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Legislative Assembly of Nunavut

Speaker

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(Akulliq)

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(Amittuq)
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(Hudson Bay)

Hunter Tootoo
(Iqaluit Centre)

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(Iqaluit East)
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Hon. Paul Okalik
(Iqaluit West)
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Hon. Donald Havioyak
(Kugluktuk)
Minister of Culture, Language, Elders and Youth

Hon. James Arvaluk
(Nanulik)
Minister of Education

Uriash Puqiqnak
(Nattilik)
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Hon. Peter Kilabuk
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Iqaluit, Nunavut**Monday May 17, 1999****Members Present**

Mr. Ovide Alakannuark, Mr. Olayuk Akesuk, Honourable Jack Anawak, Honourable James Arvaluk, Honourable Levi Barnabas, Honourable Donald Haviyok, Mr. David Iqaqrialu, Mr. Enoki Irqittuq, Mr. Peter Kattuk, Honourable Peter Kilabuk, Mr. Glenn McLean, Honourable Kelvin Ng, Mr. Jobie Nutarak, Mr. Kevin O'Brien, Honourable Paul Okalik, Honourable Edward Picco, Mr. Uriash Puqiqnak, Honourable Manito Thompson, Mr. Hunter Tootoo.

Item 1: Prayer

Speaker (Mr. Levi Barnabas): Before we begin I would like to ask Mr. O'Brien to say the opening prayer.

>>Opening Prayer

Item 2: Ministers' Statements

Speaker: Please be seated. (interpretation) Thank you, Mr. O'Brien. Ministers' Statements. Mr. Okalik.

Ministers' Statements 7 - 1 (2): Elders Passing

Hon. Paul Okalik (interpretation): Thank you Mr. Speaker. I would like to inform the members of the passing of Tagak Curley's mother, our elder Agiaq Curley, who passed away on May 15, 1999 in Arviat. Agiaq Curley was a long time resident of Coral Harbour and lived in various Nunavut communities before moving to Arviat. Our prayers are with Tagak Curley who worked hard for the creation of Nunavut, and his family as they mourn the loss of their mother. Thank you Mr. Speaker.

Speaker (interpretation): Thank you Mr. Premier. The Legislative Assembly, we have already written a letter of sympathy to the family. Mr. Okalik.

Ministers' Statement 8 - 1 (2): Western Premiers' Conference (WPC)

Hon. Paul Okalik: Thank you Mr. Speaker. Thank you Mr. Speaker. On May 12, 1999, I mentioned that I would be attending the Western Premiers' Conference. I will be leaving today and returning on May 23, 1999.

Amongst many other important issues the WPC will be dealing with things such as, Health, Finance, Transportation, Children, and the challenges that they face.

Upon my return and after discussions with Cabinet and with the full caucus in Baker Lake, we will be ready to decide whether we join the WPC or other Premiers' organization. In my meetings in Drumheller, Alberta, I will also talk with my Territorial Colleagues about a Pan-Territorial Memorandum of Understanding (M.O.U). If we agree about signing an M.O.U. I will invite the Premiers of the NWT and the Yukon, to Nunavut to sign and M.O.U. Thank you Mr. Speaker.

Speaker (interpretation): Thank you Mr. Premier. Minister's Statements. Mr. Kilabuk.

Ministers' Statement 9 - 1 (2): North American Fur and Fashion Expedition

Hon. Peter Kilabuk: Thank you Mr. Speaker. I would like to reply to a comment that was made on May 13, 1999 by Glenn McLean, member from Baker Lake. Mr. McLean was kind enough to acknowledge my participation in the North American Fur and Fashion Exposition, held earlier this month May 5th. To 8th. 1999.

Speaker (interpretation): Please sit down. I apologize, it was my mistake, you may go ahead and do your Ministers' statement Mr. Kilabuk.

Hon. Peter Kilabuk: Thank you Mr. Speaker. I'll go on from where I left off.

First, Mr. Speaker, I want to thank the Member for Baker Lake for his generous remarks. The North American Fur and Fashion Exposition provided Nunavut with an opportunity to show our pride in our hunters, and the importance of our sealskin by-products. I was proud to be there, to represent our people, and to speak about the importance of sealskin and other furs to our way of life.

Mr. Speaker, I have no hesitation about educating the public outside of Nunavut concerning the sale of our by-products such as sealskins.

I believe it is our job to educate people about seal hunting in Nunavut. It is our job to stand up for our culture. I am not at all reluctant to further educate lobby organizations, with the facts to further promote our lifestyle and culture.

In Nunavut, Mr. Speaker, our use of wildlife is today, as it always has been, sustainable. Our seal hunt is a humane harvest. And every part of the seal we hunt is used – for our food, and for our clothing. This is our tradition. This is our culture. Our people have the right to continue this way of life, and to hunt seal for their livelihoods.

On the first day of the fur show, Mr. Speaker, I addressed a news conference on the topic. "The Importance of Wildlife Use for People on the Land". This was followed by an interview on Canadian television and by the American Press.

That evening, more than seven hundred people attended a fashion show and dinner, described as a "Tribute to Nunavut". The fashion show featured "The Nunavut Collection," twenty-three beautiful sealskin coats.

During the show I received a commemorative plaque from the Fur Council of Canada and the North American Fur and Fashion Exposition. The inscription on the plaque reads, Mr. Speaker: "To the people of Nunavut: Canada's First Furrier."

>>Applause

The following day, Mr. Speaker, I was able to speak with children at a school in Montreal, and to explain how Inuit use the seal. This message was taken to three other schools in the Montreal area. Later that day my Department sponsored a reception at the fur show, which was attended by more than three hundred people.

I believe, Mr. Speaker, our message is getting through. At the Montreal show, "The Nunavut Collection" sold out.

>>Applause

I'm told there were many, many orders taken. Our hunters, our people, were recognized and applauded for the sustainable and humane way we conduct our seal hunt. Our message is being heard, by more and more people, around the world. Our Nunavut Sealing Strategy, Mr. Speaker, is making progress.

Mr. Speaker, to continue making progress our government must challenge the current trade restrictions that are imposed in the U.S. through the Marine Mammal Protection Act. The sealing strategy developed by our department highlights our cultural background, economic opportunities and educational initiatives for both harvester and purchaser.

If I may, Mr. Speaker, I would like to recognize the staff of the Department of Sustainable Development, and, in particular, the work of Larry Simpson and Ken Toner, who organized our participation at the Montreal show. Ms. Aaju Peter from Iqaluit made a series of excellent presentations in the Montreal schools. Monica Ell from "Arctic Creations" was there, also Carlene Arreak, Lucy Idlout, Sylvia Ipirautaq-Cloutier, Eva Sowdluapik, Phannelie Palluq, and Vinnie Karetak modelled sealskin clothing and performed traditional songs and dance.

Mr. Speaker, we have educated many people about the Inuit way of life, but we must continue educating them, in order to bring growth to the sale of our seal skin by-products and help maintain sustainable livelihoods for our people.

Thank you Mr. Speaker

>>Applause

Speaker (interpretation): Thank you Mr. Kilabuk. Ministers Statements, Minister Havioyak.

Ministers' Statement 10 - 1 (2): Repatriation of Inuit Artifacts to Nunavut

Hon. Donald Haviyok (interpretation): Mr. Speaker, I would like to take this opportunity to speak on the need to return our artifacts to Nunavut. Over the last century many anthropologists and explorers visited our country and were amazed by our artifacts. They took the liberty remove these artifacts, our tools, our clothing, even the bones of our deceased relatives, and bring them back to their homes to studied and displayed. As a result of these items being taken, Nunavut is empty of our precious properties.

Okakti, the artifacts represent our history, the possessions of our ancestors, they represent the way our great grandfathers and mothers lives. They represent Inuit Qaujimajatuqangit.

With the people who removed them our artifacts have travelled far and wide and have taken their places on display and in storage areas of many Universities and Museums. Most of these Institutions believe that they came upon these artifacts honestly and feel very possessive of these artifacts. Most Institutions have preserved these items with great care. From that point of view, I am proud of the way they been preserved. But, we need them back.

My Department has been tasked as the guardian of our Inuit Culture and Heritage. My Department wishes to ensure that the Inuit Culture and Heritage is defended and preserved. My Department wants to ensure that many of the items that have been removed from our homeland be returned to Nunavut. In addition, the Prince of Wales Northern Heritage Centre in Yellowknife has many historical pieces and collections in their inventory that belong to Nunavut and are being looked after by the NWT until we, in Nunavut, are able to house them properly.

In order to bring back any artifacts, Nunavut has to have sufficient storage space to locate these items. The space must allow for the storage, preservation, cataloguing, and eventually the display of these artifacts. The space must allow for Inuit in particular and all residents of Nunavut to explore, to experience and to integrate this representation of history into their lives and awareness.

Mr. Speaker, we need a Heritage Centre in Nunavut! My Honourable Colleagues, we need your support in pursuing this important initiative. Our Department is working with Birthright Corporations in Nunavut to promote our objective.

Discussions have started between our Department and with Nunavut Tunngavik Incorporated, and with Inuit Heritage Trust.

Through Inuit Qaujimajatuqangit we want to promote and reinforce community identity. We want to work with Inuit Organizations and Nunavut Communities to design the programs that would be housed in this Nunavut Heritage Centre and how we can share these programs throughout our Territory.

Our Partners and I are committed to pursuing the requirement for a central facility which we in Nunavut can gain knowledge from our past and be educated for the future.

Koana, Okakti.

Speaker (interpretation): Minister's Statements. Item 2, Minister's Statements. I am sorry Item 3, Orders of the Day. Members Statements, Members Statements. Mr. McLean.

Item 3: Members' Statements

Members' Statement 25 - 1 (2): Congratulations to Baker Lake Graduates

Mr. McLean: Thank you Mr. Speaker. I would like to take this time today to congratulate a group of high school graduates from Baker Lake. I think they may be the first high school graduates of Nunavut. Graduated May 7, 1999 in Baker Lake. Jolene Haqpi, Billy Joe Peryouar, Jeffery Hart, Clara Noah and Sherry Ikutaq. I would like to praise both the parents and families who worked hard in assisting these graduates. Thank you very much.

Speaker: The Legislative Assembly will send a congratulatory letter to those graduates. (Interpretation) Members Statements. Members Statements. Mr. Anawak.

Members' Statement 26 - 1 (2): Sympathy to Bereaved Family

Hon. Jack Anawak (interpretation): Thank you Mr. Speaker. I would like to take this opportunity to express our sympathy to the family of Jane Aupaluktuk. Her husband Ed Burton had an accident on Saturday and passed away. We would just like her parents and Jane to know our sympathies are with them. Thank you Mr. Speaker.

Speaker (interpretation): Thank you Mr. Anawak. Yes we will send a letter of sympathy to the family on behalf of the Legislative Assembly. Thank you Mr. Anawak. Members Statements. Mr. Arvaluk.

Members' Statements 27 - 1 (2): Appreciation to Constituents and Members

Hon. James Arvaluk (interpretation): Yes thank you Mr. Speaker. Today I would like to make a statement by way of appreciation to the people who have elected me to this seat from Nanulik. I was going to say this earlier, but so much has been happening that resulted from our being a new Legislature, and I did not want anybody to miss what I have to say. I would like to recognize my constituency of Nanulik who have put me into this House, and I am also very thankful that I have been appointed as a Minister of the new Government.

I would also like to say thank you on behalf of my wife Miriam and my children and my twins, because the Coral Harbour people have been very receptive to us for the past thirteen years that we have been living there. We would like to help the residents of Coral Harbour as much as we can in the coming months. Thank you Mr. Speaker.

Speaker (interpretation): Thank you Mr. Arvaluk. Members statements. Mr. Puqiqnak.

Members' Statements 28 - 1 (2): Recognition of Elders

Mr. Puqiqnak (interpretation): Thank you Mr. Speaker. I think that I said this earlier during the leaders forum. I would like to recognize the elders who have been in Ontario. They have been going to Ontario as invited guests of the Federal Government to talk about Health. Ruby Ilikituk, Lucy Nimiqtaqtuq, Jimmy Qiqqut and Luke Nuliayok. The person who is looking after them is Lucy Ameralik. They were sent to Ontario to represent Nunavut on a Health Conference and some of them were there as first time people going down south.

Speaker (Interpretation): Members statements. Mr. Iqaqrialu.

Members' Statement 29 - 1 (2): Sympathy for Bereaved Family

Mr. Iqaqrialu: (Interpretation) Yes thank you Mr. Speaker. We had a person passed away from an accident from one of my communities. I will not be announcing the name today but I would like to express my sympathy to the survivors of that accident victim and I hope that the family will receive support.

Speaker (interpretation): Thank you Mr. Iqaqrialu. I would just like to clarify that as you are new members, we have to provide a name for those people who we are paying sympathy to. When someone has passed away, we hope you will provide us with the name later on. Members statements. Mr. Kilabuk.

Members' Statements 30 - 1 (2): Appreciation to Constituents and Youth Council

Hon. Peter Kilabuk (interpretation): Thank you Mr. Speaker. I would just like to express my appreciation for the people of Pangnirtung who voted me here, especially the youth council in the community. They presented me with this vest to wear at the Legislature, because of the work that I have been doing for the fur industry. We are always saying that we are very proud of our young people and want to involve them in our diversity. I am very proud to be wearing this vest today and that I am able to thank them at this House.

Speaker (interpretation): Thank you Mr. Kilabuk. Mr. Iqaqrialu we will also write a letter of sympathy to those people that you mentioned, about the person passing away in one of your communities. Mr. Kattuk, Members statements Mr. Kattuk.

Members' Statements 31 - 1 (2): Good Luck to Whale Hunters

Mr. Kattuk (interpretation): Yes, thank you Mr. Speaker. I would like to wish good luck to the whale hunters who are patiently waiting for the whales to migrate through, there they are probably listening to the radio. I have to travel through Nunavik when I am coming to Iqaluit. I was told that on April 1, during our celebrations, I was told the Nunavik residents were very proud of us and congratulate us on our Nunavut Day.

>>Applause

Speaker (interpretation): Thank you Mr. Kattuk. Members statements. Mr. Iqittuq.

Members' Statements 32 - 1 (2): Appreciation to Constituents, Good Luck in Fishing Derby

Mr. Iqittuq (interpretation): Thank you Mr. Speaker. I would also like to express my appreciation to my community and to Igloodik for having elected me to this House. Also, just this past weekend some of my constituents will be having a fishing derby and I would like to pass on to them that they have good luck and that everybody will be safe during these celebrations. Thank you.

Speaker (interpretation): Thank you Mr. Iqittuq. Members Statements, Members Statements. Back to the Orders. Item four. Returns to Oral Questions. Mr. Havioyak.

Item 4: Returns to Oral Questions**Return to Oral Question 1 - 1 (2): Question 3 - 1 (2) Incorporating Inuit Culture into Government**

Hon. Donald Havioyak (interpretation): Yes thank you Mr. Speaker. On May 12, Mr. Kevin O'Brien asked a question about Inuit Qaujimatugangit. This member asked me a certain question and this is the answer to the question. (interpretation ends).

Inuit Traditional Knowledge is obviously going to cost a certain amount of money. First let me say that IQ is the work of various Nunavut partners. IQ was first discussed during the meeting of the elders that took place in Igloodik in March 1998. This meeting was sponsored by the Nunavut Social Development Council under the Article 32 in the Nunavut Land Claims Agreement.

Mr. Speaker the Government of Nunavut is a member of the working group committee of the Nunavut Social Development Council. Our Department was designated as a member of the working group. Our mandate is to report our findings to the Government of Nunavut on Inuit Qaujimatugangit. To date we have been discussing the topic of IQ with other Government Departments within the Government of Nunavut. Our discussions have been based on the ideas of incorporating IQ into other Departments.

This topic of IQ is going to be a long-term program which will be eventually be utilized by most of the Government Departments in the Government of Nunavut. It is going to take time, however we are going to have it more understood by the Government personnel through various means of communication. With respect to the question of funding, I am unable to answer the question until some time when the Legislative Assembly reviews the estimates and approves the Bill. Thank you

Speaker (interpretation): Thank you Mr. Haviyok. Returns to Oral Questions. Item 5, Recognition of visitors in the gallery. Recognition of visitors in the gallery. Mr. Puqiqnak.

Item 5: Recognition of Visitors in the Gallery

Mr. Puqiqnak (Interpretation): Thank you Mr. Speaker. I would like to recognize someone from Gjoa Haven, from the Nattilik area from my constituency who is my assistant for Taloyoak, and Gjoa Haven. Elisabeth, stand up please. Thank you Mr. Speaker.

Speaker (interpretation): Welcome to the gallery, welcome to the visitors in the gallery. I would like to take this opportunity to recognize my wife, Susanna Barnabas who has put up with me for many years. Visitors in the gallery. Mr. Picco.

Hon. Ed Picco: Thank you Mr. Speaker. Mr. Speaker I would like to recognize Whit Fraser who is no stranger to the north, as well as the A.D.M. for Health and Social Services, and a constituent Rosemary Cooper, and my Executive Assistant, Ms. Marianne Demmer, a constituent, as well as a well known C.B.C. reporter sitting next to Whit Fraser, Mr. Paul Quassa who was a tireless worker for our Nunavut Land Claim. Thank you Mr. Speaker.

Speaker (interpretation): Thank you Mr. Picco. Welcome to the gallery. Recognition of visitors to the gallery. Mr. McLean.

Mr. McLean: Thank you Mr. Speaker. I would like to recognize a constituent of mine from Baker Lake and also my niece, Rosie Alooq.

>>Applause

Speaker (interpretation): Welcome to the gallery. Recognition of visitors to the gallery. I would also like to welcome the rest of you people in the gallery to the Legislative Assembly. I would like to say that I will be allowing the members to ask any questions that you want to ask. I will let you know tomorrow if we make any mistakes today. Oral questions, item 6. Mr. Puqiqnak.

Item 6: Oral Questions

Question 23 - 1 (2): Improving Airline Schedules

Mr. Puqiqnak (interpretation): Thank you Mr. Speaker. I tried to ask a question a couple of days ago to the Minister of Transportation. I am sure this has been a concern for some time and having come from Kitikmeot, when you are trying to travel to this area, has it been considered by your department whether there should be scheduled flights to this area from Kitikmeot? There used to be scheduled air transportation but it has been cut off.

Speaker (interpretation): Thank you Mr. Puqiqnak. Mr. Anawak.

Hon. Jack Anawak (interpretation): Thank you Mr. Speaker. To the members' question, I have had discussions, but haven't had a chance yet to meet specifically with people in transportation. We are trying to think of ways and reviewing what we can do to assist the people of the Kitikmeot and Baffin regions to make better connections, but right now I am unable to provide you with any firm plans.

Speaker (interpretation): Thank you. Mr. Puqiqnak.

Mr. Puqiqnak (interpretation): Thank you Mr. Speaker. When you are trying to go to the Baffin Region from Keewatin, we have no mode of transportation directly. Airline travel being the only way to go, you have to go through a roundabout way to get here and airline travel is very expensive. I think we can look at alternative ways with more direct routes than there is now. I realize, Minister, that you are new to this as we are, and we expect that you will do something about this in the future. Thank you Mr. Speaker.

Speaker (interpretation): Mr. Anawak would you be able to respond to that?

Hon. Jack Anawak (interpretation): Thank you Mr. Speaker. Yes, as I said, we are having preliminary discussions at this time, not just for Kitikmeot and Baffin regions, we are also looking at Keewatin. We are looking at building a highway to Keewatin and we realize there can be better routing of the airlines either from Repulse Bay or Gjoa Haven to Keewatin and Baffin regions. I still have to meet with the transportation officials. Thank you.

Speaker (interpretation): Thank you Mr. Anawak. Mr. Iqaqrialu.

Question 24 - 1 (2): Clyde River Power Plant

Mr. Iqaqrialu (interpretation): Thank you Mr. Speaker. This is directed to the Minister of NTPC. There is a concern in Clyde River about NTPC. I was wondering if Mr. Picco could provide me with a written answer to my question. Thank you.

Speaker (interpretation): Mr. Iqaqrialu, I think you will have to clarify your question as the Minister of NTPC, Mr. Picco, will be unable to answer your question about the letter written from your constituency that you are referring to. Maybe you can provide more detail.

Mr. Iqaqrialu (interpretation): Thank you Mr. Speaker. This is talking about the power plant in my community. We are supposed to get a new plant with better capacity, I have just heard about it and don't have a copy of the letter. I wonder if I can be provided with documentation of the plans for the new plant in Clyde River. Thank you Mr. Speaker.

Speaker (interpretation): Mr. Picco.

Hon. Ed Picco: Thank you Mr. Speaker. Mr. Speaker, the member has brought the concern to me earlier this week so I would be prepared to do a written explanation of the power corporations' new plant in Clyde and provide it to the member as well as provide it to the Mayor in Clyde for their review. Thank you Mr. Speaker.

Speaker (interpretation): Thank you Mr. Picco. Mr. Iqaqrialu he will be providing you with a letter about what is happening in Clyde River. Oral questions. Mr. Akesuk.

Question 25 - 1 (2): Arena for Kimmirut

Mr. Akesuk (interpretation): Thank you Mr. Speaker. This is a question to Minister Anawak. For a long time the people of Kimmirut have been trying to get an arena, maybe for up to fifteen years. The community had heard that this arena was going to be built this year, but now we are hearing something else. I wonder what is happening with that project?

Speaker (interpretation): Mr. Anawak.

Hon. Jack Anawak (interpretation): Yes, I am sorry, he asked me this question a few days ago and I made a mistake when I was responding to that. I sent a letter to him last week about the proposed arena and I had a meeting with the Mayor and Council recently about that also. They told me what they want to do and asked if I could help them with that. I asked them to write a proposal and get a letter of support from the community, so I have already responded to that and we are working on that question.

Speaker (interpretation): Thank you Mr. Anawak. Oral questions. Mr. Alakannuark.

Question 26 - 1 (2): Regulations on Sale of Country Food

Mr. Alakannuark (interpretation): Thank you Mr. Speaker. My question will be directed to the Minister of Sustainable Development regarding country food. I think that there are regulations that would prevent the sale of country food even though they are probably the cheapest way of feeding the people of Nunavut. Thank you Mr. Speaker.

Speaker (interpretation): Mr. Kilabuk.

Hon. Peter Kilabuk (interpretation): I am not too clear what the question is, perhaps he could clarify it?

Speaker (interpretation): Mr. Alakannuark, perhaps you could clarify the question?

Mr. Alakannuark (interpretation): We are talking about the country food that can be provided for sale as dried meat, frozen or canned. There are different ways of preparing country food which could be provided to the people of Nunavut. I am wondering if that is being considered. Thank you Mr. Speaker.

Speaker (interpretation): Mr. Kilabuk.

Hon. Peter Kilabuk (interpretation): Thank you Mr. Speaker. The question the member has asked about, the Nunavut Government, we have some country food available where they have been processed in Nunavut. We want to see more of that. One of the examples he used was dried meat, smoked meat or canned food. We are encouraging the residents of Nunavut to come up with these ideas and to start businesses. If people want more information about what to do to start these kinds of business, they are welcome to come up to our department. Thank you.

Speaker (interpretation): Thank you. Second question Mr. Alakannuark.

Mr. Alakannuark (interpretation): Yes thank you very much for answering my question. Thank you Mr. Speaker.

Speaker (interpretation): Thank you Mr. Alakannuark. Oral questions. Mr. Irqittuq.

Question 27 - 1 (2): Accommodations for Igloolik Doctor

Mr. Irqittuq (interpretation): Thank you Mr. Speaker. To the Minister of Health & Social Services. I went with the Minister to Igloolik and when we were there we heard the nursing station is very, very, old. We also heard the doctor was going there but there is no housing available for the doctor. Has there been anything done to date in regards to the health centre staff housing?

Speaker (interpretation): Mr. Picco.

Hon. Ed Picco: Thank you Mr. Speaker. Mr. Speaker I really enjoyed myself last week visiting Igloolik with the member for Amittuq. The Mayor and Council held a public meeting and there were many concerns brought forward to me as the Minister of Health and one of those concerns was the accommodation factor for the doctor that is proposed to move to Igloolik. I took those concerns back, I've written a letter to the department which was forwarded on to the Health Board for review to look at suitable accommodations for the doctor so we can put the doctor in place in Igloolik.

I think this is the first time in the Baffin that we have placed a doctor outside of Iqaluit and it is a model that we want to continue, so we are working on it and perhaps after the session I could meet with the member to inform him of the decisions that are being made and hopefully expedite matters to get the doctor in place for Igloolik and for north Baffin. Thank you Mr. Speaker.

Speaker (interpretation): Thank you. Oral questions. Mr. Kattuk.

Question 28 - 1 (2): Airport Heavy Equipment Training Program

Mr. Kattuk (interpretation): Thank you Mr. Speaker. I have a question for the Minister of Transportation. This letter is dated May 12 and was written by the Mayor of Sanikiluaq regarding heavy operator trainees and the staff of Public Works. We were told that this training course was stopped and moved to Baker Lake. The Mayor of Sanikiluaq and the Hamlet Councillors were concerned that if we are going to stop this training program and move it to Baker Lake, we won't be able to send any of our trainees over there. Possibly one or two, but not more. I would like to ask the Minister of Transportation about what has been happening to date.

Speaker (interpretation): Thank you. Mr. Minister.

Hon. Jack Anawak (interpretation): Thank you Mr. Speaker. In regards to the Airports training, it was already based in Baker Lake. Only afterwards we made a change in the location, we moved back to Baker Lake and there has been a change, maybe I can tell the member that I will get further information on this issue and take it as notice. Thank you.

Speaker (interpretation): Thank you. Questions. Mr. Nutarak.

Question 29 - 1 (2): Invitation to Pond Inlet for Minister of Education

Mr. Nutarak (interpretation): Thank you Mr. Speaker. I have a question for the Minister of Education. There was an invitation for the Minister to visit Pond Inlet at the beginning of June. Did he get that letter?

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

Hon. James Arvaluk (interpretation): Yes I did.

Speaker (interpretation): Thank you. Second question Mr. Nutarak.

Mr. Nutarak (interpretation): Thank you Mr. Speaker. When will the Minister be coming to Pond Inlet.

Speaker (interpretation): Thank you Mr. Nutarak. Mr. Arvaluk.

Hon. James Arvaluk (interpretation): Thank you Mr. Speaker. At this point we are reviewing what we are going to be doing after this session. In regards to Education and government planning, we haven't finalized the plans yet. I do know that there is going to be over seven items that the Pond Inlet DEA's want to deal with following the contents of the Chairpersons' letter. At this time I cannot respond to your questions as I don't know what our strategies are going to be and where the Department of Education is going to be heading after the session. I will find out if we are able to go up there afterwards, on June 10.

Speaker (interpretation): Oral Questions. Mr. Alakannuark.

Question 30 - 1 (2): Gym for Pelly Bay

Mr. Alakannuark (interpretation): Thank you Mr. Speaker. I would like to ask a question to the Minister of Government Operations. This is in regards to the school gym. Are you going to be looking at this concern from Pelly Bay and will there be a gym built this year?

Speaker (interpretation): This is for the Minister of Education, Mr. Arvaluk.

Hon. James Arvaluk (interpretation): Thank you Mr. Speaker. Looking at the budget and the speech that was made by the Finance Minister, the priorities we have placed on these facilities are if there are safety concerns or health risks. With those priorities in mind and in reference to the members' comments we do not have any plans to build it this year, but it is in the plans, but it is not in the 1999/2000 budget. Thank you.

Speaker (interpretation): Thank you Mr. Arvaluk. Questions, Mr. Alakannuark.

Mr. Alakannuark (interpretation): I should have addressed that to the Minister of Education. So what year are we looking at building that gym?

Speaker (interpretation): Thank you Mr. Alakannuark. Mr. Arvaluk.

Hon. James Arvaluk (interpretation): Thank you Mr. Speaker. We were slotting it for 1999/2000 but the government has agreed to prioritize existing contracts, ones that have been signed already, those that are health or safety risks. We have made that decision because of financial restraint and the gym that the member is referring to was slotted for 99/2000 but because it is not a safety or health hazard we have placed it to another year. I am just following what I have placed in front of me and it is going to be at the discretion of the members here as to whether they are going to approve the budget. Thank you.

Speaker (interpretation): Thank you. Mr. Kattuk.

Question 31 - 1 (2): Access Road in Sanikiluaq

Mr. Kattuk (interpretation): I don't just want to focus on Mr. Anawak, however when we first came here I wrote a letter to Mr. Anawak regarding building an access road in Sanikiluaq. He responded orally and I would like to ask if there is a progress report.

Speaker (interpretation): Before he responds, I would like to let you know that we cannot refer to any member by their first names, please during the formal sessions, refer to each member by their surname. Mr. Anawak.

Hon. Jack Anawak (interpretation): I don't mind at all if you refer to me by my first name, my dad's name is Anawak. I will make a written response to your question.

Speaker (interpretation): Thank you Mr. Anawak. Questions, Mr. Irqittuq.

Question 32 - 1 (2): Hall Beach School Addition

Mr. Irqittuq (interpretation): Thank you Mr. Speaker. I would like to ask a question of the Minister of Education, Mr. Arvaluk. Not too long ago I asked Mr. Arvaluk, but he didn't make a direct response. The blueprints and design of our school was all ready for Hall Beach, but I do not see it in this year's capital projects. Mr. Speaker, my question is, is it not possible to get our school addition built this year?

Speaker (interpretation): Thank you Mr. Irqittuq. I would like to remind everyone that you will have the opportunity to address these concerns during the committee of the whole. It is at your discretion, Mr. Arvaluk.

Hon. James Arvaluk (interpretation): Thank you Mr. Speaker. I could make a long response to your question, but it is along the lines of Mr. Alakannuarks' question. It was in the plans but as long as it is not a health or safety risk or the materials have not been ordered and placed on the ship or there is no existing contract, they will be deferred, as we have financial restraints. The different departments will be asked questions during committee of the whole and during that time I can make a more detailed response to that question.

Speaker (interpretation): I would like to remind everyone again, that during the Committee of the Whole, the Ministers will have the Deputy Ministers with them as witnesses to respond to questions and I believe you will get more detailed responses at that time. Oral questions. I will give Mr. Tootoo, the opportunity to ask a question as he has not had that opportunity yet. Mr. Tootoo.

Question 33 - 1 (2): Assuming Obligations of the Office of the Interim Commissioner

Mr. Tootoo: Thank you Mr. Speaker. Mr. Speaker, I will address this question to the Minister of Finance. On Friday, May 14, the Minister gave us his budget address. In

there he had indicated that, as we all know, our opening balance will be reduced as a result of having to assume the financial obligations incurred by the Office of the Interim Commissioner. I was wondering Mr. Speaker, if the Minister could provide us with an amount as to what that would be.

Speaker (interpretation): Thank you. Minister Ng.

Hon. Kelvin Ng: Thank you Mr. Speaker. Mr. Speaker it is my understanding, and it is still subject to final audit and the final accounting for closing down the office, but the estimate that we have been given has been approximately 4.4 million dollars. Thank you.

Speaker (interpretation): Thank you Mr. Ng. Oral questions. Mr. Tootoo.

Mr. Tootoo: Another question, I guess to those expenses. Where were they controlled from, were they controlled by the Federal Government, were they controlled by the Government of the NWT? Could you please let me know where that budget was controlled from. Thank you Mr. Speaker.

Speaker: Thank you Mr. Tootoo. Mr. Ng.

Hon. Kelvin Ng: Thank you Mr. Speaker. It is my understanding that the funding was provided by DIAND, the Department of Indian Affairs and Northern Development, but the responsibility for the spending lay within the Interim Commissioners' Office itself. Thank you.

Speaker: Thank you Mr. Ng. Mr. Tootoo.

Mr. Tootoo: Thank you Mr. Speaker. I guess what I am trying to say, is as far as the final authority, who gave that control to whoever it was to administer those dollars and why have we been bound by that. Thank you.

Speaker: Thank you Mr. Tootoo. That was your second question. Mr. Ng.

Hon. Kelvin Ng: Thank you Mr. Speaker. Speaker, it is my understanding that the authority of the Interim Commissioners' Office was established under the Nunavut Act in respect of acting on behalf of the Government of Nunavut prior to the Government of Nunavut coming into existence on April 1st. The reasons why, quite frankly, that we ended up with the financial obligations was because of the transitional funding agreement, there was an agreement signed where the Government of Nunavut would assume the wind up of the Interim Commissioners' Office and with that wind up, the financial obligations at the close of that office. Thank you Mr. Speaker.

Speaker: Oral questions. Mr. McLean.

Question 34 - 1 (2): Nunavut Government Decentralization

Mr. McLean: Thank you Mr. Speaker. My question today is to Premier Okalik. Mr. Okalik your presentation the other day on the cabinet retreat to Kimmirut, under Healthy Communities: Decentralization, Government Jobs in Nunavut Communities. Is decentralization a priority of this government?

Speaker: Thank you Mr. McLean. Mr. Okalik.

Hon. Paul Okalik: Thank you Mr. Speaker. Well, our goal is to go with decentralization but at the present time we have to review the whole situation. We have directed our staff to prepare a report and an evaluation and we are going to look at that next month for two days on the 29th and 30th. We will be evaluating any position at that time and hope to have a conclusion at that time. Thank you Mr. Speaker.

Speaker: Thank you Mr. Premier. Mr. McLean, second question.

Mr. McLean: Thank you Mr. Speaker. Mr. Premier are you telling me that the decentralized model approved October 2nd, 1998, is not going to be followed?

Speaker: Thank you Mr. McLean. Mr. Premier.

Hon. Paul Okalik: Thank you Mr. Speaker. The principle is agreed to, but we have to make sure that the operations of the government are not detrimental to the people of Nunavut. We have to make sure that any offices that relocate elsewhere will be able to work within the government and we will be looking for your input during the retreat in Baker Lake.

Speaker (interpretation): Thank you Mr. Premier. Oral questions. Mr. Iqaqrialu.

Question 35 - 1 (2): Capital Projects for Broughton Island

Mr. Iqaqrialu (interpretation): Thank you Mr. Speaker. I have a question directed to Mr. Anawak. In regards to the capital projects, I don't see one slotted for Broughton Island for the year 99/2000. Since I don't see anything for Broughton Island does that mean that there are no capital projects going on for this year, 99/2000. Thank you Mr. Speaker.

Speaker (interpretation): Thank you Mr. Iqaqrialu. Did you get the question Mr. Anawak.

Hon. Jack Anawak (interpretation): I think I can answer that question in more detail when we meet again on Wednesday in committee.

Speaker (interpretation): Thank you Mr. Anawak. You will have another opportunity Mr. Iqaqrialu. Oral questions. Mr. Tootoo.

Question 36 - 1 (2): Consultation Process on Capital Plan

Mr. Tootoo: Thank you Mr. Speaker. Mr. Speaker my question is for the Minister of Community Government, Housing & Transportation. I would like to ask the Minister if he can explain to us the process that was used in making decisions on capital project delivery this year? Thank you Mr. Speaker.

Speaker: Mr. Tootoo. Mr. Tootoo could you rephrase your question as to what you mean by capital? Rephrase your question.

Mr. Tootoo: Thank you Mr. Speaker. Nervous I guess. Mr. Speaker I would like to ask the Minister what kind of consultation process was done, for example with the Municipality of Iqaluit, in looking at what capital projects will be budgeted for this year. Thank you Mr. Speaker.

Speaker (interpretation): Thank you Mr. Tootoo. Mr. Anawak.

Hon. Jack Anawak (interpretation): I will have to respond the same way that I responded to Mr. Iqaqrialu. In committee, with my Deputy Minister, I will be able to give you a more detailed response. Thank you.

Speaker: The Ministers here will be the witnesses during committee of the whole when their time comes up, so it will be proper to ask them questions when they have their staff with them, with their Deputy Ministers. Thank you. Oral questions, oral questions. Oral questions. As that is the case we will return to the Orders of the Day. Item 7, written questions. Written questions. Written questions. (interpretation ends). Item 8, Returns to Written Questions. Returns to Written Questions. Item 9, replies to Opening Address. Replies to Opening Address. Item 10, Replies to Budget Address. Replies to Budget Address. Item 11, Petitions. Petitions. Item 12, Reports of Standing and Special Committees. Mr. McLean.

Item 12: Reports of Standing and Special Committees**Report 1 - 1 (2): Community Empowerment & Sustainable Development, Review of Departmental Business Plans 1999/2000**

Mr. McLean: Thank you Mr. Speaker. Bear with me, my colleagues. This was a last minute opportunity for me here. The Standing Committee on Community Empowerment & Sustainable Development report on the review of draft Departmental Business Plans, Preliminary Information on the 1999/2000 Main Estimates. The Committees' report reflects the unique circumstances surrounding its' review of the 1999/2000 draft departmental business plans. Many of the committees' general observations and comments will be reflected in the reports of the other Standing Committees.

Mr. Speaker less than a month after the creation of Nunavut, the Standing Committees met to review the draft 3 year business plans of the departments of the Government of Nunavut. This work was carried out during the week of April 26 and involved appearances by all Ministers.

Members of the committees had the opportunity to ask questions of Ministers and their senior officials. The Standing Committees of the Legislative Assembly were constituted at the first sitting of the Assembly on April 1. The Standing Committee on Community Empowerment & Sustainable Development has oversight responsibility for the Department of Justice, Sustainable Development, Community Government, Housing & Transportation and Public Works, Telecommunications & Technical Services. The Committee has the following general observations and comments.

It should be recognized that the review process occurred in a uniquely short period of time. It contrasts to the practices in the Western Assembly where the review of business plans and main estimates takes place over a period of several months. Members of the Standing Committees here had much less time. Indeed we fully recognize that Ministers themselves had very short timelines to familiarize themselves with their departments.

Mr. Speaker, the Committee recognizes that the budget process this year has been unique. Both the 1999/2000 Departmental Estimates and Capital Plans were substantially decided upon prior to all members having the opportunity to make input. Members were disappointed at the lack of clarity provided as to how some decisions were arrived at. We expect that the budget cycle for next year will involve significantly greater consultation, both with regular members and with the communities. Over the course of the week of the Committees' deliberations, the amount and level of detail of information provided by the departments improved greatly. However, it is our expectation that the information flow from the departments to the Committees will improve in terms of time lines and level of detail as capacity is built within the departments.

We also recognize that the capacity of departments to translate all materials into Inuktitut is, at present, limited. It is our expectation that efforts will be made to ensure that capacity development in this regard is treated as a matter of priority of this government. Mr. Speaker, the Committee noted that draft business plans were inconsistent in terms of the level of detail contained. Although they generally followed a similar format, the Committee also noted that plans contained a large number of specific and ambitious goals and strategies without much detail as to what resources would be required to achieve them and to what time frames were realistic.

Mr. Speaker in terms of strategic direction of the plans, the Committee commends the departments for their ambitions, however, given that the departments are still in the process of staffing up, the Committee would suggest that departments be more specific in terms of establishing what their short, medium and long term priorities are. It has been pointed out that the people of Nunavut need to have clear expectations of what the government can deliver. Departments have a role to play in communicating clearly what expectations are realistic given the constraints that are facing us.

A point, which all Committee members noted, was the frequency with which all of the departments referred to the concept of IQ, and its' importance to the new government in terms of decision making. However, there appears to be as yet little progress yet in defining and operationalizing this concept in any particular, or systematic way. The success of its' implementation depends upon people at all levels of government having a clear understanding of the concept and its' critical importance.

The Committee were encouraged to hear Ministers' speak of the need to establish a close working relationship with the regular members' of the Assembly. The Committee hopes that this commitment will be reflected in the way the government responds to our concerns and recommendations. Regular members look forward to making a strong, positive contribution to this government. Thank you Mr. Speaker.

Speaker: Just a reminder. When the Committees are reporting please hold down your chat, in respect to the members, when they are reporting, please listen. Mr. McLean.

Mr. McLean: Mr. Speaker, that concludes my introductory comments. I move, seconded by the Honourable Member for Nattilik, that the report be referred to the Committee of the Whole for consideration in concurrence with the 1999/2000 Main Estimates, and I further seek unanimous consent to waive rule 91(4) and have the report moved into Committee of the Whole today. Thank you Mr. Speaker.

Speaker: Thank you Mr. McLean. Mr. McLean is seeking unanimous consent to waive rule 91(4) to have the committee report tabled for today. Do we have any nays? There are no nays. Mr. McLean you have unanimous consent. Committee report 1 - 1(2) shall be put into Committee of the Whole for today. Mr. McLean. Sorry, thank you Mr. McLean. Item 12, Reports of Standing & Special Committees. Mr. Akasuk.

Report 2 - 1 (2): Government Operations & Services, Review of Departmental Business Plans 1999/2000

Mr. Akasuk: Thank you Mr. Speaker. The Committee report reflects the unique circumstances surrounding its' review of the 1999/2000 draft departmental business plans. Many of the Committees' general observations and comments will be reflected in the reports of the other Standing Committees. Less than a month after the creation of Nunavut the Standing Committee of the Legislative Assembly met to review the draft two year business plan of the Department of the Government of Nunavut. This work was conducted during the week of April 26, and involved appearances by the Premier and the Ministers.

Members of the Committee had the opportunity to ask questions of the Ministers and their senior officials. The Committee has the following general observations and comments which are generally consistent with the reports of the other Standing Committees.

Mr. Speaker, it should be recognized that the review process occurred in a uniquely short period of time in contrast to the Western Assembly, where the process takes place over a period of several months. Members of the Standing Committee here had much less time and fully recognize that the Ministers' themselves have had an equally short time frame in which to familiarize themselves with their departments.

Mr. Speaker, the Committee recognizes that the budget process for the 1999/2000 Budget and Capital Plans has been unique. Departmental estimates were substantially decided upon prior to the members having the opportunity to have input. Members were disappointed with the lack of clarity as to how some budgetary decisions were arrived at. We expect that the budget process will, next year, will involve significantly greater consultation, both from regular members and from their communities. The committee also expects to have greater input into future business plan development.

Mr. Speaker, over the course of the week of Committee deliberations, the amount and level of detail of information provided by departments improved. However, it is our expectation that the information flow from departments to committees will improve in terms of timeliness and level of detail as capacity is built within departments. We also recognize that the capacity of departments to translate all materials into Inuktitut, is at present limited. It is our expectation that efforts will be made to ensure that capacity development in this regard is treated as a priority of this government.

The Committee noted that draft business plans were inconsistent in terms of the level of detail contained, although they generally followed a similar format. The Committee noted that plans contained a large number of specific and ambitious goals and strategies without details on what resources would be required to achieve them and what time lines were realistic.

Mr. Speaker, in terms of the strategic directions of the plans, the Committee commends the departments for their ambitions, however, given that the departments are still in the process of staffing up, the Committee would suggest that departments be more explicit in terms of establishing what their short, medium and long term priorities are. It has been pointed out that the people of Nunavut need to have clear expectations of what the government can deliver. Departments have a role to play in communicating clearly what expectations are realistic given the constraints facing us.

Mr. Speaker, the Committee recognizes that at this stage the departments are very much in the process of feeling their way forward. Accordingly the Committee recommends that the mid-year progress report on all aspects of departmental activities be provided to the Committee for review in October of this year.

A point, which all Committee members noted, was the frequency with which all of the departments referred to the concept of Inuit Qaujimajutuqangit, and its' importance to the new government in terms of decision making. However, there appears to be as yet little progress in defining and operationalizing this concept in any particular systematic way.

The success of its' application depends upon people at all levels of government having a clear understanding of the concept and its' critical importance.

Mr. Speaker, the Committee were encouraged to hear Ministers' speak of the need to establish a close working relationship with the regular members of the Assembly. The Committee hopes that this commitment will be reflected in the way the government responds to our concerns and recommendations. Regular members look forward to making a strong, positive contribution to this government. Thank you Mr. Speaker. That concludes my introductory comments.

I move, seconded by the Honourable Member for Amittuq, that the report be referred to Committee of the Whole in concurrence with the 1999/2000 Main Estimates, and I further seek unanimous consent to waive rule 91(4) and have the report be moved into Committee of the Whole for today. Thank you Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Akasuk. Mr. Akasuk is seeking unanimous consent to waive rule 91.4 to have the committee report tabled for today. Are there any nays? Since there are no nays, Mr. Akasuk you have unanimous consent that report of the Standing Committee 2 - 1 (2) be moved to the Committee of the Whole today. Thank you. Item 12, Reports of Special & Standing Committee. Item 13, Reports of Committee on the Review of Bills. Item 14, Tabling of Documents. Item 15, Notice of Motions. Item 16, Notice of Motions for First Reading of Bills. Item 17, Motions. Item 18, First Reading of Bills. Item 19, Second Reading of Bills. Item 20, Consideration in Committee of the Whole of Bills and Other Matters.

Item 20: Consideration in Committee of the Whole of Bills and Other Matters

Speaker: Bill 1 - Appropriations Act, 1999/2000. Committee Report 1 - 1 (2) of the Standing Committee on Community Empowerment & Sustainable Development. Committee Report 2 - 1 (2), from the Standing Committee on Government Operations & Services. Item 21, Report of the Committee of the Whole.

Speaker (interpretation): I now ask Mr. Puqiqnak to take the chair for Committee of the Whole. Mr. Puqiqnak.

Chairperson (Mr. Puqiqnak) (interpretation): Number 1. Bill One - Appropriation Act 1999/2000, and also Items for Consideration on Other Matters, and I would like to understand what direction the members wish to proceed. What is the Members wish? Mr. Nutarak

Mr. Nutarak: (interpretation): Mr. Chairman, I would like to hold a short recess. I would like to have a short break for ten minutes Mr. Chairman if we may?

Chairperson (interpretation): I would like to find out which way, we have received Bill One. Committee Reports and I would like to know which one we will deal with first. What are the members wishes? Mr. Nutarak. I am not sure which particular process we

would deal with. In respect to Bill One Appropriation Act 1999/2000, I would like to deal with that when we get back from the break. Thank you. M.L.A. from Cambridge, Mr. Ng.

Hon. Kelvin Ng: Thank you Mr. Chairman. Mr. Chairman, maybe I could suggest to the Committee that since the Department of Finance & Administration is here that we get into the detail on that Department and then if we finish with that then we move on to the Department of Human Resources that is the next one in line after the break. Thank you.

Chairperson: (interpretation): Ok, we will have a fifteen minute break. Thank you.

>> Committee Recesses

Chairperson (interpretation): Thank you. We now have a quorum. I hope you have had your cup of coffee. We will now resume our meeting and the M.L.A. from Cambridge Bay, do you want to address the budget and then we will have an opportunity to have opening comments. Hon. Kelvin Ng, do you have opening comments?

Hon. Kelvin Ng: My budget was sent to the Committee of the Whole. The budget recommended for the Department of Finance and Administration is in the 99/2000 main estimates. The Department of Finance and Administration is a central department that provides financial and administrative services to the Government of Nunavut. It also has responsibilities for the overall fiscal and economic management of our new Territory. The department has a proposed budget of 27.5 million dollars. The budget of the Department includes the funding for many services that have government wide application as well as funding support services delivered by other departments.

Financial processing services are also heavily centralized in the Department. This has resulted in efficiencies and has allowed more dollars to be spent by Government on programs and services directly benefiting people. The budget of the Department is organized into five categories. Directorate, Fiscal Policy and Expenditure Management, Financial Services, Informatics, and a Comptrollership.

The Directorate is comprised of a Deputy Minister, Assistant Deputy Minister, Assistant Comptroller General, and the Executive Secretaries. It is responsible for the overall management of the Department and has a recommended budget of 825 thousand dollars.

Fiscal Policy and Expenditure Management includes responsibilities for fiscal policy development, intergovernmental fiscal relations, and negotiations, taxation, budgeting, and provision of support to the Financial Management Board. This branch has a budget of 3 million dollars including 500 thousand in support of 3P initiatives and 1.1 million dollars for start up funding for the Business Credit Corporation.

Financial Services ensures that proper financial processes and controls are in place in the Departments, Boards and Agencies. It performs financial analysis of major policy

initiatives. It is also responsible for development and monitoring of the budget of the Department. The recommended budget for Financial Services is 1.2 million dollars.

Informatics is responsible for the information technology standards and policies for the Government as well as the development and initial training related to new applications and major modifications to systems. Informatics has a recommended budget of 4.5 million including 4 million for systems development.

The Comptrollership function accounts for 65% of the budget recommended for the Department. The Comptrollership function includes the Government Accounting Division, Investment and Risk Management Division and three regional operations. It has responsibility for financial processing, payroll financial reporting, financial controls, cash management and banking, and risk management. Included in the budget of 18 million dollars for these activities is 3.8 million for the power subsidies, 6.3 million for Workers' Compensation, dental premiums and other employee benefits and 1.5 million for insurance premiums.

The Department currently has about 65 positions filled out of its total staff complement of 131 positions. Nearly 50% of the staff are Inuit. Mr. Chairman, I will now conclude by stating that the Department of Finance and Administration has made a lot of progress in meeting its' broad mandate. The budget appropriation requested in the main estimates will enable the Department to meet its objectives in 99/2000. Thank you.

Chairperson: (interpretation): Thank you Mr. Minister. Do you have any further comments? Perhaps Mr. Ng, would you like to get one of your officials at the witness chair with you?

Hon. Kelvin Ng: Yes, Mr. Chairman.

Chairperson: Perhaps the Minister of Finance along with his officials, maybe he could introduce his officials please. Perhaps the Chairman of the Government Operations, has a Standing Committee report to do?

Mr. Akesuk: Thank you Mr. Chairman, I will report in English. Minister Ng appeared before the Committee on the morning of April 29th. The main estimate summary provided to the Committee indicated a total 99/2000 expenditure of 27 million, 547 thousand, 673 dollars. As with the Department of the Executive and Governmental Affairs, the Committee recognizes the role Finance and Administration plays as a central agency.

The Department mandate is to provide the Government of Nunavut with advice on matters relating to fiscal management and to ensure efficient government wide management of financial resources. Citizen involvement in budget development. The Committee was intrigued at the draft business plans reference to providing for public information in the budget formulation process. The Committee will be supportive of efforts to hold community workshops in which members participate in hearing the view

of the public. The Committee also recommends that the Department make an effort to provide clear budget information to elders and the public.

The Committee appreciated receiving a detailed briefing on Federal/Nunavut fiscal relations. The Committee is supportive of the Departments' mandate to aggressively pursue revenue enhancement opportunities with the Government of Canada. The Committee was also advised that one of the issues being examined by the Department is that of increased Territorial controls of royalties from natural resource development. The Committee was advised that the Department is financing a number of one-time start up costs associated with the creation of Nunavut. The Committee was also advised that these costs are offset in the FFA. The Committee recommends that the Department continue to make strong efforts in these areas.

The Committee would also like to be regularly updated as the Department identifies one-time or unforeseen costs associated with establishing the new Government. The Committee would like to receive a full accounting of these costs to the Government of Nunavut. The Committee recognizes, as stated, that the report on recommendations of the division of assets and liabilities of the GNWT, that the final determination of the division of assets and liabilities will be in relation to information as of March 31, 1999, and that this information might not be completely available until some months thereafter.

The Committee also recognizes that a number of issues may not have been finalized yet. The Committee takes a strong interest in these issues and requests regular updates as information emerges.

Upcoming negotiations with Unions. The Department in collaboration with Human Resources has responsibility for negotiating public service agreements. The Committee understands the Nunavut Teachers Federation agreement expires August 31 of this year, and that of the Nunavut Employees Union on March 31, 2000. The Committee recommends that it be consulted prior to the Government developing a position on major bargaining issues. The Committee would also like to be kept updated on developments in respect to pay equity issues. The Committee has requested a detailed list of costs on all our government services being contracted back to the GNWT for the year 2000 fiscal year. Mr. Chairman, I have four motions.

Committee Motion 1 – 1 (2) : Citizen Engagement in Budget

Mr. Chairman I move that the Committee recommends that the Department of Finance ensure that clear budget information in English and Inuktitut be provided to Nunavut Communities. Mr. Chairman. Thank you.

Chairperson : (interpretation) : To the motion. The motion is carried. Mr. Akasuk?

Committee Motion 2 – 1 (2): Formula Financing Agreement

Mr. Akesuk: (interpretation) : Thank you Mr. Chairman. The second motion.

Mr. Chairman, I move that this committee recommends that the Department of Finance provide the Committee with regular updates as it identifies one-time or unforeseen start-up costs associated with establishing the new government.

Chairperson : (interpretation) : To the motion. All those in favour? Carried. Mr. Akesuk?

Committee Motion 3 – 1 (2): Prior Consultation on Major Bargaining

Mr. Akesuk : Thank you. Third motion, Mr. Chairman, is that the committee be consulted prior to the Government taking a position on major bargaining issues with public service unions. Thank you.

Chairperson : (interpretation) : To the motion, questions or comments to the motion. All in favour? Mr. Premier Okalik?

Hon. Paul Okalik: I just have a concern that some of them will be confidential issues and some of them will be urgent cases so it might be quite hard to go this way. I just wanted you to be aware of that fact.

Chairperson (interpretation): I apologize, I had already asked if the members agreed. Mr. Akesuk would you like to respond? Mr. Akesuk?

Mr. Akesuk: (interpretation): Yes. Was the motion carried?

Chairperson: (interpretation): I had already asked if you wanted to vote on the motion, but in regards to Okalik's comment would you like to reply to his question or comment?

Mr. Akesuk (interpretation): Thank you Mr. Chairman; Yes, as members of the Legislative Assembly, or the regular members, we would like to get more opportunity to give input on important issues before the Government decides on them. In the beginning the goals of the Government were that the Government would be open and that there would be a close working relationship, that is what we are trying to establish right now, that is what we agreed to in the beginning. Thank you Mr. Chairman.

Chairperson: (interpretation): Thank you Mr. Akesuk. Mr. Arvaluk?

Hon. James Arvaluk: (interpretation) : I just wanted to ask, I don't think the Premier was clear that any time when the Government is going to negotiate, which the motion stated the Government is going to negotiate with the Union, that they should be open, and the Government stated from the beginning that they want to have open, transparent government and since that is the statement of the Government, what kind of goals and

objectives would the Government have before they had an agreement with the Union. I would like to get clarification on the motion.

Chairperson: (interpretation) : Thank you Arvaluk. In regards to the motion, perhaps you could read your motion again, they can understand your motion, for the bilingual speaking people. Mr. Akasuk?

Mr. Akasuk (interpretation) : Thank you Mr. Chairman. The motions' intent is that the Department consult with the Committees and update the Committees on the negotiation process, and this position is so that we can have input on the negotiations. Thank you.

Chairperson: There is a motion on the table. If there are no further questions on the motion, all those in favour to the motion? Perhaps if you would raise your hands so they would be more discernible, how you voted? Perhaps if we use a piece of paper. All those in favour of the motion? Those against? Abstentions? Motion is carried.

Mr. Akasuk?

Committee Motion 4 – 1 (2): Mid Year Progress Report

Mr. Akasuk: Thank you Mr. Chairman. The last motion in respect to Government Operations and Services.

That the Department provide a mid year progress report to the standing committee for review in October of this year. Thank you.

Chairperson (interpretation): Comments and questions to the motion. In respect to the motion, all those in favour? Abstentions, all those against. I am making a few mistakes, as this is my first time. The motion is carried. Mr. Akasuk, do you have any further items?

Mr. Akasuk (interpretation): Thank you Mr. Chairman, that is all.

Chairperson (interpretation): Comments to the Department of Finance and Administration. Mr. Iqaqrialu? Mr. Iqaqrialu?

Mr. Iqaqrialu: (interpretation): Thank you Mr. Chairman. I would prefer that maybe after they make a report I will have a few things to state or should I pose my question now?

Chairperson (interpretation): The Minister already made his report and now it is open for comments and questions Mr. Iqaqrialu. Mr. Iqaqrialu?

Mr. Iqaqrialu (interpretation): Thank you Mr. Chairman. In respect to the deficits that they alluded to which is the 4 million dollars for the OIC. We were told where it had come from, and it affects the Nunavut Government because even before we were up and

running there was a deficit outstanding. Now that we are the Nunavut Government, I feel that we should not have to pay that amount owing, and I would like to get further clarification as to the deficit we ran up to in the Office of the Interim Commissioner. Thank you Mr. Chairman.

Chairperson: (interpretation): Minister Ng?

Hon. Kelvin Ng: Thank you Mr. Chairman. As I indicated earlier, under the transitional funding agreement that the Interim Commissioner had signed off, the Government of Nunavut had the legal obligations to assume the unpaid financial obligations of the Offices of the Interim Commissioner once the Government of Nunavut was established, and once the Office of the Interim Commissioner wound down on the 31st. Thank you.

Chairperson(interpretation): Mr. Iqaqrialu did that answer your question or do you have any further comments?

Mr. Iqaqrialu (interpretation): For those of us who are new MLAs, now that we have been burdened with these payables, and we have not dealt with this at all in any manner, and if we were to pay it, that to me, to the people of Nunavut would not be very beneficial. That way it is creating a problem unless it is clarified both to the MLAs because they have to understand for what the payables have been incurred. Because we never did the work of the Office of the Interim Commissioner, so I just wanted to state that again, Mr. Chairman. Thank you.

Chairperson: (interpretation): Mr. Ng.

Hon. Kelvin Ng: Thank you Mr. Chairman. Mr. Chairman, once the final audit is complete and the accounting for the financial affairs of the Office of the Interim Commissioner there will be a breakdown of the expenditures under that office. Thank you.

Chairperson (interpretation): Further comments Mr. Iqaqrialu.

Mr. Iqaqrialu (interpretation): We have not agreed as MLA's, and we were not involved at all in this endeavour and in respect to the financial details, before there is an agreement shown I would not want to make a payment on this and as MLA's and unless we understand each other as to what the operational costs were when they are in front of us on paper, I would want to review this again in our future meetings. I would like to see that in our future meetings.

Chairperson (interpretation): Is that just a comment or do you want to answer that Mr. Minister.

Hon. Kelvin Ng: Thank you Mr. Chairman. Mr. Chairman we have little choice in the matter. Unfortunately it is a legal agreement. The Office of the Interim Commissioner had the mandate through the Nunavut Act to operate and do the preparatory work for the

establishment of the Government of Nunavut. Once the Government of Nunavut took office on April 1st, became a legal entity, the Office of the Interim Commission dissolved. So the Office of the Interim Commissioner acted as the Government representative prior to April 1st, and the argument is that the obligations incurred, the legal obligations incurred as a result of the Office of the Interim Commissioners operations, became the obligations of the Government of Nunavut. I mean, obviously it would have been ideal if that wasn't the situation, but unfortunately that is the matter that we have to deal with and the legal obligation is there. Thank you Mr. Chairman.

Chairperson: Mr. Iqaqrialu.

Mr. Iqaqrialu (interpretation): Thank you Mr. Chairman. In respect to the same item or within the same arena, in respect to the deficit of the OIC which was stated to be 4.4 million dollars. In respect to the funds that had to be taken out for example, some of the capital projects that we have planned had to be taken out to meet the 4.4 million dollar budget. Was that the case, where we had to take away capital projects in order to pay this 4.4 million-dollar deficit?

Hon. Kelvin Ng: No Mr. Chairman that wasn't the case. What this affects is the opening balance of the Government of Nunavut. In effect it is a liability that is offset against the assets that would be coming over from the division of the assets and liabilities with the G.N.W.T. It doesn't affect the current year, the 99/2000 fiscal year per se. Thank you.

Chairperson: Mr. Tootoo.

Mr. Tootoo: I guess my question is just wondering, in the report the audit that the Minister alluded to, will there be in there explanation as to how such a sizeable deficit was obtained? I know that we all know that the Federal Government had federal advisors right at the highest levels, I was wondering how, if they were aware of this, how they let it get to the level it was. If that will be pointed out in the report. Thank you Mr. Chairman.

Chairperson (interpretation): Which of you would like to answer this question?

Hon. Kelvin Ng: Okay, Mr. Chairman, Mr. Chairman we don't know, I mean what's going to be in the final report, I mean we have no say it's the Auditor General of Canada, that undertakes the audit and it'll be his staff that prepare the Report. So we will have to wait just like anybody else the outcome of what's in that and what kind of comments or recommendations that they might have. Thank you Mr. Chairman.

Chairperson (interpretation): Thank you. Mr. Tootoo

Mr. Tootoo: If you're just going to wait is there something that the Department will be asking their federal counterparts as to how they let it slide for the 4.4 million dollars over? Thank you Mr. Chairman.

Hon. Kelvin Ng: Thank you Mr. Chairman. Mr. Chairman, the staff of the Department of Finance & Administration are involved somewhat in that they do meet with the Auditor Generals' staff that are doing the Audit and obviously have an opportunity to go over some of the content of the expenditures. They also have a chance to dialogue with the Auditor Generals' staff as they move forward analyzing the report. Thank you.

Chairperson (interpretation): Mr. Tootoo

Mr. Tootoo: Thank you Mr. Chairman. I guess that still doesn't answer. Will the Department be approaching the Department that was responsible in DIAND for ascertaining if they were aware they were going to run this deficit and how they allowed it to happen? Thank you Mr. Chairman.

Chairperson: Mr. Ng

Hon. Kelvin Ng: Thank you Mr. Chairman. Mr. Chairman, there has been some discussions, but I think also that the Premier has brought up the issue with the Minister of DIAND and spoken to her about it. But as it stands now, until the final results are in, I think things are kind of in a state of waiting until the final report is out Mr. Chairman. Thank you.

Chairperson (interpretation): Mr. McLean

Mr. McLean: Mr. Minister, on that 4 million dollar debt how are we carrying it on our books right now, as an accrued liability? Is it an accrued liability or have we already assumed it and paid it, is there going to be any movement to try to collect it?

Chairperson (interpretation): Kelvin Ng, perhaps either you or one of your staff can answer the question?

Hon. Kelvin Ng: Thank you Mr. Chairman. Mr. Chairman it is an accrued liability. As I indicated it'll off set some of the assets that we have coming over from the GNWT in the division of assets and liabilities. There are plans to go forward and try to recoup some of those costs. Whether or not we're successful there's another matter I guess, but it's certainly an issue. Like I indicated, the Premier has already brought it up and I plan to bring it up in the future and I'm sure any other Cabinet Members that may be having negotiations or discussions with some of the federal counterparts. It is something that we will be aware of as a Government and I'm sure Members of this Assembly you're aware of it as well. Thank you.

Chairperson (interpretation): Thank you Mr. McLean. Please recognize the chair, because you'll have to recognize me as I am the Chair.

Mr. McLean: I apologize Mr. Chairperson. Mr. Minister, if it is an accrued liability and that's how we're carrying it, does this budget, which is a zero budget, reflect that or if it does not, does that mean we're going to have a 4 million dollar deficit?

Chairperson (interpretation): Minister or his Deputy or his Assistant Deputy Minister.

Hon. Kelvin Ng: Mr. Chairman thank you. Mr. Chairman it isn't a 99/2000 year expenditure. It's an opening balance liability, because this is the first time we set up and it's an opening balance sheet item. If you could look at the technical accounting side of things that's why I indicated that the deficit will be off set, it'll be taken off the positive balance that we'll be bringing over from the Government of the Northwest Territories in the divisions of assets and liabilities. It'll reduce that balance that was coming over though as far as the opening balance goes. Thank you.

Chairperson (interpretation): Thank you Mr. Minister. Mr. O'Brien.

Mr. O'Brien: Thank you Mr. Chairman. Mr. Minister you've indicated in your budget, in reference to revenues, it includes 3 million dollars in revenue from property taxes of school levies. Will this money go back into general revenue or does it go back to the communities where we generated it from?

Chairperson (interpretation): Minister of Finance & Administration. I really want to give you an Inuktitut name. Mr. Ng.

Hon. Kelvin Ng: Thank you Mr. Chairman. As long as it's a good one. Mr. Chairman, all revenues that the members see there go into the general consolidated revenue fund and are disbursed based on appropriations through the Assembly and the recommendations of the Government. Thank you.

Chairperson: Mr. O'Brien

Mr. O'Brien: Thank you Mr. Chairman. Another tax question. In reference to the payroll Tax. Can you tell the Members as to what your plans are, is it to keep the payroll tax as it is or to review it in light of the fact that the cost for collecting this tax may not warrant the actual collection. Thank you.

Chairperson (interpretation): Minister of Finance & Administration.

Hon. Kelvin Ng: Thank you Mr. Chairman. I guess, Mr. Chairman, in respect of taxation every year, and we haven't had the opportunity this year obviously with the development of the budget, as all the Members know, but for the upcoming budget, this tax would be reviewed just like all the other taxes that this government imposes on individuals, corporations or consumers throughout Nunavut.

As it stands now though this tax was designed as a tax by the GNWT to try to capture some of the leakage of the revenues of individuals that were working in the Northwest Territories but weren't residing there and were receiving services. In that perspective, I think the theory behind the tax is a sound one, it's just a matter of, as the member indicated, what's the cost of administering it. The other advantage of this payroll tax,

quite frankly, is that it's a benefit. It returns more to lower income earners than what it takes in. They get a rebate back and I believe that it's 1 ¼ % instead of 1% for the lower income earners within the Territory. So that's another issue that would have to be taken into consideration of the review of this specific tax. Thank you Mr. Chairman.

Chairperson (interpretation): Thank you Mr. Minister. Mr. O'Brien.

Mr. O'Brien: Thank you Mr. Chairman. Mr. Minister are you considering any new tax reform initiatives over the next year.

Chairperson: (interpretation): Minister of Finance & Administration. Mr. Ng

Hon. Kelvin Ng: Thank you Mr. Chairman. It's probably a bit premature to be thinking about that at this day, so if we try to get this budget out of the way and then try to develop some strategic priorities as a Cabinet and as a Caucus. I think certainly during the course of the year many of us will have the opportunity to reflect on what they feel is appropriate or inappropriate in respect of taxation or revenue generation. Thank you.

Chairperson (interpretation): Thank you Mr. O'Brien. Mr. Alakannuark.

Mr. Alakannuark (interpretation): Thank you Mr. Chairman. I want to pose this question to Minister of Finance & Administration or his, I don't know who's responsible for this. Respect to the Hamlets, they usually have funding for one fiscal year to be used within that year and the budget have been cut throughout the year and I guess my question is related to that. Are the Hamlets, I think some of them are leery because their budgets are getting cut and they're concerned that their budgets might be cut for their operational funding. Now in respect to this issue what is your prognosis for the funding for the Hamlets next year, will the budgets be cut or will they remain as they are? I would like to find that out if I could. Thank you Mr. Chairman.

Chairperson (interpretation): Thank you Mr. Alakannuark, you may answer this if you wish or we could wait for a response until we get to the Minister of Municipal and Community Affairs.

Hon. Kelvin Ng: Thank you Mr. Chairman. I think I tried to indicate in my opening comments that we've tried to provide as much stability as possible during the course of this year's operation. So in effect we didn't take any reductions in trying to keep the existing programs in place, but the Chairman is probably correct in that this question is more appropriate when the Minister of Community Government, Housing and Transportation comes before you. Thank you.

Chairperson (interpretation): Thank you Mr. Ng. That's it. Mr. Tootoo.

Mr. Tootoo: Thank you Mr. Minister your budget address sets out an important goal of the Government of the Nunavut to have a balanced budget, this is very important. How

will your Department ensure that other Departments do not go over their budget? Thank you Mr. Chairman.

Chairperson (interpretation): Minister of Finance & Administration. Mr. Ng.

Hon. Kelvin Ng: Thank you Mr. Chairman. Mr. Chairman, we plan to be monitoring the expenditures on a regular basis of the other Departments. In fact right now we're providing a lot of the Financial Support Services for those Departments, because they don't have their Financial management sections up and running fully yet. Thank you.

Chairperson (interpretation): Mr. Tootoo.

Mr. Tootoo: Thank you Mr. Chairman. Even though your Department is looking after the other Departments, which I'm sure your staff are happy about, in regards to the other Agencies and other Organizations such as the Regional Health Boards, Legal Services, Hamlets, do these organizations ever have deficits. Thank you Mr. Chairman.

Chairperson (interpretation): Minister of Finance & Administration, Mr. Ng

Hon. Kelvin Ng: Thank you Mr. Chairman. I think we all know the answer to that one, I mean unfortunately you know a lot of organizations, Municipalities and Boards do get in to financial difficulties, sometimes not of their own doing, because of unexpected difficulties and sometimes because of poor management and sometimes because their Boards want to spend more than they have in revenues. So, yes there are situations where that happens.

Chairperson (interpretation): Mr. Tootoo.

Mr. Tootoo: Thank you Mr. Chairman. Those types of deficits will they have an impact on the Government of the Nunavuts' budgets, as ultimately they receive their funding from the Government. Thank you Mr. Chairman.

Chairperson (interpretation): Minister of Finance and Administration. Mr. Ng

Hon. Kelvin Ng: Thank you Mr. Chairman. Mr. Chairman, generally those types of Boards and Agencies are responsible for their own finances, if they get into a deficit position normally they're responsible for putting in place a deficit reduction plan that has to be approved, usually by whichever the Department is working with them. So there's no direct legal liability to the Government of Nunavut, but obviously, since they are organizations that we're supporting we would work with them and we would try to get them out of that situation. Thank you.

Chairperson (interpretation): Thank you Mr. Ng. Mr. Tootoo

Mr. Tootoo: Thank you Mr. Chairman. I don't see an example of the Boards of Education and Health, once they're eliminated will debts, if they have any at that time, be

assumed by the Government of Nunavut, by the respective Departments and will that have an effect on the budget. Thank you Mr. Chairman.

Chairperson (interpretation): Minister Ng.

Hon. Kelvin Ng: Thank you Mr. Chairman. Mr. Chairman, obviously if we are to take over responsibilities for those specific Boards, we would assume the liabilities or the assets in that kind of circumstances for their operations. Thank you.

Chairperson (interpretation): I guess this is a last question. Mr. Tootoo.

Mr. Tootoo: Thank you Mr. Chairman. I guess in light of all that, has your Department or have you considered introducing balanced budget legislation? Thank you Mr. Chairman.

Chairperson (interpretation): Mr. Ng

Hon. Kelvin Ng: Thank you Mr. Chairman. Mr. Chairman, as some Members know, the Northwest Territories and other jurisdiction have balanced budget legislation and that could restrict going into too much deficit. It is something we can look at, at some point. Thank you Mr. Chairman.

Chairperson (interpretation): Thank you Mr. Ng. Mr. Iqaqrialu.

Mr. Iqaqrialu (interpretation): Thank you Mr. Chairman. I forget about two years ago, when the GNWT started cutting budgets, they cut a lot of the budgets and there are a lot of the employees, who lost holiday pay and who lost other benefits as a result of budget cutting. Now the Nunavut Government as you are looking at the operations, we have to look at the holiday pay and benefits. What are your plans for re-implementing the benefits packages our employees use to have. Thank you Mr. Chairman.

Chairperson (interpretation): Mr. Minister you may answer this or if you prefer it just be deferred to the Human Resources Minister.

Hon. Kelvin Ng: I'll speak on his behalf I think. Mr. Chairman, there are no plans to reinstate any of the benefits that were eroded when the Government of the Northwest Territories underwent their deficit strategy in trying to curtail their spending. I think it's safe to say that we know that there's expectations amongst the two major unions. Once the collective bargaining process begins, will have to wait until the positions are formally tabled and the negotiations are hopefully, successfully, concluded. But it's really premature at this time and even if we did have an inkling of what we were proposing, I mean this wouldn't be the appropriate forum to bring that forward Mr. Chairman. Thank you.

Chairperson (interpretation): Thank you Mr. Ng. Mr. Iqaqrialu before you proceed, there are couple of different portfolios, so the Minister in front of us, is the Minister of

Finance & Administration, I would prefer it if you would keep your questions in line with the Minister's portfolio and that you direct your questions to Finance and Administration. Mr. Iqaqrialu.

Mr. Iqaqrialu (interpretation): Thank you Mr. Chairman, when ever it's financial it's directly connected to the Minister of Finance and Administration and I think we should also state or emphasize that the Government of Nunavut has to look into the benefits package and that you have to work with the employees because they lost a lot of the benefits when they were employees of the GNWT. In some ways it was beneficial where some of the benefits were cut because of other residents in Nunavut who did not have those benefits. Still past employees miss those benefits and they're expected to have them reinstated. I would ask a person be appointed or you work with employees unions, that there be a working committees struck to review this issue.

Chairperson (interpretation): Mr. Iqaqrialu please understand that each Department has a budget and although this is the Minister of Finance and Administration, all of the Departments have their own budgets and the Minister of Human Resources would be able to answer the question because it's more related to his portfolio, but if you wish, Mr. Minister you can speak to this, if you wish.

Mr. Ng: We're going to be waiting until Human Resources comes up. Thank you Mr. Chairman.

Chairperson (interpretation): Thank you. Mr. O'Brien.

Mr. O'Brien: Thank you Mr. Chairman. My question to the Minister relates to forced growth and I'd like to know what the Minister has factored into the budget regarding forced growth, what's the status on this issue?

Chairperson: Mr. Ng.

Hon. Kelvin Ng: Mr. Chairman, there was no direct forced growth put into the main estimates of the departments in development of the budget, but it is recognized that there will be obviously those factors to contend with during the course of the year. We have the reserve that will hopefully be able to assist in some ways and also as we get into the year in the spending of the departments we'll have a better idea what kind of flexibility if any there is within the spending government wide and plan to address it at that time. Thank you.

Chairperson: Mr. O'Brien

Mr. O'Brien: Thank you Mr. Chairman. Mr. Minister I believe you indicated that there's was approximately 10 million dollars in the reserve. Given that factor, if there's nothing in the budget right now for forced growth, looking at the way we're expanding here in Nunavut, and we've been looking at power subsidies and so on. Is it fair to say that it wouldn't take very long to chew up that 10 million dollars, we'd find ourselves in

that situation which Mr. Tootoo was referring to and find ourselves basically over spending.

Chairperson: Mr. Ng

Hon. Kelvin Ng: Thank you Mr. Chairman. Mr. Chairman, it certainly is an issue that we're aware of and you're right and the member's right that 10 million dollars, if you look at it over all, at about a 600 hundred million dollar budget it isn't a lot to reserve. As I had indicated we've figured during the course of the year, as more departments get through their programming that there are going to be some not fully funded positions as a result of a slow recruitment process, that there will be a bit of flexibility, but again we have to be careful that we're fiscally responsible and how we address that issue. Thank you.

Chairperson: Mr. O'Brien

Mr. O'Brien: Thank you Mr. Chairman. Just one final question in reference to this area. Talking about forced growth and the 10 million dollars that we have now in reserve, and some of the factors that will cause some concerns in the coming months. How has the Minister considered the decentralized modelled in reference to this budget. I know you've indicated that which certain positions may not be filled, so maybe some money is left over, and of course that's not my wish nor some of my colleagues here. We see the decentralized model as probably the corner stone, one of the corner stones of the Nunavut Government. So how has the Minister incorporated this into his overall budget. Thank you.

Chairperson: Mr. Ng

Hon. Kelvin Ng: Thank you Mr. Chairman. Mr. Chairman, within the departmental budgets now, I have the understanding that they are funded to the levels of the decentralized model. Thank you.

Mr. O'Brien: Mr. Chairman, we'll hold the Minister to that. Thank you.

Chairperson: Mr. Kattuk

Mr. Kattuk (interpretation): Mr. Speaker, I just needed more clarification on the taxation issue, I think I heard someone speaking before, but I need more clarification as to how you are going to collect taxes or are you providing us a breakdown of information on how you can collect taxes, like fuel taxes, personal taxes and those items. Thank you Mr. Chairman.

Chairperson: Mr. Ng

Hon. Kelvin Ng: Thank you Mr. Chairman. Mr. Chairman some instances, like for example income tax, the big one, income tax, we have a revenue collection agreement

with the federal government as deductions that are taken off by employers are remitted to the federal government, they collect our portion on our behalf and then they return it to us. That's just one of the examples as obviously for consumer taxes like alcohol, and tobacco, petroleum products, that tax comes when a consumer purchase a product and the taxation goes back to the government, that was just some of the examples Mr. Chairman. Thank you.

Chairperson (interpretation): Thank you Mr. Ng. Mr. Kattuk.

Mr. Kattuk (interpretation): Thank you Mr. Chairman. Mr. Chairman I am just asking if you are going to provide detailed information on how you are going to collect taxes. Thank you.

Hon. Kelvin Ng: Mr. Chairperson, yes we will provide the information if it is the detail that the Honourable member is asking for in respect to how it is collected. We will also provide the breakdown of the categories. Thank you.

Chairperson (interpretation): Any further comments? Mr. O'Brien.

Mr. O'Brien: Thank you Mr. Chairman. Minister, just a question in reference to one of the pension plans that was set up by the former government and how it relates to this government here. It is my understanding that the pension fund, after all of the pensions were paid out, there would be approximately 9 million dollars left over, that was going to go back into the general funds. Would the Nunavut Government see any portion of that 9 million dollars.

Chairperson (interpretation): Minister Ng or one of his officials.

Hon. Kelvin Ng: Mr. Chairman, it is my understanding that it is part of the division of assets, liability agreement on the table that was entered into and agreed upon for the division of assets and liabilities. So we will get our 44% portion. Thank you.

Chairperson (interpretation): Mr. O'Brien.

Mr. O'Brien: Thank you Mr. Chairman. Mr. Chairman, in reference to the division of assets and liabilities. Can the Minister tell the members exactly how the process is set up and who from the Nunavut side is involved in this process to ensure that we get a fair and equal division of the assets and liabilities?

Hon. Kelvin Ng: Mr. Chairperson, I'll ask Mr. Tootoo to speak to that one, as he was heavily involved in the aspects of that.

Mr. Tootoo: Thank you Mr. Chairman. The agreement itself has been signed for some time, it's in the implementation stage. I was personally involved with the negotiations around the agreement and up until the signing and slightly afterwards. Now for the implementation, there is an implementation committee set up to administer the

agreement. Rod Malcolm is here today as well, he's the Assistant Comptroller General, and he's Nunavut's lead representative on the implementation committee for the division of assets and liabilities. He and his staff are the ones who will be ensuring that the agreement is implemented in the spirit it was negotiated and that Nunavut gets its fair share. Thank you Mr. Chairman.

Chairperson: Mr. O'Brien.

Mr. O'Brien: Thank you Mr. Chairperson. It's my understanding that this government is to enter agreements, rather to contracts, of approximately 50% plus, services I guess from the GNWT. Can the Minister tell members how that is impacting on this government?

Chairperson: Mr. Ng.

Hon. Kelvin Ng: Thank you Mr. Chairperson. Mr. Chairperson, for those specific services that are contracted back, the departments have the allocations that pay for those services because the reason why they're contracting back those services is they don't have the staff in the department to do it. So, they have the staffing dollars that are going to be used for the contracting fees. Thank you Mr. Chairperson.

Chairperson: Mr. O'Brien.

Mr. O'Brien: Thank you Mr. Chairperson. The cost of contracting these services, is it fair to say that it's actually cheaper for us to contract these services, or is it costing us more as opposed to hiring their own people if these qualified people were available?

Chairperson: Mr. Minister.

Hon. Kelvin Ng: Thank you Mr. Chairperson. Mr. Chairperson, each department made their own contractual arrangements for services. But, generally speaking, I would think that they would be more of a cost because there would be some administrative fees on top of providing the services back to our government. Thank you.

Chairperson: Thank you. I believe those are just comments. Anything else further? Mr. Iqaqrialu.

Mr. Iqaqrialu (interpretation): Thank you Mr. Chairperson. In reference to the same question that was brought up in regards to contracting back to the territorial government. I believe that it's going to cost more, and I hope to see the Nunavut Legislative Assembly seek contractors within the Nunavut area instead of going outside of the Nunavut territory. I believe that we will have to work hard to find contractors because of course we will be spending more in the long run if we contract the territorial government.

Chairperson: Mr. Minister.

Hon. Kelvin Ng: Thank you Mr. Chairperson. Mr. Chairperson, a lot of these services are provided by a government that already have the infrastructure established, and it can't be provided by a general contractor because of the speciality and the expertise. But overall, I intend, for the contracting first of all because we must recognize that the government of Nunavut on April 1st wouldn't be capable of delivering 100% of all their services, there's always that build up period to get fully operational. But the intent is, for the next few years, would obviously be to as quickly as possible to get these capabilities within our own government of Nunavut personnel so that we're controlling the delivery of programs and services as much as possible. Thank you.

Chairperson (interpretation): Iqaqrialu, is that all? Mr. Iqaqrialu.

Mr. Iqaqrialu (interpretation): Yes. I apologize Mr. Chairperson. Thank you Mr. Chairperson. It's a very important subject and, I believe that if we contracted from the Nunavut government, from the Nunavut area, it was just recently that this part of Nunavut was established. We have to look at ways and means as to how we can increase our economic development around the Nunavut area.

Chairperson: Mr. Ng.

Hon. Kelvin Ng: Thank you Mr. Chairperson. Mr. Chairperson, I don't disagree with the member, just the matter of the timing in respect to trying to build the capabilities within our own civil service to carry out those functions. Thank you.

Chairperson: Mr. Nutarak.

Mr. Nutarak (interpretation): Thank you Mr. Chairperson. I wanted to return to a previous issue in regards to income tax. As we heard, income taxes that are being deducted from both the federal and territorial government, does that mean that we will also be deducting a Nunavut income tax from our salaries? Thank you Mr. Chairperson.

Chairperson: Mr. Minister.

Hon. Kelvin Ng: Yes, Mr. Chairperson, the Nunavut income tax is a percentage of the federal tax that's collected. So, we set the Nunavut personal income tax rate and it's remitted to us from the federal government as part of their overall collection of income taxes. Thank you.

Chairperson (interpretation): Any further comments, questions? Mr. Nutarak.

Mr. Nutarak (interpretation): Maybe to use an example of the provinces, the rest of the provinces pay provincial taxes. For example, in the province of Ontario, they pay 7% PST. And my question is, is there going to be another level of tax imposed on the Nunavut territory?

Chairperson: Mr. Ng.

Hon. Kelvin Ng: Right now, Mr. Chairperson, right now, no, there hasn't been any additional taxes put in place for the Nunavut territory. The Nunavut territory has no Provincial Sales Tax. The Nunavut territory has no sales tax. And, it's the same income tax rate for personal income tax that we've taken over, to date. Thank you.

Chairperson: Okay. Good. Mr. Nutarak, was that you? Maybe they can't hear me. Mr. Akasuk.

Mr. Akasuk (interpretation): Thank you Mr. Chairperson. In reference to Mr. Nutarak's question, what he was trying to ask the Minister was, is there going to be a Nunavut Services Tax sometime in the future? Is there going to be an established Nunavut Services Tax sometime in the future?

Chairperson: Mr. Ng.

Hon. Kelvin Ng: Mr. Chairperson, it's too early to say one way or another. I mean, as I indicated in response to Mr. O'Brien's question about payroll tax, I mean, the issue of adequate taxation or inadequate individuals' preferences on what they feel is adequate or inadequate is an issue that we'll have to work through. We'll see what the sense is to develop the next budget. Thank you.

Chairperson (interpretation): Very good now. Questions or comments if there's nothing further. Quite a lot of hands came up. Mr. Akasuk.

Mr. Akasuk (interpretation): Thank you. You mentioned 500 thousand hundred dollars for P3 initiative; can the Minister inform us what projects this will include? Thank you Mr. Chairperson.

Chairperson: Mr. Minister.

Hon. Kelvin Ng: Mr. Chairperson, this doesn't go into any specific project per se. It's for the development of the government of Nunavut's policies and procedures surrounding how we would implement and go through the public/private partnership arrangements. Thank you.

Chairperson: I still have two names on the list and, after these two have spoken, we'll take a break. Mr. Tootoo.

Mr. Tootoo: Thank you Mr. Chairperson. Just going back to that general question, you indicated earlier that the formula financing agreement allows for the decentralized model. In your budget address, you indicated that this formula financing grant is intended to allow the delivery of the same level of services in Nunavut as was previously offered by the GNWT. Do you feel confident that that same level, or are you comfortable with that same level of services will be provided to the residents of Nunavut based on the resources that we have to work with? Thank you Mr. Chairperson.

Chairperson: Mr. Ng.

Hon. Kelvin Ng: Mr. Chairperson that is bit of a subjective question. Yes, I would have to say that I would have to rely on the individuals that finished off the negotiations so that the funding that would be provided would be substantive enough to meet current programs that were being delivered within the government of the NWT, and the Nunavut settlement area. And, as I indicated earlier, obviously over the course of this year there'll be a better idea once we get into actually delivering and monitoring the expenditures to find out where there might be problems, difficulties, short falls, or areas that would cause us concern. Thank you.

Mr. Tootoo: Thank you Mr. Chairperson. Going back to another question, you mentioned that the over-expenditure from the OIC office would be a liability that's been carried forward that's going to be offset against assets that we're getting from the GNWT. I'm not an accountant, but explain how something that was incurred in one year is offset against something coming in from another area. I'm just wondering if you could clarify that for me because it's not totally clear. Thank you Mr. Chairperson.

Hon. Kelvin Ng: I guess, the way I would understand it, if I'm wrong the accountants sitting here could correct me. Basically, if we had, for example, 50 million dollars of assets for a transfer from the GNWT, as the net amount after the division of assets and liabilities is concluded, and if we had the 4 million dollars we used, as an example, for the Office of the Interim Commissioner as a negative. So, the 50 less the 4, we would have 46 million dollars opening balance in respect to assets on April 1st, 1999. That's basically my understanding of it. Thank you.

Chairperson: Your last question Mr. Tootoo.

Mr. Tootoo: Mr. Chairperson, when you talk about assets and liabilities, again, is there a time frame or of what we're looking at it for when this process will be concluded and, if there's any idea on an amount that may be there as well any problems that we may encounter? Thank you Mr. Chairperson.

Chairperson: Mr. Ng.

Hon. Kelvin Ng: Thank you Mr. Chairperson. Mr. Chairperson, it's my understanding that the audit of the OIC operations may be concluded by the end of June. Around that timetable. For the assets and liabilities with the GNWT is October of 1999, I believe, where that is supposed to be concluded. Thank you.

Chairperson: We'll get back to you later on. Mr. McLean.

Mr. McLean: Thank you Mr. Chairperson. My question to the Finance Minister is, the allocation of capital dollars is based on standards, criteria, health, safety, and other factors. The standards and criteria that we brought over from GNWT are old and

outdated. It's probably 10-15 years old. Is your department looking at setting standards and criteria, and health and safety factors that reflect the true needs of the people of Nunavut?

Chairperson: Mr. Ng.

Hon. Kelvin Ng: Mr. Chairperson, we haven't undertaken that exercise as yet. The plan would be to undertake that but the problem we have of course is the timing. No, I've given the priorities of trying to get things up and running as it stands now. We can only do so much with so many individuals, and we all recognize that we have a lot of hard working staff but they're not all fully staffed yet within the departments. So, there's a lot of issues that we have trying to get operational right now, that has been the priority of all of the departments. Thank you.

Chairperson: Mr. McLean.

Mr. McLean: Thank you Mr. Chairperson. This will be my final question to that answer. Are you going to need any time line there so the regulars members can have input and understand the standards and criteria practised and not like this time where it was thrown at us and we had to swallow it? Thank you.

Chairperson: Minister Ng.

Hon. Kelvin Ng: Thank you Mr. Chairperson. Normally, the Department of Public Works, our Public Works, Telecommunications and Technical Services have a big component of the development of standards and criteria in respect to facilities. I don't know what kind of timetable they would have. Probably, when the Minister comes, you can ask on that. But, certainly, in respect of overall goals and priorities, the five year capital planning projects that we're planning on undertaking this fall, those kind of issues would be relevant in those discussions. Thank you.

Chairperson: Perhaps we'll take 10 minutes short break. Thank you.

>>Committee Recesses

Chairperson: I apologize. We'll just continue on with the department. And I will just continue on with the names on the list that I have. Mr. Iqaqrialu.

Mr. Iqaqrialu (interpretation): There's a feedback somewhere. Thank you Mr. Chairperson. In regards to, this is a supplementary to Mr. Tootoo's comments, although Mr. Ng had responded by saying that there will be negotiations on the division of the liabilities and assets. But, when you state that the regular members have no authority or input according to the way you responded, will we have input or will we be involved or will we participate? Will we participate during the process of dividing the assets and liabilities? Thank you Mr. Chairperson.

Chairperson: Thank you. Minister Ng, you may respond now.

Hon. Kelvin Ng: Thank you Mr. Chairperson. Mr. Chairperson, there's no plans for MLA's or for Ministers for that matter to participate. This is strictly an officials function because the formula and all the agreements were agreed upon prior to March 31st. They're signed off by the government of the NWT, and the Office of the Interim Commissioner in respect to percentages and what counts and doesn't count. It's all laid out in the division of assets and liabilities agreement that was agreed upon by the legal entities that had the authority to enter into discussions and make the final agreement. So we're following through in implementing what ever that agreement was just to make sure that there's nothing that falls between the cracks. Thank you.

Chairperson: Member, Mr. Iqaqrialu.

Mr. Iqaqrialu (interpretation): Thank you Mr. Chairperson. Prior to the establishment of the Nunavut government, all these processes were prepared before the election of the Legislative Assembly. I feel that the Members of the Legislature should be involved. Once we have been elected, we should be involved in the process, and we should also be involved in the agreements that have been signed off. Since after being elected, can't we make changes as Members of the Legislative Assembly, as elected people? We also state that, in the programs, we would like to see programs according to the needs of Nunavut residents. If we are not going to be able to make changes to the agreements that have already been signed, still the Members of the Legislative Assembly won't be able to have any input, or, if they're not involved in the process, it's going to be senseless. We should be involved, and we should deal with this issue again. Even though the agreements have been signed off, with the territorial government and Nunavut government, I would like to be able to make changes and amendments to the agreements that were signed off. Because, during my campaign, that's what I spoke about. Thank you Mr. Chairperson.

Chairperson: Minister Ng, would you like to respond?

Hon. Kelvin Ng: Mr. Chairperson, I guess the way I would explain it is, it's not a political negotiation, it's not a political exercise. It's strictly an accounting of officials work is what it comes out to because there's an agreed upon criteria to divide the assets and liabilities. So, this point on, as we know it, we have the legal authority to make any changes for any current programs and services and that is what we intend to do after we have an assessment of what we're delivering, and where our priorities would be collectively as an Assembly. So that's the only way I can explain it for the Member. Thank you.

Chairperson: Mr. Iqaqrialu.

Mr. Iqaqrialu (interpretation): I'm finished.

Chairperson: Mr. Tootoo.

Mr. Tootoo: Mr. Chairperson, there's been some fairly detailed news coverage on the 20 million dollars that's going to be put in housing for Nunavut. Correct me Mr. Minister if I'm mistaken, I think it just recently covered in the National news and so on. Can the Minister tell us exactly how that money is going to be distributed, what type of housing? Thank you.

Chairperson: Minister Ng.

Hon. Kelvin Ng: Mr. Chairperson, when the Minister of Community Government, Housing and Transportation comes before the committee, we'll have the details of the breakdowns and the programs that are being proposed for those funded under his department. I don't have that detail before me. In respect to the budget, I present the broader government programs, highlight some of those programs to the Assembly and deliver the budget speech, and the details. That's why we have the Cabinet, and the Ministers that are responsible for their portfolios to provide more of the details of what their programming is Mr. Chairperson. Thank you.

Chairperson: Mr. O'Brien.

Mr. O'Brien: Thank you Mr. Chairperson. I understand what you're saying Mr. Minister, and that's fine if we're talking about one hundred thousand dollars. We're talking about 20 million dollars. Let's say we have \$20,000,000.00 dollars for housing, is it for social housing? Is it home ownership? You must have some preliminary concepts you are going to pass out to the Members here. Thank you.

Chairperson: Minister Ng.

Hon. Kelvin Ng: Mr. Chairperson, we are dealing with the Finance and Administration department budget today, and broader government responsibilities and initiatives that will fall under the department of Finance and Administration. Again, I don't have the details for the Community Government, Housing and Transportation budget here. And, it's more appropriate for that Minister to be responding to the programs within his jurisdiction, not me as a Finance Minister. Thank you.

Mr. O'Brien: Thank you Mr. Chairperson. I'll accept then, Mr. Chairperson, if the Minister doesn't know what exactly the 20 million dollars is for. But, I think, we've gone through a lot of detail this afternoon on various issues, and I just thought that it was a more than fair question to find out if it was social housing or home ownership. I think it is pretty large sum of money that we're talking about. I thought that information would be readily available. No more questions thank you.

Chairperson: Minister Ng.

Hon. Kelvin Ng: Mr. Chairperson, I had indicated, I'm not the Minister of CGHT. I know that the 20 million dollars is for delivering up social housing programs. Home ownership is a whole blend of a housing component. It's pretty broad when you talk

about housing, and the Minister has that detail. I don't have that detail here. If I had it, I'd provide it to the Member. Thank you.

Chairperson: Your last question Mr. O'Brien.

Mr. O'Brien: Thank you Mr. Chairperson. I've indicated that I accepted that the Minister did not know what the money was for, and that's fine. Thank you.

Chairperson: Mr. Irqittuq.

Mr. Irqittuq (interpretation): Thank you Mr. Chairperson. Although you responded to this question I would like to comment on it further that we will go into a deficit a little bit over 5 million dollars. Would the Minister be able to look for new dollars from the Federal Government to be utilized for this deficit because it seems that this deficit is not the responsibility of the Nunavut Government. This doesn't look too good for the new Nunavut Government, would the Minister be able to look for new funding or new dollars to be utilized for the deficit. Thank you.

Chairperson (interpretation): Mr. Ng.

Hon. Kelvin Ng: Yes, Mr. Chairperson the intent is that we would pursue with our federal counterparts at every opportunity some of what we felt were their obligations instead of ours. Thank you.

Chairperson (interpretation): Do you want to make a supplementary comment. Mr. Irqittuq.

Mr. Irqittuq (interpretation): Mr. Chairperson, my name is Irqittuq, not Erkidjuk. I know that you are working on this and although I had commented on this to the Premier, I know that the federal government do have lots of money for all Canadians, and we are from Nunavut and require a lot of funding. You and the Premier, I would be able to give you some advice so you would be able to take it along to the Federal Government. I know that the federal government can give you additional dollars if you say that there are extra costs because as Canadians we are already utilizing them for the NATO war and the federal government had given 10 million dollars for the NATO war.

We have been helping those Albanians while there are many people sleeping on the street in Canada and in Nunavut we are in a deficit. So I can support you out if you need more tools or bullets if you want to go down to Ottawa.

Chairperson (interpretation): Mr. Ng.

Hon. Kelvin Ng: Mr. Chairperson I appreciate the members' comments. Thank you.

Chairperson (interpretation): Mr. Tootoo.

Mr. Tootoo: Thank you Mr. Chairperson. Earlier I asked about how your department would ensure the other departments wouldn't go over budget and you indicated that you are just going to monitor them. Are there any more detailed plans as far as what the exact processes will be in place, other than that we are just going to keep an eye on them? Thank you Mr. Chairperson.

Chairperson (interpretation): Member for Iqaluktuksiaq Mr. Ng.

Hon. Kelvin Ng: Mr. Chairperson, as I think I also indicated, because a lot of departments didn't have their financial management services in place yet, that the department and Finance & Administration was providing those services for them. So we are processing all of the payments, and we are doing all of the details on the financial side for all of the departments, so we're right there first hand in respect to the expenditures of the departments. All Ministers also sit on the Financial Management Board where all expenditures of the government are co-ordinated. Thank you.

Mr. Tootoo: Thank you Mr. Chairperson. Somehow I knew you were going to say that. I guess, getting back again, the same services and things are required for the departments to maintain a level of service, in the event it turns out that there isn't enough resources available in a departments budget as a result of something that was overlooked. Is there a process in place if some one comes back partway through for additional resources for the department? What's the process involved there and will those resources have to be cut somewhere else to make up for that? Thank you Mr. Chairperson.

Chairperson: Mr. Ng.

Hon. Kelvin Ng: Mr. Chairperson, as I also indicated earlier, depending on the state of the expenditures and programs, the government, on an ongoing basis through the Financial Management Board would be reviewing those expenditures and if there are extraordinary expenses in a department there is the authority for supplementary appropriations to move dollars between departments in addressing those needs and reallocate it within the programs within the department to meet those needs.

Chairperson (interpretation): Mr. Tootoo that is your last question.

Mr. Tootoo: Is there a set criteria or something that is used in that, or is that something that is brought up on an as discovered, or as needed basis. Thank you Mr. Chairperson.

Chairperson (interpretation): Mr. Ng do you want to respond to that?

Hon. Kelvin Ng: Thank you Mr. Chairperson. Mr. Chairperson there are pretty stringent Financial Management Board guidelines that outline the expenditures that departments have and in what circumstances they can come for supplementary appropriations. So those guidelines are there and ultimately, its' the Financial Management Board that approves or disapproves, after justification, based on those guidelines that are put forward. Thank you.

Chairperson (interpretation): I have no further names on the list of members of the Legislative Assembly. Are there any further comments from the floor? Mr. Tootoo.

Mr. Tootoo: Mr. Chairperson. Another question, personally I would like to thank the other members for sticking around to hear this, a prelude I guess to what you are going to be in for, for the rest of the week. My last question is in regards to lease costs that are being incurred by the Nunavut Government. I understand, for example, that the Legislative Assembly building is now being, those lease costs are being incurred by the government of Nunavut. I also understand that the reasons why the facility is not ready is because of some changes that happened after, but I am just wondering why we are paying these lease costs as a result of some changes in the plans that we had no control over. I am just wondering if the Minister has an answer to that? Thank you Mr. Chairperson.

Chairperson (interpretation): Mr. Ng if you wish to respond?

Hon. Kelvin Ng: Thank you Mr. Chairperson. Mr. Chairperson, that question is more appropriate to be answered by the Minister of Public Works, Telecommunications & Technical Services, who has responsibility for buildings, standards and criteria. Thank you.

Chairperson (interpretation): Ms. Thompson, if you could respond to the question? I am sorry, Mr. Tootoo, is that all? Comments, questions, members comments? Now with respect to the budget assumptions and main estimates we are going to go to page 34, 3-4, under Directorate. So if you could open page 34 in your Government of Nunavut Main Estimates binder. In 3-4, the Directorate, are there any questions or comments in respect to the Directorate? Mr. Iqaqrialu.

Mr. Iqaqrialu (interpretation): Thank you Mr. Chairperson. I stated earlier at the top, in 6 - 08, in respect to the Inuktitut translation, I understand that this is 608. I would like the members to have better understanding, because as an Inuk I understand this to mean 608 dollars and it is kind of misleading. As an Inuk I would prefer that the figures that you have, maybe if perhaps you included the zero's for translation purposes, this would be more convenient and understandable for those of us who are unilingual in dealing with government financial figures. Thank you Mr. Chairperson.

Chairperson (interpretation): We will reach that shortly, but we are dealing with the Directorate. If there are any other comments in respect to the Directorate, we are still in 3-4, item on the Directorate and the total expenditure for operations and maintenance is 825 thousand dollars. Minister Ng.

Hon. Kelvin Ng: Mr. Chairperson, just to let you know that the way it is laid out is in thousands of dollars, but if the members wanted to have the full figure for the next budget estimates, we can certainly make that available. Historically it has been done in thousands of dollars, thank you.

Chairperson (interpretation): I would now pose the question as to whether the 825 thousand is approved. Agreed. Capital Items. There is no total capital for the Directorate. There is nothing in respect to the capital items, the total expenditures for the Directorate budget stands at 825 thousands dollars.

A Member: Agreed.

Chairperson (interpretation): Agreed. Open the next page to 3-5, fiscal policy and expenditure management. The operations and maintenance, in total is 3 million, 30 thousand dollars. In respect to the capital, there is nothing in the total capital budget items and therefore the total expenditures for fiscal policy and expenditure management is 3 million and 30 thousand dollars. Mr. Tootoo.

Mr. Tootoo: Thank you Mr. Chairperson. I am just wondering if the Minister in going through each of these could just provide us with the total number of PY's in each division and a total number for the department. If that would be possible? Thank you Mr. Chairperson.

Chairperson (interpretation): Mr. Ng.

Hon. Kelvin Ng: Mr. Chairperson, in this particular branch, 8.1.

Chairperson (interpretation): Does that answer your question Mr. Tootoo?

Mr. Tootoo: Just asking if he could do that for each division so we can get a total for the whole department? Thank you Mr. Chairperson.

Hon. Kelvin Ng: Oh, you want it for the whole department?

Chairperson (interpretation): We are still on page 3-6, financial services. The operations and maintenance in total is 1 million 213 thousand dollars. Agreed. Capital items, there are no capital items for financial services, so therefore the total expenditures are 1 million 213 thousand dollars. Mr. Tootoo.

Mr. Tootoo: Thank you Mr. Chairperson. Again, I would just like to know the total number of PY's that are involved. Thank you Mr. Chairperson.

Chairperson (interpretation): Mr. Ng.

Hon. Kelvin Ng: 11.2 in financial services.

Chairperson (interpretation): Mr. Tootoo.

Mr. Tootoo: Thank you Mr. Chairperson. In financial services this is a division that looks after all of the other departments. As the Minister indicated earlier they are going to be providing all of the financial services for all of the other departments. I am just

wondering if that includes taking that into consideration, or did that take into consideration each department having their own finance division? Thank you Mr. Chairperson.

Chairperson (interpretation): Mr. Ng.

Hon. Kelvin Ng: I will ask Mr. Vardy to respond to this one.

Mr. Vardy: Okay, the Financial Services division will provide support to the Financial Services staff in all departments, but there will be capacity built up in each department. It is more a support and co-ordinating role in the first probably four years in the new government. After, once you get the capacity established in the departments, that group will get smaller in finance and we will have controls through the Comptrollership role, like the government accounting as well as the budgeting. Its' a transitional type service we are providing, not only to departments, but also to boards and agencies, to make sure there are proper financial systems in place in the government.

Chairperson (interpretation): Mr. Tootoo.

Mr. Tootoo: Thank you Mr. Chairperson. I would imagine that this number over time would go down as those responsibilities are devolved to the departments? Thank you Mr. Chairperson.

Chairperson (interpretation): Mr. Ng.

Hon. Kelvin Ng: Yes.

Chairperson (interpretation): We are still on page 3-6, the total expenditures is 1 million, 213 thousand dollars. In respect to Informatics, in 3-7 the total operations and maintenance altogether is 4 million, 506 thousand dollars. Mr. O'Brien.

Mr. O'Brien: Thank you Mr. Chairperson. Mr. Chairman, I wonder if the Minister could just speak briefly as to what their actual plan is for this Informatics technology program, I guess. How do they ensure that all of the communities have access to this and it is as user friendly as possible? Thank you.

Hon. Kelvin Ng: I'll ask Mr. Vardy once again on this one Mr. Chairperson. Thank you.

Mr. Vardy: The Informatics program of the Government of Nunavut, could be a very massive expenditure. It is one of the main reasons why the OIC went over their budget is because of underestimates of the cost of setting up the technology in a decentralized manner throughout the territory. What we have in finance is the systems development side and in Public Works, they are responsible for the operations and the technical side of the system. In the systems development side we have a budget of around 4 million dollars for next year. If you develop the type of IT system that everyone would like, that is, if you tallied up the requests from all of the departments, we could easily spend 10

times that in Nunavut next year. With regard to the actual set up of the network in each location, it is probably a better question to direct to the Department of Public Works. What we have there now, the big systems are the payroll system, Human Resource Management System, the Peoplesoft.

Also we are looking at another big program which deals with social welfare, but we recruited the Chief Informatics Officer who came on May 3rd and one of the things we are trying to do is set up a steering committee to oversee the whole IT area in government. Its' one that is critically important but is an area that if its' not tightly managed, you could easily chew up a big portion of the budget of the territory. I think there is a desire on everyone's' part to have the most advanced system in place, but in a territory of this size we can operate without having such systems in place right away in all departments.

I think it is a goal that all governments have of having those systems. In the north as well, we have to look at the trade off between IT and other communication modes, including air travel. It's a high priority area to get a handle on.

Chairperson (interpretation): Mr. O'Brien.

Mr. O'Brien: Thank you Mr. Chairperson. I am sure that it is a major task and fairly expensive. Just my last question and without getting into detail, when this does occur, when we have a finished product, is it the intention to have it in French, English, Inuktitut?

Mr. Vardy: Mr. Chairperson. Definitely in English and Inuktitut. I don't know the extent that we will have the programming done in French.

Chairperson (interpretation): I wanted to speak shortly and remind you to please recognize the Chairperson before you speak and please wait patiently while the Chairperson recognizes you. We have to stick to procedure. Mr. Tootoo.

Mr. Tootoo: Just on the PY's. Thank you Mr. Chairperson.

Chairperson (interpretation): Mr. Iqaqrialu.

Mr. Iqaqrialu (interpretation): Thank you Mr. Chairperson. In respect to the computers and the Informatics, if I didn't just hear about computers, I have heard about the Y2K bug and that there will be problems with all of the computers. Is this going to create a big problem for the government, the Y2K bug? Thank you Mr. Chairperson.

Chairperson (interpretation): I believe you are speaking to computers, but could you speak to the Y2K and what effect it may have on the government. Mr. Ng.

Hon. Kelvin Ng: Mr. Chairperson, first of all in answer to Mr. Tootoo's question, it is 4.5 PY's and we think that all of the systems we have in place are Y2K compliant at this time. Thank you.

Chairperson (interpretation): Are you going to respond to Mr. Iqaqrialus' question?

Hon. Kelvin Ng: I was trying to say in response to his question that we think all of the systems we have are Y2K compliant so there won't be any problems. A lot of the stuff was developed recently after identification of the potential Y2K problem. Thank you.

Chairperson (interpretation): Thank you. Let's proceed, the total expenditures is 4 million, 506 thousand dollars. Agreed. There's nothing in capital items, so therefore the total expenditures for Informatics is 4 million, 506 thousand dollars. Agreed.

Some Members: Agreed.

Chairperson (interpretation): Okay. Let's proceed to the next page, 3-8, Comptrollership. The operations and maintenance budget is 17 million, 974 thousand dollars. There are no capital expenditures therefore the total expenditures for Comptrollership are 17 million, 974 thousand dollars. Agreed. The next page 3-9, details of Grants & Contributions. I wish to ask a question to the members. Mr. Iqaqrialu.

Mr. Iqaqrialu (interpretation): In respect to this issue, I don't quite understand the meaning of this in relation to the itemized budget. Perhaps if you could clarify the items in details of Grants & Contributions.

Hon. Kelvin Ng: Go ahead Mr. Vardy.

Chairperson (interpretation): Mr. Vardy, you may proceed.

Mr. Vardy: Mr. Chairperson, the Grants & Contributions occur in different divisions throughout our department. In government accounting we have insurance premiums of 1.5 million dollars. Sorry, in response to that particular question, 3.8 million is for power subsidies. It is just a continuation of the existing subsidies that the Government of the NWT had in place.

Chairperson (interpretation): Mr. Iqaqrialu, supplementary.

Mr. Iqaqrialu (interpretation): Thank you Mr. Chairperson. In respect to the 3.8 million dollars and how much expenditure, we may be looking forward to the power plant which is supposed to be built in Clyde River. Perhaps there will be different rates for the different regions in Nunavut for power. In light of this if that is the way it is, I would have a concern because the money we have for power subsidies is rather small, and perhaps if this could be clarified I would like to hear more as to whether this meets the whole year power subsidy.

Chairperson (interpretation): Mr. Ng.

Hon. Kelvin Ng: Thank you Mr. Chairperson. This is again, based on maintaining stability in programs. It is based on the Yellowknife market rate for power consumption and I believe it is subsidized for private homeowners up to 700 kilowatt hours per month based on that Yellowknife rate. It is an ongoing program and it is what was spent on the Nunavut side last year and it is a continuation of that subsidy. Thank you Mr. Chairperson.

Chairperson (interpretation): Mr. Iqaqrialu.

Mr. Iqaqrialu (interpretation): Thank you Mr. Chairperson. Is this geared only towards homeowners? Is not everyone eligible for this subsidy. Thank you Mr. Chairperson.

Chairperson (interpretation): Thank you Mr. Iqaqrialu. Mr. Ng.

Hon. Kelvin Ng: It is my understanding that all home operators have accessibility to the subsidy program, so you can be renting a unit and still get a subsidy on your power consumption on that unit. Thank you.

Chairperson (interpretation): Did that answer your question, Mr. Iqaqrialu? Mr. Iqaqrialu supplementary.

Mr. Iqaqrialu (interpretation): Thank you Mr. Chairperson. While we are on this issue in relation to the budget items, perhaps when Mr. Picco is here I can pose further questions, so I will just let this go. Thank you Mr. Chairperson.

Chairperson (interpretation): Report on the budget for detailed Grants & Contributions. I would like everyone to know that they will not proceed because at this time they are for information purposes only. We are at 3-9 the details for Grants & Contributions. This is just an information item to help us understand why they have budgeted what they have. At this point in time I would like to ask if these are agreed to. Are you agreed? Agreed. On the next page 2 - 10, Distribution of Budget. Again for your information. Mr. Tootoo.

Mr. Tootoo: Mr. Chairperson, we are on 3-10. Okay. On that, I would like to ask the Minister if he would explain this, taking a look at the total operations & maintenance for the three regions. The Baffin has 734 thousand, Keewatin is 1 million, 103 thousand, and the Kitikmeot is 977 thousand. Given that the Baffin is twice as large as the other two regions, I would just like to inquire as to why the difference in the dollar amounts. If he could explain that? Thank you Mr. Chairperson

Chairperson (interpretation): Thank you Mr. Tootoo. Mr. Ng.

Hon. Kelvin Ng: Thank you Mr. Chairperson. Mr. Chairperson it is mainly because the Baffin region is being serviced from the headquarters division right now. Thank you.

Chairperson (interpretation): Mr. Iqaqrialu.

Mr. Iqaqrialu (interpretation): We have about twice the population in the Baffin area, and Baffin has 1/2 the budget. Why is that.

Chairperson (interpretation): We can discuss that at a later time. Mr. Arvaluk did you have a comment?

Hon. James Arvaluk (interpretation): Mr. Chairperson it is the same question that was asked by the previous member.

Chairperson (interpretation): Thank you Mr. Arvaluk. Distribution of Budget. Okay, then we will refer back to 3-3. Details of Expenditures. Total operations & maintenance 27 million, 548 thousand. Total capital and total expenditures, zero balance for total capital, and total expenditures 27 million, 548 thousand. I would like to ask if you approve the Finance & Administration. Agreed. Thank you Minister of Finance and also your officials. Thank you.

>>Applause

Chairperson (interpretation): At this time I would like to ask what the committees' wish is. Mr. Iqaqrialu.

Mr. Iqaqrialu (interpretation): Mr. Chairperson, I would like to report progress.

Chairperson (interpretation): If you would like to report progress we have to do it by motion. Mr. Nutarak.

Mr. Nutarak (interpretation): I move that we report progress at 5.55.

Chairperson (interpretation): There is a motion on the floor, moved by Mr. Nutarak. Agreed?

Some Members: Agreed.

Speaker (interpretation): Please be seated. Mr. Puqiqnak.

Item 21: Report of the Committee of the Whole

Mr. Puqiqnak (interpretation): Thank you Mr. Speaker. Mr. Speaker your committee has been considering Bill 1, and Committee Reports 1 and 2 and would like to report progress. Mr. Speaker I move that the report of the Committee of the Whole be concurred with. Thank you Mr. Speaker.

Speaker (interpretation): Thank you Mr. Puqiqnak. (interpretation ends) Is there a seconder for the motion? Seconded by Mr. Ng. Motion is in order. All those in favour? All those opposed? Motion is carried. Item 22, Third Reading of Bills. Item 23, Orders of the Day, Mr. Clerk.

Item 23: Orders of the Day

Mr. Quirke: Thank you Mr. Speaker. Tuesday, full caucus meeting at 9.00 am here in the Parish Hall, followed by a meeting of regular caucus. Orders for the Day, Tuesday May 18, 1999:

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. Return to Written Questions
9. Replies to Opening Address
10. Replies to Budget Address
11. Petitions
12. Reports of Standing and Special Committees
13. Reports of Committees on the Review of Bills
14. Tabling of Documents
15. Notices of Motions
16. Notice of Motions For First Reading of Bills
17. Motions
18. First Reading of Bills

19. Second Reading of Bills

20. Consideration in Committee of the Whole on Bills and Other matters,

- Bill One, Appropriation Act 1990/2000.

- Standing Committee Report 1 - 1 (2)

- Standing Committee Report 2 - 1 (2)

21. Report of the Committee of the Whole

22. Third Reading of Bills

23. Orders of the Day

Speaker (interpretation): Thank you Mr. Clerk. We will report progress and we will resume at 1.30 pm, May 18th.

>>Assembly adjourned 5.57 pm.

