman. Thank you.

**Chairman:** Thank you, Mr. Peterson. Page C-5. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. Just a couple of follow up things. I know my colleague earlier asked a question on the RFP that the Government of Nunavut put out for banking services and Bank of Montreal need not bother applying. Given the whole concept of looking at getting expanded services into smaller communities, this whole idea of creating a special program for accountants.

You can ask any accountant. You don't just wave a magic wand and throw some money at it and, poof, you have an accountant. A lot of the issues facing that are on financial planning, understanding it and recognizing the importance of it. That is something that I have said for years that throughout the communities other than Rankin Inlet and Cambridge Bay and here that don't have any financial institutions in them, that no one has the opportunity to learn. You know budgeting, putting money away in a bank account, putting money into RRSPs things like that.

I wonder if a component of looking at trying to develop our own home-grown accountants. It started at the earlier levels if you look at partnering somehow with the Department of Education in developing a module or something that could be used at the earlier stages like in the high school or even in the middle, grade eight or up or something like that, to give people and get young people to start thinking about financial planning.

You know you have to have an interest in it; you have to understand it before you can sit down and take the courses that you need to be an accountant.

Right now, unfortunately, throughout most of the territory, a lot of those young people don't get the opportunity to do that.

You see it ... the results of that are widespread. There are always people who never have enough money. People are advancing paycheques and living from paycheque to paycheque and not budgeting properly. It has a huge detrimental impact on not only people that aren't in the workforce but also people who are.

If we can find a way or a process that could help identify that field to someone at an earlier age instead of after they go through the school system, they will say "Oh, I can make good money if I go and take this course but are they going to pay me good money to take it." You have a better chance of getting someone who is going to be successful in that program, if they are more ready to be there and they understand the principles and everything behind that level.

I am just wondering if the minister can commit to looking at something like that because for the long term, we can't always keep going after people once they have finished school. We need to be able to try and foster that learning and attitude at a younger level. I am just wondering if that is something he would be willing to take a look at. I'm sorry to say that you will have to sit down with the Education Minister but sometimes you have to do what you have to do. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Tootoo. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. It is an interesting concept. In fact, my Deputy Minister has had some of those discussions. Maybe he can elaborate more on what those have been. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Ma.

**Mr. Ma:** Thank you, Mr. Chairman. The member raises a good point and it is something we certainly have discussed at a working level; that would be at the official's level. It would be something that would be considered part of the overall ... what is being done with the consultants that we've hired on the Human Resources strategy.

It's certainly not something we have talked about at the working group level in the working group including the DM from Education as well as the President of Nunavut Arctic College. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Ma. Page C-5. Finance. Branch Summary. Directorate. Total Operations and Maintenance. \$1,596,000. (interpretation) Do you agree?

**Some Members:** Agreed.

**Chairman:** C-6. Finance. Branch Summary. Policy and Planning. Mr. Evyagotailak.

**Mr. Evyagotailak:** Thank you, Mr. Chairman. Welcome Minister and your staff. In 2003, the government had announced the establishment of the Crown Agency Council to address issues related to the Government of Nunavut's relationship with such entities as Qulliq Energy Corporation. Also, the minister is also the Chairman of the Crown Agency Council.

I would like to ask the minister a question on what are the crown agency council's priorities for 2007-08? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Evyagotailak. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. We are proposing four main activities for 2007-08 and I'll just read them to you. Investigate a corporate governance template for future reference, as well what you might call a tool box for the use of public agencies with regards to governance components. The so-called tool box would replace the suggested handbook.

Secondly, perform legislative reviews as necessary, building off work previously done to assist in strengthening the governance reporting and accountability framework of territorial corporations.

For example, assist in finalizing the Nunavut Development Corporation/Nunavut Business Credit Corporation rationalization if that's appropriate.

Thirdly, continue to build on the relationship between the crown agency council and the public agencies. Fourthly continue with active liaison on day to day basis between public agencies and the Government of Nunavut. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Evyagotailak.

**Mr. Evyagotailak:** Thank you, Mr. Chairman. Thanks, Minister. The 2006-07 letters of expectations to the Government of Nunavut major crown agencies were tabled on December 5, 2006. In your views, as the chair of the crown agency council, are crown agencies compliant with the letters of expectations? Thank you, Mr. Chairman.

**Chairman:** Thank you Mr. Evyagotailak. Minister Simailak.

**Hon. David Simailak:** Thank you Mr. Chairman. There have been major improvements, yes. Thank you.

**Chairman:** Thank you, Minister. Mr. Evyagotailak.

**Mr. Evyagotailak:** Thank you, Mr. Chairman. Have any crowns not complied with the directions given to them by their minister? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Evyagotailak. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. No there have been none. Thank you.

**Chairman:** Thank you, Minister. Mr. Evyagotailak.

**Mr. Evyagotailak:** Thank you, Mr. Chairman. Thank you, Minister. Why did the Qulliq Energy Corporation and the Nunavut Business Credit Development Corporation not provide the 2007-08 draft business plan for reviews by the standing committee? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Evyagotailak. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. It was just a timing issue. I understand now they have been submitted to the appropriate standing committee. I'm sorry, as part of the main estimates, they have been submitted now. Thank you.

**Chairman:** Thank you, Minister. Mr. Evyagotailak.

**Mr. Evyagotailak:** Thank you, Mr. Chairman. Thanks Minister. Why is the office of the Auditor General conducting a special audit of the business credit corporation? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Evyagotailak. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. The performance audit is part of the main audit and we are expecting the report in May. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Evyagotailak.

**Mr. Evyagotailak:** Thank you, Mr. Chairman. The 2006-07 letter of expectations to the Qulliq Energy Corporation instructed the corporation to reduce its spending on employee housing by 50 percent. Over the five-year period, in your view as the chair of the crown agency council, is the corporation compliant with this instruction? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Evyagotailak. Minister.

**Hon. David Simailak:** Thank you, Mr. Chairman. Yes, they are, they are working on it, so in my view they are compliant with that letter of expectation, they are working on it. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Evyagotailak.

**Mr. Evyagotailak:** Thank you, Mr. Chairman. Thanks again, Minister. The 2006-07 letter of expectations to the Qulliq Energy Corporation instructs the corporation to develop and enhance a business like relationship with the Petroleum Products Division, of the Department of Community and Government Services.

In your view as the chair of the crown agency council, is the corporation compliant with these instructions? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Evyagotailak. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. Yes, they are complying with that. There is ongoing dialogue going on. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Evyagotailak.

**Mr. Evyagotailak:** Thank you, Mr. Chairman. Thanks again, Minister. My last question to the minister is: the Crown Agency Council has been working to finalize the governance model for public agencies, what is the status of this initiative? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Evyagotailak. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. As I mentioned earlier we are investigating a corporate governance template for future reference. So it is ongoing work at this point. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Page C-6. Finance. Branch Summary. Policy and Planning. Total Operations and Maintenance. \$3,810,000. (interpretation) Do you agree?

**Some Members:** Agreed.

**Chairman:** Thank you. C-7. Finance. Branch Summary. Financial Management. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. Just a question dealing with the Fuel Tax Rebate Program that was announced in 2006. Can the minister indicate how successful that program has been to date? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Tootoo. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. At the end of September it was not as great as we had hoped it would be, but it is a new program, we are changing the program. It is a work in progress.

I could say with the changes that we will be proposing that people will be able to find it much easier to apply for and to use. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. Does the minister know when he'll be able to table the annual report on the administration of the program? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Tootoo. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. The plan is to table that at the May session. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. As I noted in my opening comments and the response to a petition concerning the Fuel Tax Rebate Program, you indicated that some further modifications to the program are in the process of being made. Is he in a position to give an indication of what kind of changes are they looking at? Are they looking at expanding the program to include sustenance hunters as well? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Tootoo. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. Yes, that is one area that we are looking at but the department will be bringing it forward to me as a discussion paper on those changes very soon. Soon, we will be able to take that to Cabinet and get the changes in place so that more and more Nunavummiut could take advantage of the program. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. Is there a timeline of when he is expecting to be able to bring something to Cabinet? Will he hoping to be able to make an announcement in the May-June sitting on changes to the program or is it something that is going to have to wait until a little later than that? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Tootoo. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. I am hoping to be able to make announcements prior to the May sitting of this House and then table those changes in the House at that time. Thank you, Mr. Chairman.

**Chairman:** Thank you. C-7. Finance. Branch Summary. Financial Management. Mr. Peterson.



**Mr. Peterson:** Thank you, Mr. Chairman. I would like to ask the minister a question on the revenues for alcohol. I can't recall if I asked him this before, I think, perhaps, I might have, but he's probably heard me talk about renovations at the Cambridge Bay Wellness Centre and all the great work they do putting on programs to help people with substance abuse problems and requiring treatment.

My question for the minister is: does the minister support using the revenues from alcohol to assist organizations to put on alcohol and treatment-type programs in the communities? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. All those revenues from the liquor sales go to the government's general revenues, and then they are divvied up from there. Whether they would be used for something specific as the member is suggesting, that would be something that the FMB would have to decide on. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I thank the minister for the answer. Perhaps, there's something more specific. Perhaps the fines that are generated from the violations of the *Liquor Act*, they could be diverted to alcohol treatment programs. I'm thinking fines that come from bootlegging and driving under the influence, and some of those sorts of things, is that something the minister could consider? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. Again, it would be up to the Department of Health to come forward with a budget line for something like that if that's what they want to do if they are finding that the money available to them is not enough and they would have to ask for an increase. And, again, we would get FMB to decide where that money would come from. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I thank the minister for the answer. I'm thinking that it can come from the fines that are enforced under the Act. That could be specific. I'm not a lawyer or an accountant, but I think if FMB was serious about combating alcohol and substance abuse-type issues in Nunavut that they would certainly have this set-up and divert some of the monies that the government receives and puts in the consolidated revenue fund, diverted specifically to programs to help the groups in our communities who need additional source of revenue to put on vital and necessary treatment programs.

So I wonder if the minister or Mr. Ma could explain the process that would have to be undertaken to make some changes in the regulations to allow something like that to happen. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. There are now Alcohol Education Committees in some of the communities that are basically frontline people, I guess, when it comes to things like that through their committee work and approving it, liquor permits and applications and that.

We're also going to be starting up a review of the *Liquor Act*, so that's certainly an area that can be looked at during that review, and then we could see where we go from there. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I thank the minister for the answer. I certainly look forward to some positive results, since I'm on the alcohol, I'm sorry, on the Government Operations and Accountability Committee; I look forward to seeing some progress in that area. I'm sure I'll have many opportunities to follow up with you on that.

You touched on something that I was going to ask you about and that's the Alcohol Education Committees. I noted in your business plan that you're planning to do some education-type work with the Alcohol Education Committees.

Can the minister tell us how many alcohol education committees there are across Nunavut and what specific type of work they undertake in their communities. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. There are, presently, 12 communities across Nunavut that have Alcohol Education Committees. Some of their responsibilities include who may have liquor in the community, who may import liquor, the amount of liquor a person may possess. They may withdraw eligibility of a person to possess alcohol or they may organize programs and provide counselling services. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I thank the Minister for that information. In the minister's opinion are the 12 committees fairly effective in their communities in undertaking their duties and fulfilling their obligations as committee members. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister.

**Hon. David Simailak:** Thank you, Mr. Chairman. We have alcohol education committees in 12 communities and every single one of them is a volunteer. They are still doing their work, they are committed to their work and through that, just the fact that there is an Alcohol Education Committee in 12 communities across Nunavut is a success and I would encourage the rest of the communities to look for those volunteers in their community. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I thank the Minister for that answer. The reason that I was asking that question is because on page C-18 of the business plan there is a priority from 2006-07 to educate the alcohol education committees as to their roles and responsibilities. The status is ongoing. The department has recently hired a client liaison officer to work with the alcohol education committees.

That kind of sent the message to me that the 12 committees, although they provide important functions in the community, they still have to receive guidance and training from the department. I wonder if the minister could clarify what the client liaison officer position is and where that person works and how they interact with the 12 committees. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chair. Mr. Ma can respond to that one.

**Chairman:** Thank you, Minister. Mr. Ma.

**Mr. Ma:** Thank you, Mr. Chairman. There probably has been progress in educating the alcohol education committees but obviously that is something that is ongoing, something to continue to work on and to improve upon.

The client liaison person is actually located here in Iqaluit at the Parnaivik office building. The individual was hired, I believe, in September of last year. The responsibility of that individual is to work with the alcohol education committees, work with communities, get out to the schools and basically be our public liaison individual in that respect in terms of educating people about alcohol. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Ma. Page C-7. Finance. Branch Summary. Financial Management. Total Operations and Maintenance \$3,154,000. Agreed?

**Some Members:** Agreed.

**Chairman:** Thank you. C-8. Finance. Branch Summary. Internal Audit Services. Mr. Curley.

**Mr. Curley** (interpretation): Mr. Chairman, no I have the wrong page. I will ask later. Thank you.

**Chairman:** Thank you. Internal Audit Services. Total Operations and Maintenance \$1,173,000. Do you agree?

**Some Members:** Agreed.

**Chairman:** C-9. Finance. Branch Summary. Control Issue. Total Operations and Maintenance. \$12,713,000. (interpretation) Do you agree?

**Some Members:** Agreed.

**Chairman:** Thank you. Page C-10. Finance. Branch Summary. Centrally Administered Funds. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. A short question here for the minister, we have been asking for a copy of the Government of Nunavut P3 Policy and I'm wondering if the minister could tell us what the status is of the policy? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. I forgot to mention this page also includes Page C-11. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. Presently we are still working on that policy. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I think the Department of Finance has been, I have heard that answer, I think I've asked this question three or four times and I think I've heard the same answer three or four times. Can the minister put it to rest and give us a firm date on when the P3 policy will be complete and be tabled for MLAs to review? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. Yes, it is a priority for this year. Thank you.

**Chairman:** Thank you, Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I thank the minister for that. Before he says priority for this year could the minister give a firm date please? Is it May 2007, will it be October 2007? Just give us a date. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. We would hope by December the 31<sup>st</sup> of this year. Thank you.

**Chairman:** Thank you, Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I thank the minister for that answer. Can I ask him to change the word from hope to commit? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Minister Simailak.

**Hon. David Simailak:** We will give it our best effort. It is a priority for this department and the deputy minister has been instructed to finish the job and get it done. Thank you.

**Chairman:** Thank you, Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. I thank the minister for that answer. I have a lot of confidence in Mr. Ma. I have his phone number and his e-mail address, and I know where he lives, so I will take that as a commitment. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Peterson. Mr. Curley.

**Mr. Curley (interpretation):** My question is in regard to the electricity subsidy. First of all, when was the last time the price went up for consumers for those people who are subsidized? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Curley. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. The subsidy is half of the Iqaluit rate, or 19.5 cents per kilowatt-hour. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Curley.

**Mr. Curley (interpretation):** When was the last time it went up?

**Chairman:** Thank you, Mr. Curley. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. The guess is around 2005. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Curley.

**Mr. Curley (interpretation):** We have been told that 2006-07 the fuel price is at its highest and the homeowners, especially in the communities, feel it. They almost pay a 100 percent and this subsidy helps a lot for those homeowners because they are

commercial power subsidies but I like to see if the subsidy that is received by the consumer is the rate the same in Iqaluit as it is throughout Nunavut. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Curley. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. The subsidy is actually half of the Iqaluit rate, which works out to 19.5 cents per kilowatt-hour because the Iqaluit rate is 39 cents per kilowatt-hour and I could also say for residential; it is a very huge program for us. For example, 2005-06, we spent over \$6 million subsidy paid out to residential buildings and \$148,000 for businesses. So it is very valuable program for Nunavut. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Curley.

**Mr. Curley** (interpretation): Thank you, Mr. Chairman. I thank the minister. And as I stated earlier it helps a lot homeowners. The fuel is most felt this year and the subsidy hasn't gone up, especially in the communities. The price of the fuel is almost doubled and they pay so much more. Why can't you average this because it is only half because it is the cheapest here in Iqaluit? I wonder if this can be considered to put in the mid range or be more flexible, especially for people in the High Arctic.

Their level of subsidy might be higher. Why do you think that it should be equal all across Nunavut because in some communities it cost a lot higher and the fuel price and the price of energy is going up? Thank you.

**Chairman:** Thank you, Mr. Curley. Minister Simailak.

**Hon. David Simailak** (interpretation): At this time starting from April to September they are subsidized 700 kilowatt hours in winter time after that 1,000 kilowatt hours are subsidized. So in wintertime, 1,000 kilowatt hours help a lot for the homeowners in Nunavut. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Curley.

**Mr. Curley** (interpretation): I thank the minister. It is very beneficial but the price of fuel and the energy has gone up but the subsidy hasn't changed. But if we look at the Crown Corporation Qulliq Energy, if they don't have a subsidy they go to Utility Rate Review Council and then the Minister approves them.

Why does the Crown Corporation need a subsidy, or to put a rate rider, if it's approved? I know that there wouldn't be a rate rider but for that reason, maybe in the near future you will be able to do a review of the fuel prices because the price of the fuel has increased a lot. Will you be doing a review not too long from now? Thank you.

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

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. I think it was last year that we made a change from 700-kilowatt hours up to 1,000. We did that with that in mind. We put it to 1,000-kilowatt hours and I believe that it helped a lot.

In regard to your question, we can look at it and see what the outcome would be. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you, Minister. Mr. Curley.

**Mr. Curley** (interpretation): Thank you. We'll be looking forward to it. We will want to get an update sometime in the fall.

The previous Finance Minister called it the three percent solution. The increase is way up. The fuel price that we bought when it was \$72 a barrel and right now there has been a decrease. With that I think you should review it and keep in mind the fuel tax, and so on.

That's more of a comment than a question. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you, Mr. Curley. (interpretation ends) Page C-10. Centrally Administered Funds. Mr. Tootoo.

**Mr. Tootoo**: Thank you, Mr. Chairman. I just want to ask on the Nunavut Electricity Subsidy Program that is administered by this department, which has seen an increase in limits in the last year, as the minister indicated. I think they extended the number of kilowatt-hours that were eligible for a subsidy as well as the time of year in which that amount would be used for. The minister did say that it did have huge impact on homeowners to help them out.

Having said that, my question the price of energy is increased you have broadened the subsidy program by increasing the number of hours and the time in which those could be used.

I am just wondering why if you look at the main estimates they have less budgeted for the Electricity Subsidy Program for this coming year 2007-08, than they actually spent in 2005-06. Thank you, Mr. Chairman.

**Chairman**: Thank you, Mr. Tootoo. Minister Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Chairman. Peter Ma will respond to that question. Thank you, Mr. Chairman.

**Chairman**: Thank you, Minister. Mr. Ma.

**Mr. Ma**: Thank you, Mr. Chairman. The Direction from FMB, in terms of developing the 2007-08 fiscal year budget was to use the 2006-07 fiscal year as the target. We realized

that we will need some additional funds for the Nunavut Electrical Subsidy Program. It is, at this point, under-budgeted, but now that we have some new funds from our partners at the Government of Canada, we will of course bring forward a supplementary to address this. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Ma. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. I guess if you look at it in 2005-06 with the lower kilowatt hour subsidy amount availability and the time that you are able to claim that higher amount for ... you spent \$6.7 million on it and they only have \$6.1 million budgeted for this coming year, and given the increases in the cost of fuel and the cost of power and electricity, you know it as you had indicated under budgeted, is there any idea of how much more you think you'll need to be able to meet the needs of that program? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Tootoo. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. Yes, he is quoting \$6.7 million for 2005-06 and that is correct. But when we look at 2006-07 actual expenditures, we've got \$5 million on it which is \$1.7 million less. But for 2007-08 we are estimating we're going to need an extra \$1 million. Thank you, Mr. Chairman.

**Chairman:** Thank you, Minister. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. I look forward, and I'm sure all members will look forward to agreeing with that supplementary appropriation when it comes forward. It affects every single homeowner across the territory and all of our constituents, and we wouldn't want them to be told, "Sorry, your subsidy is cut off because we don't have enough money for it." So I look forward to that coming forward.

The other question I have on that page there, Mr. Chairman, as we know, in the past the Government of Nunavut has provided \$37 million to the Qulliq Energy Corporation over the past three fiscal years. I think that's in the Minister of Energy's little pamphlet that he put out is what he considers his occasional tap into the Government of Nunavut for funding to cover off the corporation's deficit.

Does your department anticipate needing, although they're showing nothing in the main estimates for 2007-08, are they anticipating anything coming forward for either the 2006-07 or the 2007-08 fiscal year? Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Tootoo. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. The Qulliq Energy Corporation has been running very well to the point we don't see any need for that. That's what it is for 2007-08. Thank you, Mr. Chairman.



**Chairman:** Thank you, Minister. Page C-10. Finance. Branch Summary. Centrally Administered Funds. Total Operations and Maintenance. \$29,751,000. (interpretation) Do you agree?

**Some Members:** Agreed.

**Chairman:** Go back to page C-4. Finance. Department Summary. Details of Expenditures. Total Operations and Maintenance. \$52,197,000. (interpretation) Do you agree?

**Some Members:** Agreed.

**Chairman:** Are you agreed the Department of Finance is concluded?

**Some Members:** Agreed.

**Chairman:** Thank you. Thank you, Minister, Mr. Marriot, and Mr. Ma. (interpretation) If you have any closing remarks, minister, you have the floor. Minister Simailak.

**Hon. David Simailak:** Thank you, Mr. Chairman. I would just like to thank the committee members for their questions and their suggestions. Commitments that were made will be kept closely to the deadlines as possible. And I thank all the staff that are here for their huge input when we were renegotiating the new Territorial Formula Financing; job well done. Thank you, Mr. Chairman.

**Chairman:** Thank you. I would like to ask Mr. Speaker Kilabuk of the Legislative Assembly to make his opening remarks. Sergeant-at-Arms, could you let him in. Thank you. Mr. Speaker.

**Bill 01 – Appropriation (Operations & Maintenance) Act, 2007-08 –Consideration  
in Committee – Office of the Legislative Assembly**

**Mr. Speaker** (interpretation): Thank you, Mr. Chairman. It is finally my turn to make an appearance in the Committee of the Whole. It is a pleasure for me to appear before you today to present the 2007-08 Main Estimates and Business Plan for the Office of the Legislative Assembly.

The 2007-08 budget for the Legislative Assembly is \$400,000 less than our budget for 2006-07. This is primarily a consequence of the Electoral Boundaries Commission having completed its work. As members will appreciate, we anticipate requesting an enhanced appropriation for the 2008-09 fiscal year, given that the next general election must be held no later than February of 2009.

I would like to take a moment to highlight some of our operational priorities for the 2007-08 fiscal year. These include:

- Undertaking ongoing improvements to the Assembly's Information Technology infrastructure.
- Initiating a joint project with the Library of Parliament to digitize the Legislative Library's collection of documents from the Nunavut Implementation Commission and the Office of the Interim Commissioner, all of which form part of our historical legacy as a territory.
- Hosting three upcoming national conferences in Nunavut.

Over the past year, your Management and Services Board and the Office of the Legislative Assembly have worked to develop further amendments to the *Nunavut Elections Act*, and have given direction for the development of a new *Plebiscite Act*.

Other noteworthy accomplishments of 2006-07 have included our Youth Parliament and the successful hosting of two national conferences. I would like to mention that the Board has given direction to host the next territory-wide Youth Parliament in the spring of 2008.

That concludes my opening remarks. I would like to thank Members for their ongoing support, and I welcome your comments, suggestions and questions. Thank you.

**Chairman** (interpretation): Thank you, Mr. Speaker. Would you like to have your officials with you Mr. Speaker?

**Speaker** (interpretation): Thank you, Mr. Chairman. Yes.

**Chairman** (interpretation): Does the committee agree to have the Speaker's officials join him at the witness table?

**Some Members:** Agreed.

**Chairman** (interpretation): Thank you. Sergeant-at-Arms can you assist the officials please? Mr. Speaker can you introduce your officials.

**Speaker** (interpretation): Thank you, Mr. Chairman. On my right is, just in case you don't know, our Clerk John Quirke and Stephen Pollock our Director of Corporate Services. Thank you.

**Chairman** (interpretation): Thank you, Mr. Speaker. Welcome to the Committee of the Whole. Before we start I would like to remind members that according to Rule 77(1), and also according to Rule 77(2), every member may speak twice to a matter under consideration, but not until all the members who wish to speak have had the opportunity to do so. We will proceed page-by-page and as we reach each page members can ask questions on that page.

Do members have any general comments? If there are none. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. I think the only thing that I would like to say is that I would like to commend the Speaker and the staff of the Legislative Assembly who over the years since 1999, one of the biggest hurdles of being able to obtain anything out of the government is they always said, 'Oh, we don't have the capacity, we have capacity problems.'

That excuse has never been an excuse with the staff at the Legislative Assembly. I just wanted to mention that. Everything has always gone off, sessions have always gone fine and that's it, because of the hard work of the staff at the Assembly and I don't know if that has ever been formally recognized in the *Hansard*.

So I wanted to take this opportunity to acknowledge that as something...for never having used that excuse of not getting something done because we don't have the capacity to do it. I just wanted to say that it has not gone unnoticed. Thank you, Mr. Chairman.

>>Applause

**Chairman:** Thank you, Mr. Tootoo. I have no more names for general comments. We will now proceed with page by page review of the Main Estimates. Starting with page A-5. Legislative Assembly. Branch Summary. Office of the Clerk. Total Operations and Maintenance. \$6,192,000. Do you agree?

**Some Members:** Agreed.

**Chairman:** Thank you. Page A-6. Legislative Assembly. Branch Summary. Expenditures on Behalf of Members. Total Operations and Maintenance. \$5,507,000. Do you agree?

**Some Members:** Agreed.

**Chairman:** Page A-7. Legislative Assembly. Branch Summary. Office of the Speaker. Mr. Curley.

**Mr. Curley (interpretation):** Yes the Speaker talked about the Youth Parliament and I would like to make a comment on that. We are in support of the Youth Parliament taking place but unfortunately I was not here and I would like to say that I would support the ongoing Youth Parliament.

Do you know how they were selected to attend that Youth Parliament? Can the Speaker respond to me? Thank you.

**Chairman (interpretation):** Thank you, Mr. Curley. Mr. Speaker.

**Speaker (interpretation):** Thank you, Mr. Chairman. The selection of the students for the Youth Parliament was done by, selected by, and coordinated by the staff of the Legislative Assembly. There was a competition from grade nine to eleven by writing an

essay by potential participants in each community. So they selected an individual from each community to participate in the Youth Parliament. That's the way it was done. Thank you.

**Chairman** (interpretation): Thank you. Mr. Curley.

**Mr. Curley** (interpretation): Thank you, Mr. Chairman. Yes, but I would like to ask the question again, it would be very good for the Youth Parliament to continue on with what they did. I just wondered whether there has been a fact whereby the students could have a mock campaign and to have a mock election to come to the Youth Parliament.

Maybe perhaps if you could talk to those students that might be selected in those grades to do that sort of mock campaign. I think it would be a lot of fun for the students and it would be a learning experience for them as well. So what would the Speaker think about that? Thank you.

**Chairman** (interpretation): Thank you, Mr. Curley. Speaker Kilabuk.

**Speaker** (interpretation): Thank you, Mr. Chairman. I would like to thank the member for his suggestion. You know that we go to a conference with other Speakers and I talked with the Speaker from Manitoba, Mr. Hickes. I spoke to him about what they have done in the Manitoba Legislature and about the Youth Parliament that is run here in Nunavut and I would like to welcome Mr. Curley's suggestion and we will work with the teachers when we select the Youth Parliament participants again and we will try that mock campaign. Thank you, Mr. Chairman.

**Chairman**: Page A-7. Mr. Arvaluk.

**Mr. Arvaluk** (interpretation): Thank you, Mr. Chairman. The communities like the classrooms, I think Keith Peterson knows that, what I am trying to ask, Mr. Chairman, is do you hear from those student participants that participated here in the Youth Parliament.

**Chairman** (interpretation): Thank you, Mr. Arvaluk. Mr. Speaker Kilabuk.

**Speaker** (interpretation): Thank you, Mr. Chairman. I am not sure, I think when we first became Members of the Legislative Assembly, the first Members of the Legislative Assembly from Pangnirtung at that time there were some students that came to Pangnirtung that came over here but the Youth Parliament that we carry on right now is suggested by the Legislative Assembly and the teachers are involved in that.

**Chairman** (interpretation): Thank you, Mr. Speaker. (interpretation ends) Page A-7. Office of the Legislative Assembly. Branch Summary. Office of the Speaker. Total Operations and Maintenance. \$200,000. Do you agree?

**Some Members**: Agreed.

**Chairman** (interpretation): Thank you. A-8. Office of the Legislative Assembly. Branch Summary. Office of the Chief Electoral Officer. Total Operations and Maintenance. \$750,000. Do you agree?

**Some Members:** Agreed.

**Chairman** (interpretation): Page A-9. Office of the Legislative Assembly. Branch Summary. Office of Independent Commissioners. Total Operations and Maintenance. \$760,000. Do you agree?

**Some Members:** Agreed.

**Chairman:** Go back to page A-4. Office of the Legislative Assembly. Department Summary. Detail of Expenditures. Total Operations and Maintenance. \$13,409,000. Do you agree?

**Some Members:** Agreed.

**Chairman:** Are you agreed that the Office of the Legislative Assembly is concluded?

**Some Members:** Agreed.

**Chairman:** Thank you. Thank you, Mr. Speaker, Mr. Quirke, and Mr. Pollock. Mr. Speaker, if you have any closing remarks. Mr. Speaker.

**Speaker** (interpretation): Thank you, Koana, Merci, and Ma'na.

**Chairman** (interpretation): We can get back to Committee of the Whole. Main estimates for 2007-08. (interpretation ends) Page 11. Roman numerals XI. (interpretation) That is part of the main estimates. At the beginning of the pages. Summary of Operations and Maintenance Expenditures. (interpretation ends) Summary of Amounts to be Voted. Total expenditure is \$895,350,000. Do you agree?

**Some Members:** Agreed.

**Chairman** (interpretation): Go to Bill 1 in your legislation binder. That is the white binder. Bill 1, *Appropriations (Operations and Maintenance) Act, 2007-08*.

Clause 1. Do you agree?

**Some Members:** Agreed.

**Chairman:** Clause 2.

**Some Members:** Agreed.

**Chairman:** Clause 3.

**Some Members:** Agreed.

**Chairman:** Go to page 2. Schedule. Page 2 Schedule. Amounts appropriated for the fiscal year ending March 31, 2008. Vote One. Operations and Maintenance. Total Operations and Maintenance. \$895,350,000. Do you agree?

**Some Members:** Agreed.

**Chairman:** Total Appropriations. \$895,350,000. Do you agree?

**Some Members:** Agreed.

**Chairman:** Back to page 1. Clause 4. Do you agree?

**Some Members:** Agreed.

**Chairman:** Clause 5.

**Some Members:** Agreed.

**Chairman:** Do you agree to Bill 1 as a whole?

**Some Members:** Agreed.

**Chairman:** Do members agree that pursuant to Rule 62(2) Bill 1 can be immediately placed on the Orders of the Day for third reading?

**Some Members:** Agreed.

**Chairman:** Thank you, very much.

>> *Applause*

Mr. Netser.

**Hon. Patterk Netser:** Thank you, Mr. Chairman. I'd like to report progress.

**Chairman:** Are you making a motion to report progress? Mr. Netser.

**Hon. Patterk Netser:** Yes, I am. Thank you, Mr. Chairman.

**Chairman:** We have a motion on the floor and the motion is not debatable. All those in favour. Opposed. The motion is carried. I will now report progress to the Speaker.

**Speaker** (interpretation): Thank you, members. Orders of the Day. Item 20. Report of the Committee of the Whole. Mr. Arreak.

### **Item 20: Report of the Committee of the Whole**

**Mr. Arreak:** Thank you, Mr. Speaker. Your committee has been considering Bill 1 and would like to report progress and that Bill 1 is immediately ready for third reading. I move that the Report of the Committee of the Whole be agreed to.

**Speaker** (interpretation): There is a motion on the floor. Is there a seconder? Mr. Peterson. All those in favour. Opposed. The motion is carried. Thank you.

Item 21. Third Reading of Bills. Item 22. Orders of the Day. Mr. Clerk.

### **Item 22: Orders of the Day**

**Clerk** (Mr. Quirke): Thank you, Mr. Speaker. Orders of the Day for March 29:

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. Petitions
11. Reports of Standing and Special Committees
12. Reports of Committees on the Review of Bills
13. Tabling of Documents
14. Notices of Motions
15. Notices of Motions for First Reading of Bills
16. Motions
  - Motion 8 – 2(4)
  - Motion 9 – 2(4)

- Motion 10 – 2(4)
17. First Reading of Bills
  18. Second Reading of Bills
  19. Consideration in Committee of the Whole of Bills and Other Matters
    - Bill 2
    - Bill 3
    - Bill 8
    - Bill 9
  20. Report of the Committee of the Whole
  21. Third Reading of Bills
  22. Orders of the Day

Thank you.

**Speaker** (interpretation): This House stands adjourned until March 29 at 1.30.

Sergeant-at-Arms.

>>*House adjourned at 19:50*



