



Nunatsiavut kavamanga
Nunatsiavut Government

SECOND ASSEMBLY
OF
NUNATSIAVUT

2nd ASSEMBLY

2nd SESSION

1st, 2nd and 3rd SITTINGS

**KAVAMALIGIJET
KAJITITSIUTINGA**

**PARLIAMENTARY
REPORT**

March 15th – 17th, 2011

President: Honorable Jim Lyall

Speaker: Honorable Patricia Ford

In Attendance:

Speaker of the Nunatsiavut Assembly, Ordinary Member for the Canadian Constituency,
Honorable **Patricia Ford**

President of Nunatsiavut, Honorable **Jim Lyall**

First Minister of Nunatsiavut Affairs, Minister of Lands and Natural Resources, Ordinary
Member for Rigolet, Honorable **Darryl Shiwak**

Minister of Tourism, Culture and Recreation, Ordinary Member for Nain, Honorable
Johannes Lampe

Minister of Education, Training and Economic Development, Ordinary Member for
Hopedale, Honorable **Susan Nochasak**

Minister of Finance, Human Resources, and Information Technology and Acting Minister of
Health and Social Development, Ordinary Member for the Canadian Constituency,
Honorable **Daniel Pottle**

Ordinary Member for Nain, **William Barbour**

Ordinary Member for Upper Lake Melville, **Patricia Kemuksigak**

Ordinary Member for Makkovik, **Denise Lane**

Ordinary Member for Upper Lake Melville, **Keith Russell**

Ordinary Member for Postville, Deputy Speaker **Glen Sheppard**

Chair Person for the NunaKatiget Community Corporation, **Jennifer Hefler-Elson**

Chair Person for the Sivunivut Community Corporation, **Edward Tuttauik**

AngajukKâk for Nain, **Anthony Andersen**

AngajukKâk for Postville, **Diane Gear**

AngajukKâk for Makkovik, **Herb Jacque**

AngajukKâk for Hopedale, **Wayne Piercy**

AngajukKâk for Rigolet, **Charlotte Wolfrey (excused with permission for the March
16th-17th, 2011)**

Deputy Minister of Nunatsiavut Affairs, **Toby Andersen**

Deputy Minister of Finance and Human Resources, Information Technology, **Rexanne
Crawford**

Deputy Minister of the Nunatsiavut Secretariat, Secretary to the Executive Council, **Kate
Mitchell**

Acting Director of Communications, **Bert Pomeroy**

Director of Legal Services, **Loretta Michelin**

Clerk of the Assembly, **Mary Sillett**

*The Nunatsiavut Assembly proceedings
were recorded in Inuktitut and English.*

March 15-17, 2011

Assembly commenced at 9:00 a.m. on March 15, 2011

MADAM SPEAKER: I'd like to officially call to order the spring session of the second Nunatsiavut Assembly, the first sitting, this 15th day of March 2011, to order. I will ask Sister Marjorie Flowers to say the opening prayer.

MS FLOWERS: Tutsialauta, Let us pray. Heavenly Father, we thank you for this day and for all that we have. We ask you now as with this session opens for spring session, that you will just be with each one here. Be with the members and all the work that they have to do. We ask that you will bless them, give them wisdom, courage and just clear minds to speak their minds and for everyone to just listen and have a clear heart. We ask that you will bless these Nunatsiavut communities. May your spirit rest on each one. We ask for your presence in those who can't be here and for those who have lost loved ones, we ask that you'll be with them, uplift them in their grief, and just bring peace and harmony to this Assembly. This we ask, in your name. Amen.

ASSEMBLY: Amen.

MADAM SPEAKER: Thank you, Sister Marjorie. The next Order of the Day, number 3. As for the Labrador Inuit Constitution, section 5.5.1, the President of the Nunatsiavut, on the advice of the First Minister, shall appoint the Nunatsiavut Treasurer and other members of the Nunatsiavut Executive Council, referred to as Ministers, from among the ordinary members of the Nunatsiavut Assembly. Therefore, I call upon on the President of Nunatsiavut, the Honourable Jim Lyall, to address the Assembly.

MR. LYALL: Thank you, Madame Speaker. I wish to let everyone know here, this morning, that I was appointing Glen Sheppard, Minister of Lands and Natural Resources, and Patricia Kemuksigak, Minister of Health. I will now give them the oath. Thank you. Madame Speaker, on the advice of the First Minister and consenting with the First Minister, I wish to appoint Patricia and Glen. Do I have the approval of the assembly? Thank you. Could I please-, Patricia, could you please

come up, please, take your oath. I, Patricia Kemuksigak...

MS KEMUKSIGAK: I, Patricia Kemuksigak...

MR. LYALL: ...swear solemnly...

MS KEMUKSIGAK: ...swear solemnly...

MR. LYALL: ...that I will be faithful to Nunatsiavut...

MS KEMUKSIGAK: ... that I will be faithful to Nunatsiavut...

MR. LYALL: ...and the Inuit of Labrador...

MS KEMUKSIGAK: ...and the Inuit of Labrador...

MR. LYALL: ...and the Nunatsiavut Assembly.

MS KEMUKSIGAK: ...and the Nunatsiavut Assembly.

MR. LYALL: I will obey, respect and uphold...

MS KEMUKSIGAK: I will obey, respect and uphold...

MR. LYALL: ...the Labrador Inuit Constitution...

MS KEMUKSIGAK: ...the Labrador Inuit Constitution...

MR. LYALL: ...all Inuit laws...

MS KEMUKSIGAK: ...all Inuit laws...

MR. LYALL: ...and the Standing Orders of the Nunatsiavut Assembly.

MS KEMUKSIGAK: ...and the Standing Orders of the Nunatsiavut Assembly.

MR. LYALL: I will hold my office as Minister with honour and dignity.

MS KEMUKSIGAK: I will hold my office as Minister with honour and dignity.

MR. LYALL: I will be a true and faithful counsellor to the President.

MS KEMUKSIGAK: I will be a true and faithful counsellor to the President.

MR. LYALL: I will not divulge, directly or indirectly, any secret matter entrusted to me.

MS KEMUKSIGAK: I will not divulge, directly or indirectly, any secret matter entrusted to me.

MR. LYALL: I will fulfill my responsibilities as a leader...

MS KEMUKSIGAK: I will fulfill my responsibilities as a leader...

MR. LYALL: ...in accordance with all applicable standards and codes of conduct...

MS KEMUKSIGAK: ...in accordance with all applicable standards and codes of conduct...

MR. LYALL: ...and I will perform the functions of my office conscientiously and to the best of my ability.

MS KEMUKSIGAK: ...and I will perform the functions of my office conscientiously and to the best of my ability.

MR. LYALL: So help me God.

MS KEMUKSIGAK: So help me God. Thank you.

MR. LYALL: Congratulations. Now you have to sign this. Thank you. Glen Sheppard. I, Glen Sheppard...

MR. SHEPPARD: I, Glen Sheppard...

MR. LYALL: ...swear that I will be faithful to Nunatsiavut...

MR. SHEPPARD: ...swear that I will be faithful to Nunatsiavut...

MR. LYALL: ...and the Inuit of Labrador...

MR. SHEPPARD: ...and the Inuit of Labrador...

MR. LYALL: ...and the Nunatsiavut Assembly.

MR. SHEPPARD: ...and the Nunatsiavut Assembly.

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MR. LYALL: ...all Inuit laws and the Standing Orders of the Nunatsiavut Assembly.

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MR. LYALL: ...and codes of conduct...

MR. SHEPPARD: ...and codes of conduct...

MR. LYALL: ...and I will perform the functions of my office conscientiously and to the best of my ability.

MR. SHEPPARD: ...and I will perform the functions of my office conscientiously and to the best of my ability.

MR. LYALL: So help me God.

MR. SHEPPARD: So help me God

MADAM SPEAKER: We'll go down to the orders of the day. Number five, Announcements and Recognitions from the Chair. I'd like to say congratulations to Glen Sheppard and Patricia Kemuksigak. Thank you both for serving on the

Member Services Committee and thank you, Glen, for serving as Deputy Speaker. I would now like to ask Ordinary Member for Makkovik, Denise Lane, if she would confirm her interest in being appointed as the Deputy Speaker.

MS LANE: Yes, I will thank you.

MADAM SPEAKER: Sorry. Robert Ford is the IT person helping out for this Assembly. As well, we recognize the OK staff, Mitchell White and Patrick Goudie. I'd like to recognize the public in the gallery and thank them for their interest. And for your information, I have received two reports from the Chief Returning Officer, Nunatsiavut Electoral Officer. This is report of the Ordinary Members by election of October 16 and the report for the Ordinary Members election on May the 4th. These are in the Clerk's office, anyone who would like a copy and they are also translated. If there are any questions regarding your travel and logistics, please see Hilda Hunter. That's it for announcements and recognitions from the Chair at the moment. Section 78 of the Nunatsiavut Assembly Act states *there shall be a Standing Committee of the Assembly named the Member Services Committee which shall, unless the standing orders and procedures state otherwise, comprise all those Ordinary Members of the Assembly who are not members of the Executive Council and which shall be chaired by the Speaker. For the information of the Assembly, the members of the MSC are William Barbour, Ordinary Member for Nain, Denise Lane, Ordinary Member for Makkovik, Keith Russell, Ordinary Member for Upper Lake Melville and, as the Speaker, I am the Chair.* I would now call upon the President, the Honourable Jim Lyall, to introduce the auditors.

MR. LYALL: Thank you, Madame Speaker. Deloitte and Touche, part of Deloitte Tohmatsu, one of the worlds' leading professional service firms. In Canada, Newfoundland and Labrador, Deloitte is the largest professional services firm providing a full range of audit, tax, consulting, financial advisory and advise risk services. Over 7700 highly qualified people, including 550 partners and over 5400 professional staff, serve clients from 58 Canadian offices. Their professionals have been developing effective business solutions and innovative performance improvement strategies for Canadian international companies for more than 150

years. They combine national coverage with international capabilities and multi-functional team approach with in-depth industry expertise and personal commitment to service with technical excellence. Most of all, they bring a superior calibre of professionals, highly talented and highly motivated, who are able to deliver business results that give their clients a competitive edge. Their Aboriginal Client Services Group provides a solid advice to assist First Nations and Inuit organizations in meeting their objectives and building financially successful communities. Their Aboriginal talent practitioners are highly qualified in their functional areas of expertise, be it tax, audit accounting, real estate, advisory, financial consulting including business valuations, business planning or restructuring, treaty or IBA negotiation support services, trust administration and others, computer systems or litigation support. These practitioners with their combined skill sets are able to provide their Aboriginal clients expertise they need to deal with a wide variety of increasingly complex issues. They have invested extensive time and resources to gain their genuine understanding of Aboriginal culture, issues and business practices and concerns. Cross-cultural technical training is provided to their staff to better understand issues relevant, relevant to their Aboriginal clients. They have Aboriginal Client Service practitioners located in other offices throughout Atlantic Canada, British Columbia and across Canada to ensure they are accessible to their clients. Our auditors are engaged by the Nunatsiavut Government to audit our financial statements. Deloitte is not an employee of the Nunatsiavut Government and reports directly to the Nunatsiavut Assembly. They are bound by the rules for professional conduct as set by the Institute of Chartered Accountants of Newfoundland and Labrador. We wanted to give the Assembly an overview of the audit process. The generally accepted auditing standards for an audit can be found in the Canadian Institute for Chartered Accountant Handbook. These standards provide the basis for which every audit in Canada is completed including those completed by Deloitte. When Deloitte completes our audit, their audit file undergoes three levels of review. Senior, Senior Manager, Partner in Equality of Assurance Review. Each review ensures that the audit is completed in accordance with the generally accepted audit standards. The result of the audit is our Consolidated Financial Statement. We'll-, we welcome here today Deloitte and to review the audited Consolidated Financial Statements. I will now ask if we can go into a Committee as a whole so that Paul

Janes and Keith Maher can make their presentation. Thank you very much.

MADAM SPEAKER: Assembly in agreement of going into a Committee as a whole?

ASSEMBLY: Aye.

MR. MAHER: Thank you for inviting us here today to present your audit. My name is Keith Maher. I'm the partner for Nunatsiavut audit and I've been involved in the audit for a number of years now. And with me today is Paul Janes. Paul is a senior manager on the Nunatsiavut audit, and Paul has been involved for even longer than I have. We've prepared a presentation for you today and Paul is going to take us through that, for the most part. But we're open to questions as well beyond what's in our presentation. It's at a reasonably high level, but I think it gets into enough detail and enough of an overview of your financial statements to give you a picture of the audit. And it's not just all about numbers. We will make representations and comments in our presentation and verbally as well, which are a big part of the audit and a part of the audit results that we're giving to you today. So it's not just about numbers, it's about other things you hear from us today with regard to our procedures, what we've done and the results of those. So I'll turn it over to Paul.

MR. JANES: Thanks, Keith. Good morning, everyone.

MADAM SPEAKER: Good morning.

MR. JANES: So I think everybody has our, our presentation as well as a, a copy of the Consolidated Financial Statements. The presentation is meant to just kind of show the highlights of what are within the financial statements, and I'll go through, go through that. But, like Keith said, if anybody has questions, feel free to stop me along the way. If you can't hear me, or if there's something that you didn't understand what I said. So on, on page 1 of the presentation starts with the Statement of Financial Position which is page 3 of the financial statements. And I'll just walk through the highlights of, of that statement. So as you can see, there is, on a consolidated basis, there is cash of \$18.5 million as of the year ended March 31st,

2010 versus 32.6 in the prior year which is a \$14-million change. Sixteen point four of that eighteen and a half million sits within the Nunatsiavut Government departments. The change is essentially related to movement of excess cash into investments which were mainly GIC's during the year. The inventory balance that is there, just to highlight that, most if not all of that, balance comes from the Inuit Capital Strategy Trust and the entities underneath the Trust, just to highlight where, where the balance is coming from. There is restricted cash there of \$82,000. This is a security held by the Business Development Bank of Canada for a loan that Labrador Inuit Development Corporation has. There's portfolio investments there of \$20 million versus 40,000 in the prior year. And again, this is essentially related to the movement of excess cash that I talked about up above. So this is the reflection of the, the cash moving into, into investments. There are restricted investments on your balance sheet of a hundred and eighty-three point five million versus a hundred and fifty-six point eight million in the prior year, which, again, is the \$26.7 million change. These are amounts received under the Labrador Inuit Land Claims Agreement and our balances that sit within the Nunatsiavut Government and both the Implementation and Settlement Trusts. There's a loan receivable balance of \$2.7 million. It's very comparable year over year. The majority of this balance, 2.5 of it, is a receivable that sits within the Inuit Capital Strategy Trust from a third party, and there's an offsetting payable to the Tasiujatsoak Trust which is disclosed in note 14 and we'll get into it in a little bit more detail further down the page. The remainder of the balance between the 2.7 and the 2.5 that sits in Inuit Capital Strategy Trust is a balance that sits within Nunatsiavut Business Centre. And, again, that's within note 6 of the financial statements if you want to read more details about that balance. There are investments and advances of just over \$2 million. Again, the balance is very comparable year over year. More details are within note 7 but the, the advances and investments are entities and subsidiaries of the Inuit Capital Strategy Trust over the Labrador Inuit Development Corporation. Under the Liabilities heading, there's bank indebtedness of \$3.8 million compared to 3.4 in the current year. All of this balance is a secured line of credit with the Bank of Montreal that sits within the Labrador Inuit Development Corporation. And, again, there are further details of the balances, interest rates, security related to that bank indebtedness disclosed in note 8 to the financial statements, if you require further

details of what's in there. There's deferred revenue of 20.8 million versus 22.3 million in the current year. This is mostly within the Nunatsiavut Government and its departments, within those financial statements. The deferred revenue, essentially, represents funds that you have received from third parties but have not yet been brought into your revenue of the organization which would be on pages 4 and 5 of the financial statements. And, essentially, why it wouldn't have been brought in is, under generally accepted accounting principles, we wouldn't have deemed that revenue to be earned by the organization yet and, therefore, it sits in a deferred revenue account. In the future, as that money is earned by the Nunatsiavut Government, it'll move from that account into revenue and become revenue over the organization. So, again, essentially, you have received the cash, but under accounting rules, you haven't earned the revenue. So it sits on your, on your Statement of Financial Position until the rules dictate that you have earned the revenue and moved in. Moving on, there's a long-term debt of 3 million versus \$2.9 million. This is all within Labrador Inuit Development Corporation. And the amounts are due to the Bank of Montreal, the CBDC and ACOA. And, again, that's just further details on that long-term debt, the interest rates, repayment and any security that's related to it, within note 11 to the financial statements, if you require further details. So what makes up that balance? There's a note payable of 36.3 million versus 39.1 in the current year. It's a note payable from the Nunatsiavut Government to the Government of Canada, and I believe it's all related to the, to the Land Claims Agreement and settlement process. Moving on to page 3 of the presentation, staying with details of the Statement of Financial Position, there's a payable to the Tasiujatsoak Trust of \$8.5 million. This amount originates from the Inuit Capital Strategy Trust. Six million of that 8.5 were advances, essentially, used to pay off third party bank debt that Labrador Inuit Development Corporation had and to relieve it of the obligations and the interest rates that it was paying with those institutions. And the remaining 2.5 million is related to the note receivable that I previously discussed that ISTC has with a third party. And they are related and within the note disclosures, within the financial statements, you'll see that both of those balances, the receivable and the payable, are related to each other. There are deferred capital grants of \$1.2 million. The deferred capital grant is essentially very similar to the deferred revenue that I previously spoke about, however, within the

agreements that you received that money under, it specifically states, within the agreement, that the money is for capital asset purposes. So, therefore, it's separately shown on the financial statements and it's brought into revenue differently. It's brought into revenue at the same time that the related asset that was purchased with the money is amortized into expense. So it essentially, matches your revenue and your expenditure together to show how the asset was paid for and purchased. There's a line there called the Inuit Settlement Trust and you can see at March 31st, 2010, it's zero versus in the prior year it was 68.5 million. The movement represents the formation of the Settlement Trust and the movement of funds out of the Nunatsiavut Government into the Trust. That's why it's zero in the current year because the funds have been moved into the Trust now, therefore, it no longer represents a liability of Nunatsiavut Government because the funds are sitting in the Trust as it was supposed to. There's a balance due to affiliated entities of \$2.3 million. This comes from within the Labrador Inuit Development Corporation financial statements and it's owing to entities that are not consolidated under generally accepted accounting principles into these financial statements. There's a demand loan of \$1.1 million and the comparative balance was 600,000 in the prior year. These are both within LIDC and Nunatsiavut Government and they are due to the Bank of Montreal. There are further details of those within note 10 to the financial statement, if someone requires further information. Moving down to the non-financial asset category, there are tangible capital assets of \$27.3 million versus \$20.1 million at the end of 2009. That's a \$7.2 million change. Most of this increase is within the Nunatsiavut Government and the departments and, essentially, I think, the majority of that balance represents different buildings that are being constructed within the communities in the Nunatsiavut Government. There's also a large balance being there of 33.8 million, being the deferred expenditures that were incurred under the land claims process. And this amount is amortized annually at a rate of about \$3.5 million. Every year it goes into an expenditure which draws down on that balance and that will happen until that balance, essentially, goes away and becomes zero. So over a period of time. So before I move into Statement of Operations, which is on page 3 or sorry, page 4 and 5, and does anybody have any questions? Anybody want further details on anything we discussed there?

MR. RUSSELL: Thank you, Paul. I'm just a little confused as to what the process is going to be here. Are we expected to ask all questions to the auditors while there have them, or are we going into a Committee on Consensus when it's time to pass the Budget Bill?

MR. POTTLE: If I may answer the Ordinary Member's question, from Upper Lake Melville, this is the presentation for to receive the report from the auditor's for the period ending March 31st, 2010. This is the Committee of the Whole which is also synonymous with the Committee on Consensus so these proceedings and these hearings should be strictly related to the auditors and the auditors' presentation. It has nothing to do with the current Budget Bill at this point in time.

MR. RUSSELL: Fine. Paul, what's the total number? I mean, I know it's probably a rough approximation at this point. What's the total amount, amount of debt on these books that's associated directly with the LIDC?

MR. JANES: I guess to answer your question, the amount that is related, the, and I'll have to kind of group it ISTC and LIDC together, and their consolidated entities underneath there's the payable to the Tasiujatsoak Trust which would be 8.5 million. The demand loans, some of that is LIDC some of it's NG so we can turn to the note and figure that out but, in total, that's 1.1. There is and then there's bank indebtedness of 3.8 and long-term debt of 3 million. So quick math, there would be approximately \$15 million there that represents debt and, obviously, there would be various assets, as well, that are represented within those entities.

MR. RUSSELL: And with the Nunatsiavut Business Centre on top of that? That would be....

MR. JANES: Yes, the Nunatsiavut Business Centre is included in there, but I don't have the exact number what the receivable and payable that's related to Nunatsiavut Business Centre. I could probably pick it out of the notes.

MR. MAHER: About 800,000?

MR. JANES: Yes.

MR. MAHER: About 800,000.

FEMALE: That's it, yes.

MR. MAHER: Maybe you can add to it.

MR. JANES: Oh, right, sorry, thank you. There is a balance there on page 3 of the Consolidated Financial Statements, there's a balance there labelled due to Vale and Newfoundland Labrador Limited and that's, essentially, the payable that sits within the Nunatsiavut Business Centre. Then there's an offset, there's a receivable, also, under note 6 which says loans receivable. There's a balance in there that represents a receivable that would sit on the books of NBCI of funds that they have disbursed.

MR. RUSSELL: Okay, so, Paul, under note 6 there, we're saying that the LIDC or the LLICST loaned out \$2.5 million, so we can add that to the total as well, and the Business Centre loaned out another million that had to be investigated. So our grand total I guess, what was the first number you had said?

MR. JANES: Sixteen...fifteen or sixteen, I think.

MR. RUSSELL: Okay, so we're around 19, \$20 million, right now.

MR. JANES: Well, the 2.5 that's there as a loan receivable, that payable is included in the first total I gave you.

MR. JANES: And that, that receivable is from a third party so that's money that, that, essentially, is coming back to Inuit Capital Strategy Trust at some point in time. That's why it's deemed to be an amount that's receivable from somebody else.

MR. RUSSELL: I guess, my question is, okay, say we're around 15, 16 million then. I just want to make it known to everyone around this table that that's 15, \$16 million where we are exposed that has nothing to do with the operation of the government. These are things that are external to us and that people should realize that we are covering it in almost in its entirety for the LIDC. I'd like to know, as our auditors, what recommendations have you made in order to address this exposure?

MR. JANES: Well, the exposure only lies to the point where there's not assets to cover off the liabilities within those entities. So I don't think we've made formal recommendations as to whether or not there, there is an exposure to the government, itself. There are no cross-guarantees that I know of, off the top of my head, from the government to cover off those balances that are owing to third parties within the LICST and the LIDC. And, again, there's only an exposure to those entities to the point where they can't produce cash flows or sell-, liquidate the assets that they currently have to pay off those balances.

MR. MAHER: Yes, I guess, to more fully answer your question, the assets of those entities that are consolidated in here are also in here. So they're the liabilities side and there's the asset side too. On those, we worked with and talked to LIDC and we think we've gotten to a point where we think the liabilities and assets are equal.

MR. RUSSELL: Okay.

MR. MAHER: Now, that's not a perfect science. Okay? And it's one of the challenging things in getting your consolidated statements done, at the end of the day, is trying to determine if we've got it to the point where the assets and liabilities are at least equal. If the assets are worth more than the liabilities, that's not reflected in here either. It's only our concern, as auditors, our only is-, if you got X in liabilities and you've got assets that don't, at least, offset that X in liabilities. And we worked with your folks at LIDC to try to take write-offs, where write-offs were necessary, to bring the assets equal to the liabilities, at least. It could be your assets are worth a whole lot more than your liabilities. But that's not part of your audit presentation because we audit on the basis of historical numbers and then we look at your

liabilities and say, do we think you've got enough assets to cover those liabilities if you kind of liquidated those assets on a rational, reasonable basis for liquidation? And that's a process we will go through in the next audit and it's a process we go through every audit. So it's hard in answering your question, we have to answer it from the point of view, the liabilities are here, all pulled into this statement, and so are the assets. And we think that, in working with your folks at LIDC, think that there is a balance there, at this point in time. And that may change from year to year. Okay? So I don't know if that answers more of your question or not but....

MR. POTTLE: For the information of the auditors and with the consent of the Chair, I'd just like to point out as a Committee of the Whole, we do have the authority to call other people to the table to compliment some of the details and some of the discussion that's going on. So I'd, I'd ask the Controller of the Nunatsiavut Government to come forward, as well, please. Thank you.

MS CRAWFORD: If I may, one of the questions was on the liabilities exposed by the government. We, as the government, only have three debt servicing agreements in place with the Nunak Land Corporation and those were for the Courte Real building which LIDC has their office in and have the other part of the building rented, Kelland Drive which our Department of Health is in currently and we're renting from Nunak and there is one more building, Real, Kelland, there's one more building and we are the building is fully occupied and we have tenants in it. So the only time that we would be called by the bank on that debt servicing agreement is LIDC, or Nunak Land Corporation was unable to make payments on their loan. And as long as those buildings are occupied and are fully rented, we will not be called. The rest of the assets and liabilities of LIDC and group of companies, fall under the Labrador Inuit Capital Strategy Trust which is an arm's length Trust from the government. There are no guarantees between the Nunatsiavut Government and the Trust. So if there are questions from, you know, what exposure the government would have in regards to that, that would be a legal question and not from an accounting standpoint. We consolidate in because from an accounting standpoint, they have to be following the rules, under the handbook; they have to be consolidated in.

MR. RUSSELL: I'm fine with that. I just hope everybody else around the table understands that.

MS HEFLER-ELSON: I have a question concerning the deferred revenue amount of \$20 million that it isn't considered earned this year. Is there a plan, in the future, as to when it will be moved from deferred revenue into revenue so that it is earned?

MS CRAWFORD: Twenty million dollars of deferred revenue, there's at least \$8.5 million of that relates to the construction of the Assembly Building. That would be I think if you look under the categories for the Tasiujatsoak Trust Fiscal Financing Agreement and other grants. I believe that's under the Trust. Under Fiscal Financing Agreement, there is \$1.3 to \$1.6 million related, as you aware, we are about to build a new building in Nain related to the Department of Health so they've been carving out portions of their fiscal financing dollars every year so that we can build this building. And that's going to be started this spring or when the shipping season starts. There is another 1.3 to \$1.8 million under the Department of Education. Part of that money is being used to develop a new course. There are a few other avenues being explored under the Department of Education for use of those funds. And then, you know, the other balances relate to various programs that are ongoing and, and as each program or, you know, I think there's one, I'm just trying to use an example now, I'm thinking of the name of it. It's under culture and they're undergoing part of the project currently. So as that project's completed, we'll move the revenue from the deferred revenue into revenue.

MR. MAHER: And if I could just add to that, you, you earn it when you spend it, that's as, as simple as that. You can't say how we've earned that money until you spend that money. So if, if you're given that money and it's for certain things and you haven't done those things yet, you can't say, well, we can take that into revenue. So as you spend it and incur the expenses, or the capital costs, construction of buildings, then you take that into revenue so it's a matching.

MS HEFLER-ELSON: So under other, of your note of the 4 million that's there as deferred revenue, is there a list of what makes up the \$4 million that is going to be

earned and, hopefully, in the near future will be earned and spent?

MS CRAWFORD: We have complete details of every amount that's in that. It's just they're not larger amounts to particular programs so if we put it in this list, it would be fairly exhaustive but it can be obtained from the Department.

MS HEFLER-ELSON: Is it available to Members of the Assembly then?

MS CRAWFORD: Yes, I don't see any reason why it wouldn't be. I don't have it on hand, currently, but I can get it when the Assembly convenes.

MS HEFLER-ELSON: So I can have a copy of that?

MS CRAWFORD: Yes, and I'll send it to all Members of the Assembly.

MR. JANES: Anything further? So I'll continue on page 5 of the presentation which will discuss the items on page 4 and page 5 of the Consolidated Financial Statements. So pages 4 and pages 5 represent a Statement of Operations and the revenues and expenditures incurred by the Nunatsiavut Government on a consolidated basis. The revenues were 84.4 million for the year ending March 31st, 2010 with the comparative being 71.4. And, the increase is just generally from FFA and Land Claims Funds that were received and that you can see there on the first couple of lines. The expenditures were 75 million versus 76.4 million in the prior year. Very consistent year over year, for most programs and line items that are shown on the financial statements. And there was a bad debt decrease due to a write-off within LIDC that happened in 2009. The consolidated surplus, which you'll see on page 5, it's a consolidated surplus for 2009/2010 fiscal year, was \$9.5 million which is three or four lines up from the bottom of the page of page 5 which represents an excess of revenue over expenditures. The consolidated accumulated surplus of the organization is 209.5 million versus 107 million in the prior year. A hundred and eighty-two million of this 209 is from the Implementation and Settlement Trust, and the detail can be found in note 17 to the financial statements. The 92., I guess, essentially, \$93 million number that's also there is capital transfers,

represents the amounts that were transferred into both of the Trusts during the year. Some of this was the 65 million that I previously highlighted on, on the Statement of Financial Position that was there as owing to the Settlement Trust in the prior year. So 65 of that is the same as what's in that 93 and the others are funds that were received and, and transferred into the Trust during the year. The next page on the financial statements, page 6, also details in the presentation on page 6. It's called the Statement of Changes in Net Financial Assets. This statement shows the changes in assets and liabilities for the year affecting the NG's ability to pay off its liabilities. It shows a healthy financial position as in net asset position of a hundred and forty-eight million dollars. If the organization had more liabilities than assets, this statement would show a net debt position and would, would also be called the Statement of Changes in Net Debt. So by saying that it's a net financial asset means that the organization, on a consolidated basis, has more assets than it has debt to the tune of a hundred and forty-seven million dollars. Do you have a question?

MS HEFLER-ELSON: Can I go back to the...

MR. MAHER: Sure, can you.

MS HEFLER-ELSON: ...accumulated surplus?

MR. MAHER: No problem.

MS HEFLER-ELSON: If the accumulated surplus is \$209 million, that's all earned revenue?

MR. JANES: Correct. So that would be over a period of time, essentially. Over the period of time that the Nunatsiavut Government has been formed, there's a, an excess of revenue over expenditures that have been earned over that period of time to the tune of \$209 million. Correct.

MS CRAWFORD: its capital assets.

MR. JANES: Sorry?

MS CRAWFORD: Capital assets.

MS HEFLER-ELSON: I'm not sure if this question is for you or not, but I was just wondering if you would be able to say if there's a plan for this accumulated surplus when there is \$209 million accumulated, where will it be spent?

MR. JANES: Well, there's a significant amount of that, I think on my slide there, a hundred and eighty-two million of that two hundred and nine is what's sitting in the Implementation and Settlement Trusts.

MS HEFLER-ELSON: So that is in trust, in our Trust funds, most of it?

MR. MAHER: Correct.

MS HEFLER-ELSON: And the remainder?

MS CRAWFORD: Well, accumulated surplus also is composed of what we have invested in our capital assets. So if we go back to the balance sheet, we have \$27 million invested in capital asset.

MS HEFLER-ELSON: What page again?

MS CRAWFORD: Page 3 on the Statement of Financial Position.

MS HEFLER-ELSON: Please, say that again, please, Rexanne, I missed it.

MS CRAWFORD: Under the Statement of Financial Position, the tangible capital assets for the government is \$27 million. That balance works through; it ends up, part of it, in the accumulated surplus's file. So the hundred and seven million dollars that's for the accumulated surplus, your capital transfers, you take that off, part of

that balance is also your capital assets. It's not a hundred and seven or plus the surplus during the year.

MR. JANES: Essentially, what'll happen, as time passes, assuming the date of these financial statements, March 31st, 2010; you hold \$27 million in capital assets. Whether that be....

MR. MAHER: It's buildings, equipment...

MR. JANES: Buildings, equipment, it could be various different things. Those amounts are purchased, so cash went out the door to physically purchase those assets, but they haven't been expensed yet. They're expensed over time or where they're less deemed to be their useful life. So if you think a building is going to last you 20 years, 1/20-, and a building costs you a million dollars, then 1/20th of that \$1 million is brought in as an expenditure every single year. So that \$27 million will flow into your Statement of Operations as amortization expense every year, a portion of it, based on the useful life of all those assets. So the cash has gone out the door but you haven't recognized the expense yet. So, essentially, you have an accumulated surplus, but as that amount gets amortized it draws down your accumulated surplus, as well because in some instances, you've already recognized the revenue because you've received the funds in, and you've purchased the buildings, but the offsetting expense has not hit your Statement of Operations yet.

MS HEFLER-ELSON: But there is some amortized every year for the building's depreciation?

MR. JANES: Right, that's correct. So in just give me two seconds to find the page. On page 12 of the Consolidated Financial Statements, note 3, talks about tangible capital assets and the beginning of the note, actually, is at the bottom of page 11. But you'll see there that it lists off the types of assets that your organization has and then a percentage amount of how much of that balance would hit amortization expense every year. So the percentages that are at the top of page 12, along with the balances that are at the top of page 21 and note 16, which is the detail of your

tangible capital assets...

MR. JANES: You could actually figure it out. If you took those percentages and took the net, the cost amounts that are in the first column, how much is going to hit amortization on an annual basis. But every year, so much of that comes in as an expense. And it's meant to, essentially, expense the cost of the asset over the period that you think it has a useful life to the organization. So whether if it was a car, you have a more of an amortization in a shorter period of time. If it was a building, then it would be, obviously, would be longer.

MR. RUSSELL: Now, if I may, I guess the most important point here is that, I mean, the statements say we have a two hundred and nine million dollar accumulated surplus but a hundred and eighty-three of that is in restricted investments that are in the Trust so they can't be touched. I mean, that's not all that money just sitting there. It's all in the Trust.

MR. JANES: Okay, so, where were we? So I think we left off on the Statement of Changes in Net Financial Assets, which is on page 6, and I was explaining that that shows, essentially, that you have more assets than you have liabilities. So you have that ability to pay off your liabilities as they, as they become due. And if you had more liabilities than you had assets, the statement would actually say you were in a net debt position meaning that you had more debt than you had assets to pay those off.

MR. MAHER: The only other comment I would add to the, the idea of the net assets and the \$27 million, but you do have then \$27 million in net assets to generate future incomes. And as you amortize or write off those assets and depreciate them, you would want to utilize those assets to generate revenues. So having \$27 million in net assets to generate revenues and generate opportunities is worth noting, as well. Sorry, Paul.

MR. JANES: No, no problem. And so page 7 of, of the Consolidated Financial Statements is the Consolidated Statement of Cash Flows. This statement,

essentially, shows all the cash that came in and went out of the organization over the year and would help reconcile the cash balance that sits on the Statement of Financial Position that we spoke about at the very beginning of the presentation. So I didn't do up any kind of speaking notes to talk to the Statement of Financial, sorry, to the Statement of Cash Flows, but if anybody has any questions on what this represents or where the funds were spent, obviously, be happy to try and answer those. But, again, it's meant to show, on a cash basis where the cash came from that came into the organization, and then where it went out from when it went out of the organization what it was used for. Okay? Page 7 of the presentation is a general page that will bring you through some more highlights of the financial statement. So bear with me while I jump around and if you can't keep up with me, if I'm going too fast, please just ask me to stop and we'll slow down until you can gain the position of where I am. I'm going to start by talking about the Audit Report, which is page 2 of the Financial Statements. So this, the Audit Report is our report, as Deloitte, on the financial statements, being the Consolidated Financial Statements that are here in front of you today. Okay? And it basically says that we have audited the financial statements and made sure that they are not materially mis-stated under Canadian Generally Accepted Accounting Principles, and we do that under Canadian Generally Accepted Auditing Standards. So there are standards that we follow to ensure that we've done an appropriate audit to ensure that the financial statements are within Canadian GAAP or Canadian Generally Accepted Accounting Principles. Okay? It is a qualified audit report, and the qualification is detailed in the third paragraph of the report. And basically says the recording of a suitable share of earnings loss of Natanavak Fisheries, Sea Voyager Fisheries, Torngat Services Incorporated Limited partnership for the year ended December 31st, 2009, are based upon unaudited financial statements. So, essentially, we don't perform an audit on those three entities so, therefore, we can't say at an audit level assurance that all the numbers that are within those are correct.

MR. JANES: Okay, sorry about that. And also, it goes on to say that there were no adjustments for the government's share of earnings or loss in Weave Stone AG, Partnership or Dominion Trading Limited as at the time the records were not available for these entities at the date of our audit report. So that's basically, just to

clarify to the reader that there could possibly be adjustments that may come out of knowing those numbers. Okay? I'm not saying that there is, not saying that there isn't, but it's a possibility so we're required to put that paragraph within our audit report. Okay? And then the last paragraph, essentially, is the opinion paragraph. And in our opinion, except for the effect of any adjustments if any, which we might have determined to be necessary had we completed an audit on the information described in the preceding paragraph that we just went through, these Consolidated Financial Statements present fairly in all material respects the financial position of the government as at March 31st, 2010, the results of its operations, the change in its net financial assets and its cash flows for year then, year then ended in accordance with Canadian Generally Accepted Accounting Principles. Okay? So I didn't....

MS HEFLER-ELSON: Excuse me. Were there any adjustments done in this fiscal year?

MR. JANES: From those entities, do you mean?

MS HEFLER-ELSON: Yes.

MR. MAHER: Not done yet.

MR. JANES: Yes, no, I don't think so, but some of that information-, like Weave Stone, Tunnet, and Dominion is not available to us to and it still isn't, to say if there are any adjustments to be made. Okay? The Natanavak Sea Voyager and Torngat Services, there could be adjustments to come out of it, but the financial statements that we have are not audited financial statements and that's why they're in there. So we have financial statements for those, they're just not audited financial statements so we can't say at an audit level of assurance that there's not something that's in there that needs to be adjusted. Okay? So they're at a review engagement level of assurance which is different than an audit.

MS HEFLER-ELSON: Okay.

MR. JANES: Okay? On top of the, the actual Statement of Financial Position, Statement of Operations, Net Financial Assets and Cash Flows that we already discussed, I thought it would be beneficial to highlight some of the notes to the financial statements, as well. So I'm on page 7 of the presentation and I'm going to start, excuse me, on page 9 of the financial statements. So note 2, Details of our Statement of Prior Periods, which just, essentially, means we had to adjust an amount within the March 31st, 2009 numbers. And this was for two reasons. One was a change in accounting policy. So the change in accounting policy that's detailed there talks about the Canadian Institute of Chartered Accountants Handbooks, section 1300. Essentially, under this section in the current year, you are required to consolidate all the entities that were under Inuit Capital Strategy Trust and the Labrador Inuit Development Corporation. In the past, although those two entities that I just listed were included as a consolidated in your financial statements, there were other entities underneath it that were accounted for on an equity or cost basis, which is different than a consolidated basis and they weren't consolidated. There was a change in the Accounting Rules, in the current year that essentially required you to now consolidate those in. And it lists the entities the ones that are there in bullet format, that have now been consolidated in that weren't consolidated in the past. Okay? The other change is the inclusion of the records of the Nunatsiavut Business Centre. So previously, in the March 31st, 2009 financial statements, and prior years as well, Nunatsiavut Business Centre financial statements were not consolidated in here, now they are. So the financial statements have been adjusted to reflect that. Okay? There's also a change which is highlighted in the last paragraph on page 9, that the Adjustment to the Opening Accumulated Surplus and Intangible Assets for a million dollars that was an intangible asset, which is a fishing licence, and a fishing licence is deemed under the Accounting Principles to be an intangible asset, that was recorded inappropriately in the financial statements. So it was in there but it shouldn't have been. The asset still exists, just under Public Sector Accounting, Accounting Principles that you follow; it doesn't recognize intangible assets, essentially. Okay? So the asset is still there, it's just not on your Statement of Financial Position to ensure that the rules are being followed, basically. Okay? So I just want to....

MS WOLFREY: I have a question, sorry. So does that mean that it looks like we got a million dollars less than somewhere than we had last year? Is that what that means?

MR. JANES: I guess, essentially, yes, that's what it means because the asset is no longer sitting on your Statement of Financial Position, but it's still an asset that the organization owns. But, yes, it does look like you have a million dollars less than what you previously had.

MS CRAWFORD: Charlotte, and last year it would have been under non-financial assets. So on the Statement of Financial Position where we have our assets and our liabilities and then we get to that net financial assets or net debt position, underneath that it would have been labelled as a non-financial asset because it's the type of asset that the government would use to deliver programs or provide services to the beneficiaries of the Land Claims Agreement. So if you look at the 2009 financial statements, it was located on the Statement of Financial Position as a non-financial asset for a million dollars. It still has market value but it doesn't, in our financial statements, have book value to us.

MR. JANES: Yes, and under the Accounting Rules instead of it sitting there as an asset, it, essentially should have been an expenditure. So we adjusted the accumulated surplus by a million dollars to reflect that. If it would have been correctly accounted for then it would have been a, yes, a million dollars less on your accumulated surplus.

MS CRAWFORD: And...

MR. JANES: Does that, does that make sense?

MS CRAWFORD: ...and the fishing licence does go onto LIDC.

MR. JANES: Correct.

MS WOLFREY: Okay, thank you. I just wondered what it made the financial picture look like when you actually had it in there and it...

MR. MAHER: It would make...

MS WOLFREY: ...shouldn't have been there, I guess.

MR. MAHER: ...it would make your surplus look bigger and your assets look...

MR. JANES: Okay? Thank you. Note 3 is the Summary of the Accounting Policies that the organization follows. And I just wanted to highlight one there being the Reporting Entity and Principles of Financial Reporting which is on page 10, kind of halfway down the page. And it lists all the entities that are consolidated within the Nunatsiavut Government financial statements. And one other further highlight that I'll bring out is that although it lists here the Labrador Inuit Development Corporation and the Inuit Capital Strategy Trusts in that list, it does not list out the entities that are consolidated up into those two entities. Those further entities that the organization owns that are consolidated in there that are not listed. But if you did flip back to the Statement of Prior Periods note on page 9, that we just talked about, that will give you the list of those entities that are consolidated up under there. Okay?

MR. RUSSELL: Excuse me, Paul. What's the amount sitting in that Trust right now?

MR. JANES: What Trust?

MR. RUSSELL: The Capital Strategy Trust. Because, I mean, we have certain debt that we've guaranteed. We have certain liabilities on our books. Sorry, Paul. We have certain debts; we have certain liabilities on our books. What's the balance of the Capital Strategy Trust, at this point in time?

MR. JANES: The balances of their assets and liabilities, income that kind of stuff

and their accumulated surplus? I don't know that off the top of my head. Their financial statements are prepared, but I just don't know those numbers off the top...

MR. MAHER: And I think...

MR. JANES: ...top of my head.

MR. MAHER: And I think they present them to you, at some point in time, do they not?

MS. CRAWFORD: Yes.

MR. MAHER: They don't?

MS. CRAWFORD: They...

MR. MAHER: I think they do, don't they?

MR. RUSSELL: We've never had that information put to us and as many times as I've asked, I've never been able to get that.

MR. MAHER: That's something we can have privy over dealing with it.

MR. RUSSELL: Yes.

MR. MAHER: I mean, that's...

MR. RUSSELL: No, and I can appreciate that. It's just that I mean, our initial discussions, we talked about upwards \$15 million worth of debt on our books associated with the operations of LIDC which are wrapped up internally to the Capital Strategy Trust which in one hand, we're saying, oh, yes, yes, we have this debt on our books and we are, to a degree, responsible for that, and on the other hand we're saying, oh, they're at arm's length, they're a separate entity and we're not

responsible to have that number. So it's our responsibility to realize, as a legislature, that we have the responsibility to deal with those amounts yet when any time we ask where those amounts are and what the balance are, that's not readily available to us. And not to mention the fact that certain entities within the LIDC that wrap up into that Strategy Trust are also unaudited and not prepared and not presented to us. So our own auditors cannot even give us the assurance that any of the numbers there are accurate.

MS CRAWFORD: I think that the auditors would only be able to present on our Consolidated Financial Statements until at such time the trustees present their Consolidated Financial Statements, unless the trustees gave them, you know, I guess, permission to do that and have, actually, the physical statements. I believe, under the trust deed for each of the trusts, there is a requirement for them to annually report to the legislature so...

MR. RUSSELL: No, Rexanne's absolutely correct and this is not a reflection on Keith and Paul here. But the fact remains is that, that hasn't happened. So we are contrary to our own legislation, yet again. And that's important that everybody should know that. Is that, year after year, we're bound by the legislation to have certain numbers...

MR. LYALL: Excuse me.

MR. POTTLE: But if I just may, for the information of the Ordinary Member for Upper Lake Melville who raised that, you go through as the Controller alluded to, each of the trust's deeds themselves, there are reporting requirements. It has been brought to the attention of the trustees that they have been delinquent, I guess for lack of a better word, in producing these reports to the Assembly and they're currently working on those statements and they will be presenting them once that work is done. We've raised that as a concern to the trustees and they are currently on to bringing those reports to the Assembly. So those reports will be forthcoming. I have information from the trustees that I am compiling but at this point in time, and I hope before the end of this Assembly session, I'll have more information to the

Assembly on, on these issues that the Ordinary Member is raising, from Upper Lake Melville.

MR. RUSSELL: I'd like to thank the Minister of Finance for that statement and I'd also like to remind this Legislative Assembly that that promise was also given to us by the Minister of Finance before him and the Minister of Finance before that. And possibly, even the Minister of Finance before that. Thank you.

MR. JANES: Okay, so we were walking through some of the notes and I'd like to show that the details of the numbers that we talked about on the various different statements had further details within the notes of the financial statements. So I'm not going to rehash those and go through all them but I just wanted to, to bring a few things to your attention. So note 15 of the Financial Statements, which is on page 20 of the Financial Statements, just highlight the Trusts and the purpose of the two Trusts within the organization. Note 17 brings a little bit more detail to the \$209 million accumulated surplus number that we've already talked about. So that's at the bottom of page 21 to the Financial Statements. Within there, there are internally restricted funds. And the internally restricted funds, essentially, means that the organization has set aside money for some purpose or reason and that it's therefore, internally restricted and then can be used for those purposes by the organization. And then also the accumulated surplus of the Implementation and Settlement Trust is broken out and highlighted there, purely due to the significance of the number. And, so we would normally kind of break out all that the accumulated surplus of the entities that are in your Consolidated Financial Statements, but we've separated those to, again, purely because of the significance of the number and the amount of the total that it makes up.

MR. RUSSELL: Excuse me, Paul. I think I might have missed that though, but, okay. But in a nutshell, I mean, we've got \$8 million that we can do, for anything that we deem fit to use that money for. So if we had certain needs for like it says in your notes here, restoration project or future operations of the government, we have \$8 million with which to work with. Did you say that that was part of the cash in the asset side of our statement in our position?

MR. JANES: Yes, so that would be funds that previously were in your revenues and included in the total of revenues over expenditures in a previous year and were internally restricted. But, essentially, yes, that cash would have come in to the organization at some point in time in the past and that is included in the asset balances that are there, whether it is investments or that \$8 million doesn't get tracked in a separate bank account or anything like that. And nor does it need to be, it's not required to because it's just an internal restriction. So but, yes, it would be included in those assets. If there was an external restriction, so a third party gave you money but then restricted on how you could use it, then you would actually have to restrict that cash in a separate bank account as well. But that's not the case in this instance.

MR. RUSSELL: Maybe Rexanne will be able to answer this one then. I know it's absolutely great that we have \$8 million to work with. How do we come about deciding that we've decided to make \$8 million the restricted amount?

MS CRAWFORD: That was restricted and it's either 2007 or 2008. The funds were then, at the decision and without having to go back and look at where, in the minutes or at the Assembly level who put the restriction in, whether it was the Assembly or the Nunatsiavut Executive Council, because I have to go back and check that. There was a restriction put back, and I think it's '08, but something tells me it could be '07. It has to do with the mining royalties and some of the monies, I think, we really see, I'm saying I think because without a piece of paper in front of me, and there is scheduled that tracks money that was restricted. I believe there was, at one point in one year, \$14 million received in mining royalties of which various amounts over the last couple of years have been used again. I think one of it was and NIHB deficit over the last two years. To cover off the deficit that we have in that particular program, was used through that. And so I've only been here six months so...

MR. RUSSELL: Okay.

MS CRAWFORD: ...you asked me a question that I had to prepare for, but I can get

the answer and get back to all and send it out to the Assembly.

MR. RUSSELL: No I can appreciate that, Rexanne, and we're certainly glad to have you here. And I can appreciate being new at something too. My question is can the Assembly members get a breakdown of the restricted funds, and I'm hoping that within that breakdown of what's available to us that we'll be able to look back, some of us have been here for a while. I'd like to be able to look back to the surplus, that 14 million that we did receive in mining royalties that was allocated in this Assembly, this legislature. I'd just like to know how much of that unused money went back into the internally restricted pot, if you will...

MS CRAWFORD: Okay.

MR. RUSSELL: ...that may be available for other initiatives going forward as a government.

MS CRAWFORD: Or may already be...

MR. RUSSELL: Or may already....

MS CRAWFORD: ...still tied to something that was appropriated by the Assembly through if there was a supplementary budget, maybe the year that there was...

MR. RUSSELL: Yes, and my, my point being in the supplementary budget, when the money was allocated, and if it wasn't used within that fiscal year then it's back into that internally restricted pot that may be used for other things.

MS CRAWFORD: Yes, or we'd know.

MR. JANES: Okay, so the next note that I'd like to bring your attention to would be note 21 which starts at the bottom of page 23 to the financial statements and moves to the top of page 24. It's very common to have such disclosure as this in financial statements and it talks about legal proceedings that may be ongoing within the

organization and the fact that with legal proceedings sometimes come liabilities to the organization. If there was a liability as of the date of our statements that was known and a lawyer could help us put a number on it, then we would reflect that number in the financial statements. But as of the date of these financial statements, there are no liabilities outstanding from legal proceedings that we think could actually come to bear on the organization. So, therefore, we put note disclosure in there to tell you that there are things outstanding but, that at this point in time, there's no monies owing from those proceedings. Okay? And then the other part of that note is just to show any possible guarantees that the organization may have for other debt as well.

MR. RUSSELL: Paul, I was just wondering if we could have something prepared for us and maybe Rexanne could help with this as well. I mean, everybody has a certain level, I guess, of an understanding about the guarantees and amounts owed and liabilities and such. I mean, as our auditor we need to know from you, I guess-, how much we're exposed and how much we have, I guess, in terms of the guarantees. Because if you look through the various entities and especially within the LIDC, it starts to become very complex in exactly how many guarantees we've actually signed as a government, how many guarantees LIDC prime, if you will, as an umbrella corporation, has signed for its subsidiaries? How much money do we owe for TUC in terms of our guarantees? All that stuff. I mean, it's something I would like to know because we're certainly, at the end of the day, we're liable for that. And also in terms of any legal disputes. I'd certainly like to know, I mean, if we have any liability there as well. I mean, you've disclosed here that there is one dispute and that there's no monetary amount attached to that at this point in time. But, I guess, my question is that I'd like to see a list of all the money in one page, of what we have owing.

MS CRAWFORD: Just so that I'm clear. So because there are two components to that. One is, you know, what we have signed, as a government, are three debt servicing agreements in Nunak Corporation and, and we had those documented in the upcoming Budget Bill so that everybody is aware of where the three and the bank has called them debt servicing agreements. They're guarantees. So there are

three under Nunak Land Corporation. The other side of your question as the guarantees that LIDC has for their related entities and whether or not we have an exposure to theirs would be a legal question that we can explore.

MR. RUSSELL: And, and I'll give you an example. Because when I was skimming through the notes here, Rexanne, and I can appreciate your answer but the bottom line here is, I mean, we talk about all the long-term debt and we have many pockets of small amounts, I guess. We talk about bank indebtedness and, I mean, we've got an operating line. Mentioned in that are some of the companies within the LIDC and, I mean it mentions in there 4.5 million alone in guarantees of, of TUC.

MS CRAWFORD: Yes, and we have some accounting reasons, why we have a Consolidated Financial Statements and why, from an accounting standpoint, we have consolidated in the LLICST and the LIDC records. And then we have a second part which is a legal question as to what is legally the government's responsibilities on the Capital Strategy Trust because under the Trust deed is set up, has a separate legal entity at arm's length from the government to protect the government from the liability. So we can look at your question and it would be in two parts. One, from what is it that we have directly guaranteed? Which are three loans with Nunak Land Corporations, and then from a legal standpoint, what is our exposure from each of the three Trusts that we are connected to? I guess, the Settlement Trust, the Implementation Trust and the Capital Strategy Trust, what is our legal, I guess, liability in relation to those Trusts. So that's the two part answer that you're looking for.

MR. RUSSELL: Well, thank you, Rexanne. My, my point to this Assembly is just this. Is that we have all kinds of numbers flying at us today and it's a lot of information to process, it really is, for anybody, whether you're an accountant or not. And we also have been confirmed that Minister Pottle is working on getting the Trust Indentures adhered to, for the first time, and having those presented to this legislature, which is a big deal. My point being is that, I'm getting the feeling that we have a lot of money exposed by LIDC in a very big way. They cannot be answered at this table because there's a legal matter in there and yet that's what I'm saying.

That's what I said earlier too. We're talking about arm's length yet we still have a measure of liability here with the guarantees that have signed and the money that we're responsible for. So we have to be clear and our beneficiaries, whose money this is, has to understand where are we? Are we at arm's length? Are we responsible for all that money? What's the legality? How much money are we going to owe if things go wrong? What's the potential for turning this around and why that the trustees can't come in front of this legislature and tell us exactly what's happening? Because I certainly can't communicate to anyone in my constituency that I represent clearly, effectively and accurately about exactly where we stand financially in this situation. That's it.

MR. POTTLE: If I may respond to that. I mean, you know, the Ordinary Member for Upper Lake Melville and any Assembly member is free to ask those questions any time throughout the year or any time that those questions or issues or information becomes a concern. Each and every member of this Assembly has a right to ask those questions. You don't have to wait for the audited financial statements to be presented to the Assembly on that. So, I mean, that's just something that I think is important that everybody should be aware of. That you have a right to ask those questions and you have the right to seek that information. Thank you.

MS CRAWFORD: I'm going to address one of your concerns as to the Consolidated Financial Statements and the fact that we have consolidated Inuit Labrador Capital Strategy Trust and LIDC. In the booklet that has been given to each Assembly member, under tabs 2, 3, 4, and 5 are the financial statements that are within the control of the government. So we have, what we call, Finance and Administration, Department of Health and Social Development, the Post-Secondary Student Support Program and the Inuit Pathways Program. So there is information there on the entities that we do control. And, as I said, the Trust and you alluded to, Keith, is the trustees would have in their indentures, a reporting requirement to the Assembly on their individual statements, as well.

MR. RUSSELL: I can appreciate that, Rexanne, and I thank Danny for saying that as well. I won't harp on this, but I've asked for that stuff long ago. Secondly,

Rexanne raises an excellent point there. We're presented with what we control today. The people should know that where, and I feel exposed and liable for things that we can't control and that we're not being presented with. So that's it and I won't harp on that point over and over again. It's a reality within our government and for our beneficiaries. So that's the end of that.

MR. JANES: So we weren't going to highlight any more of the details of the notes or the statements. We do have a couple of other things that we want to kind of walk through based on how our audit proceeds, how a financial statement audit is performed, but is there any other questions before we kind of move away from the statements into those last couple pages of the presentation?

MR. PIERCY: This is my first time seeing a statement like this, and as you go through it, I don't see any recommendations. Like if you take LIDC, right, there are no recommendations here saying that we're starting to sink and we're getting to the rock bottom of what's going on. Now, I got seven members here at the Stone Plant that got no jobs and they were under LIDC. The quarry in Nain is closed down, so why wasn't there no recommendations if these figures are showing, year after year, why wasn't there something put in place to say that there has to be something done?

MS CRAWFORD: I think to answer your question, that's more of a management question to the people of LIDC and the management and the trustees of the Capital Strategy Trust, only because the auditors solely look at financial records. They don't get into operational decisions.

MR. PIERCY: But weren't we managing the money that we passed over to them?

MS CRAWFORD: Do you mean through...

MR. PIERCY: Through us.

MS CRAWFORD: Yes, we...

MR. PIERCY: So how come we never had any say on if you could see the numbers year after year? Because, like I said, this is my first time seeing it. So why couldn't we give a lending hand or some guidance as to how it is that we could help the LIDC in a better manner than having to shut down everything completely and have all those people with no jobs?

MS CRAWFORD: We transfer over funding through our FFA, under the CAEDS funding. The question you're asking, I can look into to find out but they are arm's length. The trustees and the management of LIDC make management decisions. The funds that we transfer over and what they are used for, I will ask the questions and, again, I've only been here six months. So, you know, without having the history or the knowledge of year over year and the history of when the TUC Mine was closed. And I saw the press releases on that when it happened but other than that, I don't think that it would be even a recommendation from an auditor point of view because from an auditor, they would look at controls and they would look at the financial numbers and not what decisions management made and the implications of those decisions, from the auditor point of view. I think your question is not for Paul or Keith.

MR. RUSSELL: If I may just say something briefly. No, Wayne's got an excellent point. The point is that this Assembly has guaranteed money. We've given loans to the LIDC, to our various operations in order to keep people working and to keep people employed in various communities and, yet, when we ask a question about, well, why aren't we more involved in, I guess, the management of that and how come we never had recommendations given by auditors to maybe make changes in the way we did things? Well, the answer is very simple. I mean, although Keith and Paul are presenting to this legislature, they answer to the management, so, which is the Department of Finance. And whoever, and I'm not sure if it is you guys, but whoever's the auditors for the LIDC is answering to the management of the LIDC, again, as well and would never report directly to this Assembly unless, hopefully, we get that through what Minister Pottle is talking about which is which we're bound in the terms of the legislation to have that in terms of the indenture, right?

MS CRAWFORD: Yes, the auditors report to the trustees, not to the management. The auditors report to the Assembly. They coordinate their audit through our department. But, you know, and so for our department, we are the key contact. We help, you know, help them. They're looking for where supporting documentation is, but they do report to the Assembly for the Nunatsiavut Government, they report to the trustees for the Labrador Capital Strategy Trust. Unless requested, a management type decision question, if you're doing cash flow analysis and things like that would be separate from the audit and separate engagement.

MR. MAHER: Yes, let me speak to it. The control that the Assembly has over the operations of LIDC and LLICST is at the point where you give the money, for the most part, and then, presumably there are trustees appointed and those trustees hire management in LIDC, monitor the operations. So once you give them the money, presumably, they go out and do their things and that's the extent of it. In giving them the money, I think that's your best opportunity and biggest chance to say would we give them money to do that type of a project, to do that type of an operation? And at that point, is where, I think, you would have involved expertise maybe to help you in making that decision and say does this look like a good business thing? And that's where the recommendations from outside parties, like us, not as auditors but as advisors on a business case, business-by-business case, that's where that would come in. So for, as auditors, to come after the fact and say you made bad business decisions or somebody made bad business decisions, that's easy for me or anybody else to come afterwards and say that. It's at the point where you're providing LLICST with more funds to operate and do different things is where you will want expertise or whatever you need, business plans or whatever you need at that stage. So that's on a more of a futuristic basis but, you know, that's where you would bring in expertise if you feel what you're being provided with is not enough to give you the confidence that you would put more money in LLICST after that.

MR. RUSSELL: Well, I think you're absolutely right, Keith. I mean, here you guys are putting the numbers together and that is that. But, I mean, like we have to be concerned as the representatives of all the people in our communities that we don't have the LIDC numbers in front of us right here. Those trustees are not presenting

to this legislature as per the schedule that they should be doing. No elected official around this table can confidently say we have any idea about what's going on in those business ventures, what's been done to change things over the last couple of years, where we're going to be in the next few years and how we're going to make it in terms of the liabilities we have on these books in front of us here today and any future guarantees we might want to give to these businesses in order to try and turn things around, as Wayne said. All of those things are very real, very important to us, very important to the people in our communities and not a single person around this table can answer any one of them. So that's my point.

MR. JANES: Okay, so to continue on page 8. We just wanted to highlight a few items concerning our audit. Now, the first point there, it talks about the fact that we performed a substantive-based audit and there is, essentially, two ways you can approach, approach an audit of finance statements. You can look at the internal controls that an organization has and test those internal controls and then use a lower level of substantive testing which means, basically, tracing the numbers back to third party documentation, whether it be an invoice or a bank agreement or various different other things. We took a substantive-based approach. We're required under Generally Accepting Accounting, Auditing Standards to, at least, look at the design and implementation. So internal, essentially, what internal controls are in place in the organization? So we do that as part of the audit. We do look at the controls to make sure that there are controls in place, essentially. But we don't then test them to make sure they're working appropriately and effectively. And that's a decision that we make, as auditors, based on what we think is the most efficient and effective way to audit an organization. So some organizations, it's more efficient to test those internal controls and some organizations, it's more efficient and effective to look at-, from a substantive perspective. And we just wanted to make sure, Yes, go ahead.

MS HEFLER-ELSON: The internal controls that you're talking about, that are designed there, are they quite strong?

MR. JANES: Well, like I said, we haven't tested them so I can't give you an opinion

of whether or not there were failures or not. We do look at them from a design and implementation perspective which means that we discuss with management what controls are in place and then we would look at a sample of one of what we determine to be the more significant controls and make sure that that control is working effectively. If that control isn't working effectively, we would then highlight it to management to say we looked at this and it wasn't appropriately approved or appropriately signed or whatever and bring that to their attention. During, and I don't remember off the top of my mind if we had any of those instances throughout the complete NG organization. I do know that through our design and implementation, I feel comfortable in saying, through the design implementation testing that we did, we never found any real significant gaping problems in internal controls throughout the organization and all of the entities that are within here in your Consolidated Financial Statements.

MR. MAHER: But, but it's important to realize, we don't give an opinion on your internal controls.

MR. JANES: Yes.

MR. MAHER: We look at your internal controls enough to satisfy us in signing off on your financial statements, not in being able to say to you you're internal controls are all fine, they're all the ones you should have, they're all well and great. And that's not uncommon in many organizations we audit where we don't do that. And, in fact, even when we do rely on internal controls and we test the operating effectiveness that those controls, for our audit purposes, it's still for purposes of us signing off on our audited financial statements, it's not to be able to say we can give you an opinion on your internal controls. That's a totally different type of audit and we don't do that audit.

MS HEFLER-ELSON: Is there a way of us getting that type of audit done?

MS CRAWFORD: There is. And I sent that out, I think that we can discuss it probably not during the presentation for the auditors of the audited financial

statements, but an audit looking at internal controls, whether it is a revenue cycle, an expenditure cycle, a payroll cycle, that can be done. We can engage an independent accounting firm to do those types of engagements and you can look at business cycles, you can look at legislation, for example. You can look at the *Assembly Act* and look at the Constituency allowances and just design an audit specifically in part of that one piece of legislation. So have in the past the Nunatsiavut Government engaged someone to do that type of work? No. But we are in the process of signing an engagement letter to do a piece of work on part 11 of the *Assembly Act* looking at elected official salaries and constituency allowances to make sure that the spending is in accordance with the procedures laid out in that section of the *Assembly Act*. And working through that process now, we're set to get the engagement on the ground within the next couple of weeks and doing the audit for the last five years that piece of the legislation.

MS HEFLER-ELSON: So what you're saying is that we've got, *The Procurement Bill* that's going to be on the table later about public tendering and ensuring that the business opportunities are given to Inuit entrepreneurs. Is there a point in time where we would audit that internal control to ensure that that's happening for the Inuit, or would that have to be contracted out as well?

MS CRAWFORD: Can you just repeat that? *The Procurement Act* and built in the *Act* are requirements for thresholds as to when you go through open tender and get a tender, or request for proposals, direct sourcing, looking at the requirements for Inuit content, making sure that's part of the procurement process. That was the background to your question.

MS HEFLER-ELSON: Yes.

MS CRAWFORD: And, I guess, your question was, in the future, do we have the ability or is it in the plan to audit that section of *The Procurement Act* should it be passed into law.

MS HEFLER-ELSON: That's my question, yes.

MS CRAWFORD: Our plan, as a department, is to look at every piece of the legislation that we have as whole, the cycles that we have within our financial expenditure programs and to develop a rotational plan on which we would look at different pieces, every single year, and have that piece reviewed, audited. You know a piece of work engaged to do and look at and ensure that we are following the procedures and processes in place as outlined in our law.

MS HEFLER-ELSON: And would that report then be given to us on an annual basis during the time when the Consolidated Financial Statements are presented, or would that be a separate information session for us to review?

MS CRAWFORD: I guess, without having the plan in place, my thought, and this is only my thought, is that when that piece of work is done and the setting of the Assembly is at the next-, like, you know, if we're done in February and the next Assembly is in March, we would present it in-, it would be presented in March to the Assembly. Because whoever is engaged to do this piece of work, reports directly to the Assembly.

MR. RUSSELL: I'd like to comment on Jenny's question because that's a really good one. And Rexanne that's, she makes a great point there too about the fact that we are going to look into, I guess, the effectiveness of one piece of, I guess, the donation portion of what we're doing with our Member's salaries and all of that stuff. No, and that's great but in listening to Keith and Paul here, too, I mean, they've took-, they've taken a, an approach which uses a random sampling of internal controls. And if they're okay with that, well, then they basically, feel then everything is okay with the way that we have internal controls to make sure that we're doing what we should be. And Jenny's question said, okay, if our *Procurement Act* is going to say an Inuit businesses should get that much, how are we going to know, as a legislature, as the leaders of our communities, that that's actually being adhered to and it's actually being done right? Well, the answer right now is that we don't have any listing of those internal controls available to Assembly members. Nobody is monitoring those in terms of how we're performing. We have no indication of the

performance and effectiveness of internal controls right now and the performance of what we're doing in the various departments. I mean, we understand that sure deficits are accumulating and decisions are being made that are going to affect our future, but we have no measure of that, at this point and time. And that is going to cost money. I mean, it does not matter which way you look at it. If you engage a consulting firm or an auditing firm to do one single piece like Rexanne is referring to, that's going to be a limited engagement that costs so much money. If we choose to do that for every internal control to try and get that then we have engagement after engagement after engagement to provide some type of certainty to our beneficiaries that we're doing the right things and that the allocations and expenditures we're making as a government are actually effective and we're getting the biggest bang for our buck. We do not have that right now. But I'm glad to see we're moving in that direction with albeit, one small item at a time. That's my comment there.

MR. JANES: Okay, so just back to page 8. We talked about the....Yes, like 15 minutes, 10 minutes, maybe. Continue? Okay. So a couple of other things that we, we just wanted to highlight. We use a materiality of \$685,000 and that, basically, is an amount that helps us determine the level of testing that we do and also a dollar figure that allows us to determine what amounts we bring forward as potential adjustments to, if we do find something. And, ultimately, if we thought that there was an error of more than \$685,000 within your statements, we would say that your statements are materially misstated and you would have a different audit opinion or we would request management to adjust it to, to make sure that it would reflect it appropriately within the financial statements. So that's a number that we set, based on the size of the organization, that we feel is appropriate to test under.

MR. RUSSELL: Paul, can I seek clarification on that?

MR. JANES: Sure.

MR. RUSSELL: Okay, so no, I'm just, in terms of materiality, I mean, that's a big, fancy word. I mean, it's, basically, saying we feel that you don't have a problem any bigger than that, more or less. You know, if I go out smelting and I think I got, you

know, 10 smelts, plus or minus 5, so I could have anywhere from 5 to 15 smelts. People should understand that that means that the opinion of the auditors is this is the tolerance. That there may be a problem beneath that, but they'll put their word behind the fact that there's not a problem at least over that. My concern is that's still an awful lot of money to not be certain about. And I just want to make sure that people understand that.

MR. JANES: Sure.

MR. MAHER: Can I comment on it?

MR. JANES: Sure.

MR. MAHER: We set a materiality level and we use that for testing. Okay? But, in fact, on that materiality level, we believe that after doing all of our audit and all of the adjustments are made, if there are adjustments, and we aren't aware of any more, and that's after we've done our audit now. So, we've done our audit, we're aren't aware of any adjustments or any significant nature that haven't been made so it's at that point we're saying, we believe that if there are errors out there that we haven't found, they wouldn't accumulate to more than that. Now, but that's after we've done our audit. So it's not a number and we say, well, before we do our audit, you know we don't know if there are errors out there or not. Well, we've done our audit. If we found errors, they've been adjusted and we've done our testing at a lower level than that number. So we don't just test everything, you know, higher than that number. We test many things lower than that number. And after we've done all of that, that's when we're comfortable in saying, look, we think if there are errors out there that we haven't found that they won't exceed that when you add them all together. Now, to get a lower threshold, the costs of doing an audit, at a lower threshold, go through the roof. So it's a weigh-off between how much money do you want to spend on auditors and how much comfort do you need. And, I guess, at the end of the day, the question is, has to be in your mind, if your statements you're reviewing here today aren't out by more than 685,000, would that change your decision? So if you're sitting here today and you find out next year your statements are out by

400,000, we're out by 400,000, would that change the decisions you're going to make around the table? And we think not. We think it would have to be at least higher than the 685, and it could be that, even if it was a million out, you still might not change your decisions you're going to make around the table today. So that's how you have to think of materiality. Okay? It's not like, oh, the auditors are happy if you know, you're not out by more than 685,000. No, we're not. We're not.

MS CRAWFORD: And just to add, they also do communicate anything that is found above 2 percent.

MR. JANES: 5 percent of the materiality number.

MR. MAHER: Yes, 30-, 40,000. So if we find an error and it's not 685 but its 50,000, we'll tell management and we'll say, look, we found an error and it's 50,000. We won't just say, okay, not higher than 685, we'll just put that in our files. No, we tell management.

MR. JANES: Yes and then management would make a decision and in conjunction with us of, Yes, let's adjust that because we think that that's important. Or, you know, maybe it's an insignificant error so we won't adjust it at this point in time. And I don't remember at the end of the day, right now, off the top of my head, what we accumulated as errors that weren't adjusted but it wasn't very significant.

MR. RUSSELL: I can appreciate that and, I mean, I don't want to make a mountain out of a molehill or anything there but, I mean, that's a very bold statement and you're very confident in that and that's good to see as our paid auditors. In light of the fact that, I'm assuming, that certain entities under LIDC, you've experienced the same thing that this legislature has where even the current financials were several years old and, I mean, it's point blank in here that, I mean, Tunnet, the marketing company for our Blue Eyed Stone and Wibestone other companies you do not have audited numbers on. So I, you know, to me, I find it an extremely bold statement.

MR. MAHER: Yes, well, we qualified a report on those.

MR. RUSSELL: Yes, no, but it just, just in...

MR. MAHER: So we're not, we're not that bold.

MR. RUSSELL: No, no, but in terms of and, no, I'm glad to see it in there and it's there, I mean, plain but, I mean if they don't even have current financial statements done and if there haven't been audited financial statements then, I mean, there could be significant amounts there not accounted for. But, like you said, Keith, they wouldn't have been and, I mean, it's not to your knowledge so, yes. No, that's fine.

MR. JANES: Okay, so this last couple of points on that page, one is independence. We're required to tell you if we're independent or not. And we are independent of your organization. We've communicated that in another letter dated November 29th and management representation. So we ask as part of any audit, we would ask management to represent that on various different items but it's on a 10,000 foot level summary, it's that they've given us all the records and that they're supposed to and that they're comfortable with the numbers that they've provided us, that they've told us absolutely everything that we've asked of them and provided us with correct information. There's a lot more detail in there. It's a two or three page letter that we ask them to sign off on but, essentially, that's what we're asking the management. And we do that as a regular course of any audit.

MR. MAHER: Yes and just to let me add one thing to that, in the Management Representation letter to us, management says they are responsible for internal controls, and they are responsible for making sure that there are controls in place and that they're operating. So management represents that to us, your auditors. That's our starting point on internal control acceptance. And then we do, as Paul pointed out, the design and implementation testing we do, but we don't, in the end, give you an opinion on that. And so that's part of the comfort that you get is that your management is representing there are good internal controls.

MR. JANES: Thank you. On page 9, our audit findings, says high level, and most of

these things we've already discussed. So Valuation of Assets and Related Party Receivable Balances, so as part of our audits of the organization, we spend significant time around valuation of assets and receivable balances that are within the entity to make sure that the value of them can actually be, can be obtained and that they're fairly stated within the financial statements. We also spent significant time on Going Concern. Going Concern is whether or not an entity can continue and will continue in the near future. So we spent a considerable amount of work and time on that within the LICST and LIDC group, especially to work with them to make sure that they could prove to us or had evidence that they hoped certain entities would go forward and how that would happen and we would work with management to work through the different assumptions that they were making around that to say yes or no, Yes, we believe that those entities are moving forward. The Nunatsiavut Business Centre Inc., we already discussed. It wasn't previously included, it now is and we've re-stated the 2009 figures to show the impact of that. During the year, the Inuit Settlement Trust was formed. We've previously discussed that as well, but I just wanted to highlight it as a significant issue and that the funds were moved over into the trust. Deferred revenue is a significant balance so we just highlighted it here. It's something that we do significant work around in our audit to make sure that it is properly deferred and that it shouldn't be brought into income. And we work with management in reading agreements and looking at third party evidence around that as to make sure that that revenue shouldn't have been brought in a different period or that it's okay to defer. Potential Litigation, we highlighted as well, within note 21, I think it was, to the financial statements. That there are issues that are out there, but as of the date of the financial statements there was no reason for us to, under Generally Accepted Accounting Principles and working with different legal counsel of the organization, to record any type of liability concerning that litigation. Documentation on Transactions is just kind of an ongoing point that we found with the government that we like to make sure that everything is documented as you move forward and make sure that all the different agreements and whatnot are in place. Accounting for Complex Transactions, you are a very complex organization from an accounting perspective. There are a lot of different moving parts, a lot of different agreements that are out there, and it takes a significant amount of time, from our perspective, to make sure that those are accounted for properly. And often

purpose and accounting don't always go hand in hand, so making sure that the proper accounting is put in place to make sure, within your Consolidated Financial Statements, that everything is represented the way that it should be under Generally Accepted Accounting Principles. And Generally Accepted Accounting Principles don't always coincide with the wishes or what you actually intended. So we had to make sure this is that the two mesh. So I just wanted to highlight that you are a very complex organization, from an accounting perspective, so there is a significant amount of time put into making sure those transactions are done appropriately.

MR. RUSSELL: Paul, I'm just wondering, and I don't know how accurately you can answer this, too, but, I mean, that complexity, I mean, how much, in your opinion, is that magnified by the sometimes arm's length, sometimes not arm's length, relationship between the LICST, the LIDC and the Nunatsiavut Government? Is that the most complex thing about us as an organization, in your opinion?

MR. JANES: No, I don't think. I'd highlight just that one. It is a significant issue that we looked at in the past and making sure that, from an accounting perspective, it was accounted properly within the Nunatsiavut Government. But from an overall perspective, there are just various different agreements that are in place, there are various different transactions that happen. You have significant investments and making sure that they're accounted for properly, as well. So there are just various different items out there that when you roll it all together, this is not a small store that sells widgets. It's a very complex organization and it requires us to spend significant amount of time reading the accounting literature and reading through those agreements and transactions and making sure that they are done appropriately and properly.

MR. MAHER: Us and your management, Rexanne, as well, so.

MR. JANES: Yes, Yes.

MR. RUSSELL: Wayne put a real, very real, life spin on that relationship I referred to in my last question there in terms of the Stone Plant, in terms of the TUC Quarry

being closed for the operating season. I mean, those had real life effects on beneficiaries that have come to depend on these internal operations for their own livelihoods. As a going concern, I mean, you mentioned the going concern about the various, looking into LIDC, the operations, maybe which ones should be stopped, which ones could be saved, which ones, you know, whatever. I don't know if this is a question that you guys can maybe answer or Rexanne and Danny can answer. When can this Assembly expect to have a, I mean and I only ask the question because it was brought up by our auditors. When can this Assembly, you know, we're here in Hopedale to approve another round of budgets. When can we expect to see what's going on in LIDC and what's really happened? Where, we've confirmed today in our numbers that we're exposed in terms of money. We've confirmed that there are real issues with whether or not some of these entities should continue. We've heard a mayor of this community, an AngajukKâk, talk about the effect it's had on communities. We've all known what it's had on Nain. I'm sure the Members for Nain can say that the closure of the quarry this year had a real effect on the community. When is this legislature going to get a look at the real financial picture of the involvement of the LICST and LIDC and where we're going? We're here to do a full year's budget and this is something that's been asked for for years and years and years. And, this is what, our sixth year in operation, more or less? When are we going to see that information? I'll put that to the Minister.

MR. POTTLE: Again, I'd ask the Ordinary Member for Upper Lake Melville to give us time to answer those questions for you. We cannot seek and get answers to those questions over night. It's only come to my attention, as Minister of Finance, since I've been here in May, that these are ongoing concerns. And we brought those concerns too. And, I think, I mean, you know, the Ordinary Member for Upper Lake Melville and the AngajukKâk for Nain, and not to take away from this presentation here, but, I mean, you know, you've raised some concerns with respect to the operations of LIDC with respect to the closure of TUC. I mean, you know, have you given any consideration to the fact that the Labrador Inuit Capital Strategy Trust through LIDC has actually turned things around and made a small profit this year? We've taken and given, taken what we've lost in the operations of shutting down TUC, we were able to operate the base camp, by way of example. In the Torngat

National Mountain Parks this year, we're able to provide services through our tugs and barges that we didn't do before. So, I mean, you know, these are some different ways of doing things to compensate for the things that may have been lost through a decision that the LICST through the LIDC made with respect to cutting the operations of TUC. So, I think, I mean, you know, those things should be considered as well and not to take away from the point and purpose of this presentation, but, I think, those blanket statements should be qualified and other things should be looked at as well. So that's just something that I wanted to say.

MR. RUSSELL: I thank the Minister for that but, I mean, the bottom line here is none of those numbers are really in front of us now, are they?

MR. JANES: So just the point, I guess, around our presentation would be that there are certain things that we were required to disclose to those who have governance over an organization and you would be that for the Nunatsiavut Government, obviously. And those are that, you know, there were no instances of fraud when we went through our audit procedures and nothing for us to think that there was fraud incurred. We are independent of the organization. Although there were complex transactions throughout the year, they were nothing unusual and if there was we would bring that to your attention. So with that, we thank you for your time and the ability to come and present to you today. And again, happy to answer any questions.

MR. LYALL: I want to thank for Paul and Keith for their presentations. I think we've all learned quite a bit today from their presentations and I want to thank you very much for taking your time to come and appear before our Assembly and I think you deserve a good hand.

ASSEMBLY: *(Applause.)*

MR. LYALL: I would also move right now that the Committee of Consensus adjourn and that we go back into regular Assembly. Do I have the approval of the Assembly?

ASSEMBLY: Aye.

MR LYALL: Thank you.

MADAM SPEAKER: We'll now break for 20 minutes.

(Recess)

MADAM SPEAKER: I'd like to call the Assembly back to order, please. We're on item number 7, Minister's, sorry, item number 6, Tabling of Documents and Petitions. Do we have any Tabling of Documents and Petitions? The Honourable Minister of Finance.

MR. POTTLE: Nakummek, Madame Speaker. I would like to table the report from the Department of Finance, Human Resources and Information Technology to be accepted by the Assembly, Madame Speaker. The Department of Finance, Human Resources and Information Technology did provide this report prior to this sitting of the Assembly to each and every Assembly member and we copied it to the clerk to be included in the binders for information purposes this time, as well, Madame Speaker. But in, normal circumstances, Madame Speaker, I would summarize or give a synopsis of the report but I think there are some things in here that's come to, I guess, to be a concern, according to some members of the Assembly, to be a concern to beneficiaries. So I will read, verbatim, from my report, Madame Speaker, and I ask the Assembly members to bear with me while I do that. Madame Speaker, during the month of February, the Department of Human Resources had five job competitions completed. The hiring of three new employees. There were amendments, Madame Speaker, to the Nunatsiavut Civil Service Policy Manual that were approved and communicated to employees. Madame Speaker, the new Employee Policy Manual can be found on our current shared drives. The Division of Information Technology, Madame Speaker, since our last report to the Assembly in February, the division has been continuing with outstanding projects and performing regular help desk and maintenance tasks during the month. From the Division of

Finance, Madame Speaker, the department has completed all T4's and T4A's and they have been sent to all employees. We have received the following revenues, Madame Speaker, as was noted in the *Budget Act* for 2010. We were able to collect revenue in the amounts of \$2,500,000 from personal income tax. The GST Agreement generated \$907,869. Interest income came to a total of \$5,166,096. The mining tax royalties received to date was 150,120. From the Government of Newfoundland Labrador \$1 million and the Fiscal Financing Agreement brought in 30,960,495. We did not receive our...

MR. RUSSELL: Point of Order.

MR POTTLE: We....

MADAM SPEAKER: State your Point of Order, please.

MR. RUSSELL: Nakummek, Madame Speaker. In our Standing Orders, number 164, it says that a member may table a document, 165 says that it may be introduced without notice and the mover is permitted to say of few words of explanation. I see nothing in our Standing Orders that permits Minister of Finance to read his tabled documents word for word. Nakummek, Madame Speaker. Excuse me, Madame Speaker; in essence, this would be giving the Minister in my opinion, two Minister's statements.

MADAM SPEAKER: I'll just consult for a couple minutes and we'll get back in a couple minutes. Okay, Honourable Minister of Finance, under section 165, *a document may be introduced without notice and you can say a few words of explanation as to what the item being tabled is, who authored it and why it should be received by the Assembly.*

MR. POTTLE: Can I have clarification of what provisions then you are referring to?

MADAM SPEAKER: One sixty-five of the Standing Orders.

MR. POTTLE: If I may, Madame Speaker, stand on a point of order, as well. This is not a motion, Madame Speaker, and if you go to Provision 168, notwithstanding section 164 to 167, *a Minister may table a document in the Assembly with or without the consent of the Assembly.* And I heard the Ordinary Member in his point of order make reference to this being two member statements, or Minister Statements. I have no intent of repeating this when we get to Standing Order or Order of the Day when we come to Minister Statements or announcements. Thank you, Madame Speaker.

MADAM SPEAKER: Thanks for the clarification. Proceed, please.

MR. POTTLE: Nakummek, Madame Speaker. Before I was interrupted on a Point of Order....

MR. RUSSELL: Point of order.

MADAM SPEAKER: State your Point of Order, please.

MR. RUSSELL: Nakummek, Madame Speaker. Again, I will go back to 165. Regardless if it is a petition, if it is a document or if it is a motion, 165 clearly states that the person is permitted to say a few words of explanation about what's being tabled, who authored it and why it should be received. One sixty-eight, given reference to, by the Minister, has nothing to do with reading out an entire table document. I would like clarification as to where, in Part 9, in Documents Tabling of Motions, Documents and Petitions, it says that you can table a document and then read it in its entirety. Nakummek, Madame Speaker. My point being then is, with your permission, Madame Speaker, my entire point is, if we choose to act as the Minister of Finance is doing right now, you could, essentially, write any document you like, table it in this house and read it in its entirety at any point in time in the proceedings of this house. That, with all due respect, Madame Speaker is completely and utterly ridiculous. Nakummek.

MADAM SPEAKER: Okay, 165 in the Standing Orders are related to 164 which

state a Member. One sixty-eight is talking about a Minister and it does not say that the Minister cannot read his document. So proceed, please.

MR. POTTLE: Nakummek, Madame Speaker. Again, getting back to the information that I'm attempting to provide to the Assembly. I had finished giving you a list, Madame Speaker and fellow Assembly Members, of the following revenues that we were able to raise during 2010. Madame Speaker, we did not receive our annual mining royalties up until April 20th. At this time, the Department of Finance of the Government of Newfoundland and Labrador are unable to predict the amounts to be received. Departments of the Nunatsiavut Government, Madame Speaker, have been successful in obtaining additional program revenues from other sources such as Health Canada, Service Canada, Tasiujatsoak Trust, Indian and Northern Affairs, Department of Fisheries and Oceans, to name a few. These contributions have been proposal-driven, Madame Speaker. We are carefully monitoring expenditures to ensure that the divisions and projects are staying within their budget. All departments and the Nunatsiavut Assembly spending have been in accordance with the approved budgets except for the Members Enrolment Committees and the Inuit Appeal Board and the NIHB Program. The Membership Division budgeted, Madame Speaker, \$40,000 in expenditures for the 12-month period ending March 31st, 2011 and as of March 9th, 2011, the actual expenditures were 139,000, \$99,000 over budget within 3 weeks left in the current fiscal year. Madame Speaker, the NIHB Program is now in a deficit. The program, as of March 9th, 2011, has an actual deficit of \$1,201,677 which represents actual invoices paid to date. There is a projected deficit of \$1.9 million. The Department of Health and Social Development, Department of Finance and senior negotiators have been working closely with Indian and Northern Affairs, Madame Speaker, and Health Canada to see if additional funds can be obtained from Health Canada to cover some, if not all, of the deficit. The President has been in contact with key people within Health Canada and everyone at Health Canada is aware of our situation. We are expecting to receive a response from Health Canada before March 31st, 2011 regarding this additional funding request. Madame Speaker, Health Canada has indicated that the Nunatsiavut Government runs one of the most efficient and effective non-insured health benefits programs in the country. Madame Speaker, there has been

correspondence from beneficiaries and extensive media releases in regards to the office of an Auditor General for the Nunatsiavut Government. Beneficiaries are demanding increased accountability and more transparency in regard to government operations, report on their planned programs and the use of public funds. As a result, Madame Speaker, our department did extensive research on an office of an Auditor General, its duties and the cost of such departments across the country. Currently, Madame Speaker, the Government of Canada and all provinces have an Auditor General appointed by legislation. They are responsible for government departments and agencies, boards, commissions and other bodies responsible to the Crown. School boards, health authorities et cetera. The office of the Auditor General of Canada is also responsible for auditing the three territories of Canada, Madame Speaker, the Yukon Territory, the Northwest Territories and Nunavut. The Auditor General acts for Canada and for the provinces outline the mandate for the office of Auditor General. The basic underlying mandate for the office of Auditor General is to hold a government accountable for its performance and stewardship of public funds. These assessments can also ensure that the current government structure provides appropriate controls and that legislation and government policies are adhered to. The office of the Auditor General conducts financial and performance audit engagements. In order to be of value, these audit reports must be timely and provide relevant information necessary to enhance public sector accountability and performance. They would include matters of significance such as observed instances whereby money has been extended without due regard for economy or efficiency or, where appropriate and satisfactory procedures have not been established to measure and report on effectiveness of programs. Madame Speaker, they also include practical recommendations for significant improvements. The Auditor General reports directly to the legislative assemblies with the results of these audits. In all governments, Madame Speaker, the office of the Auditor General does not audit policy decisions which are the prerogative of government. Madame Speaker, in major cities in Canada, there are offices of the Auditor General in seven major Canadian cities that have the funding availability to employ permanent staff. These cities include Halifax; Montreal; Quebec City; Markham, Ontario; Oshawa and Ottawa, Ontario; and the greater Sudbury area of Ontario as well as Toronto; Edmonton, Alberta; Calgary, Alberta and Vancouver, British Columbia. In Quebec,

Madame Speaker, all cities with more than 100,000 people must have an Auditor General. The City of Toronto is unique, Madame Speaker, in that it has an office of the Auditor General to audit the quality of stewardship of public funds and for the achievement of value for money in city operations, an internal audit division to improve administration of municipal operations and promote compliance with city policies and procedures and an external auditor to audit its financial statements. Madame Speaker, the cost of the office associated with Auditor Generals, in completing our research, Madame Speaker, on each of the offices of the Auditor General for various cities, provinces in Canada, we were able to obtain the amount budgeted for these office, the total budget for the government and the percentage of the budget allocated to the province. For example, Madame Speaker, and keeping with the Ordinary Member's for Upper Lake Melville's concern, you have this information in front of you so I will not read, in verbatim, each of these. But I will highlight and give examples. By way of example, the City of St. John's has a total budget of \$2,792,929. The office of the Auditor General is zero, they had none, and the percentage of budget for that is zero. In Calgary, Alberta, by way of example, Madame Speaker, they have a total budget of \$2,527,677,000. The office for the Auditor General costs the City of Calgary \$2,277,000, Madame Speaker, or 11 percent of their budget. As an example, looking at the provinces within this great country, Madame Speaker, the Province of Newfoundland and Labrador with an annual budget of \$7,300,000,000, the office of the Auditor General costs the Government of Newfoundland and Labrador \$3,441,000 or 0.05 percent of their budget. Canada, by way of example, Madame Speaker, the total budget for the Government of Canada is \$218,600,000,000. The cost for the Auditor General for the Government of Canada cost \$105,300,000 or 0.05 percent of their budget. Madame Speaker, with respect to salaries paid to Auditor Generals, again, I will give a couple of examples here because, again, the members have this information in table form in this report. Salaries paid to the Auditor General, Deputy Auditor General and the Assistant Auditor Generals can be found on the individual websites for the office of the Auditor General. The following table, Madame Speaker, summarizes the salaries paid to these individuals and does not include cash or non-cash benefits paid to these positions. For example, Madame Speaker, the Government of Canada pays the Auditor General a salary of \$313,900. The Deputy

Auditor General for Canada receives between a hundred and sixty thousand, four hundred and seventy-five to two hundred and forty-three thousand four hundred and sixty-five dollars. In Newfoundland and Labrador, the salary is set by the Lieutenant Governor in Council with a Deputy Minister's pay plan. And, as a last example, Madame Speaker, the Auditor General for the Province of Alberta is paid \$264,069. The Assistant Auditor General is paid a hundred and fifty-eight thousand to six hundred and ninety-five thousand to a hundred and eighty-six thousand, ninety-four dollars. Auditor Generals and their staff, Madame Speaker, typically have the following designations. Chartered Accountant, Certified Internal Auditor, Certified Fraud Examiner, Certified Information Systems Auditor, Certified Government Auditing Professional. What does this mean, Madame Speaker, for the Nunatsiavut Government? The government with offices of the Auditor General typically have multiple departments and agencies, boards, commissions and other bodies responsible to the Crown, school boards, health authorities, et cetera. At the Nunatsiavut Government, we have seven departments and no agencies and no Crown Corporations. We transfer funds to two organizations to do work on our behalf, the Torngat Regional Housing Authority and the Labrador School Board. The revenues associated with these governments range from \$731 million to \$218,600,000,000 dollars. In comparison to the Nunatsiavut Government budget, Madame Speaker, of \$47 million. A government with similar revenues is the City of Charlottetown and they do not have an office for an Auditor General. Auditor Generals, Madame Speaker, are paid a base salary, again, in the range of \$195,000 to \$375,000. We would have to pay in the mid-range in order to recruit someone with the qualifications necessary to be an Auditor General. The salaries represent 80 to 90 percent of the total budget of the office. We can estimate that an office of the Auditor General for the Nunatsiavut Government would cost in the range of \$220,000 to \$470,000. Since there are no new monies, Madame Speaker, for the Nunatsiavut Government, establishing an office for the Auditor General requires a reduction of cost over all the departments and/or transfers to Torngat Regional Housing Authority or the Labrador School Board. Future plans, Madame Speaker, for the Nunatsiavut Government. The Department of Finance will be reviewing our processes and policies as well as applicable legislation to develop a performance audit plan for the government. This plan will include auditing business cycles such

as revenue and expenditures, including payroll, as well as compliance with applicable legislation and completion of value for money audits. Madame Speaker, we can hire an independent public accounting firm to complete these engagements and can be completed on a cycle so that one business cycle can be reviewed each year for a nominal cost to the government. Madame Speaker, by hiring an independent public accounting firm to complete these tasks, we are keeping with the key points for public accountability which are independence. Audits will be completed by persons independent of the government. Reporting responsibility, reports will be tabled directly with the Nunatsiavut Assembly. Relevance, reports will be tabled in a timely fashion to allow the Nunatsiavut Assembly the information to make decisions. And expertise, we will have access to experts in public sector matters. Thank you, Madame Speaker. This concludes the report from the Department of Finance, Human Resources and Information Technology.

MADAM SPEAKER: Thank you, our Honourable Minister. Your report will be tabled. And right now, we're going to take a lunch break from 12:00 to 1:30. We'll come back to item 6, Tabling of Documents and Petitions at 1:30.

MR. RUSSELL: I was hoping to have several hundred more, but they weren't sent in. They do exist, they are there. This was started by a constituent of mine, and even though I was a Minister, at the time, I gave my full commitment to one of my constituents that I would table this in this House, and I'm making good on that word today. This is something I wanted long before I became a Minister. This is something that I publicly expressed that I was in favour of, as a Minister, and this is something that I bring to this House, now, after being relieved of my ministerial duties. So in the very least, I can say I was consistent the whole way through, and that this is the people speaking. This is by the people, for the people.

MR. POTTLE: Point of Order, Madame Speaker.

MADAM SPEAKER: Point of Order.

MR. POTTLE: I'm just wondering Madame Speaker, will the Assembly Members be

able to review this petition before it's actually tabled in the House of Assembly. I haven't had a chance to see this petition so I'd like to see if the petition is in order with respect to the provisions of the Constitution. Nakummek, Madam Speaker.

MR. RUSSELL: Point of Order.

MADAM SPEAKER: State your Point of Order, please.

MR. RUSSELL: Nakummek, Madame Speaker. I believe the provisions in our Standing Orders require me to present a copy of this to the Clerk. I don't believe there are provisions in there to have every document reviewed and accepted, if you will, by this Assembly. Nakummek, Madam Speaker.

MADAM SPEAKER: We're going to recess for a couple of minutes.

(Recess)

MADAM SPEAKER: Do the Assembly accept the tabling of this document?

MR. POTTLE: Auka.

MADAM SPEAKER: Okay, there's no unanimous consent on this so we'll have to take a vote from the Assembly. How many are in favour of that, having this petition tabled?

MR. ANDERSEN: Point of Order.

MADAM SPEAKER: State your Point of Order, please.

MR. ANDERSEN: Madame Speaker, my point is that a petition was tabled, and it's my understanding that the Speaker will rule whether or not the petition is in order and accepted by this House. It is difficult for me to vote and I understand that under the rules there is no room to abstain from voting. I can't, honestly, however,

Madame Speaker, vote on something that I've never seen and something that has not been ruled in order or out of order. If the Member from Upper Lake Melville, Madame Speaker, has followed the rules and I trust your decision on whether or not you'll decide whether or not the petition is in order, then what right is for me to vote to oppose a petition that's tabled according to our rules and procedures? Thank you, Madame Speaker.

MADAM SPEAKER: The tabling of a petition is in order, but we will ask the Assembly if they are in agreement of having that petition tabled or not.

MR. RUSSELL: Point of Order. Nakummek, Madame Speaker. This is a list signed by beneficiaries of our Land Claims Agreement. We swore oaths to stand up for the beneficiaries of this agreement and to bring their concerns forward into this House. I don't know if there's a clear Standing Order or Procedure that I'm trying to demonstrate here, but I'll tell you what, it's unconstitutional against our Labrador Inuit Constitution, not to accept the names of Labrador Inuit who want something brought to this House. Nakummek, Madame Speaker.

MADAM SPEAKER: The petition is not debatable; it's just the tabling of the petition.

MADAM SPEAKER: The tabling of a petition is in order on approval of the Assembly.

MADAM SPEAKER: The motion under section 164 is not debatable, and if there is not unanimous agreement, must be voted on immediately. Therefore, we ask this Assembly if they were in favour of having this petition tabled or not.

MADAM SPEAKER: Is the Assembly in favour of tabling the petition?

I'll ask again. Is the Assembly in favour of tabling the petition?

ASSEMBLY: Aye.

MR. POTTLE: Auka.

MADAM SPEAKER: It's not unanimous consent; therefore, we go for a vote. Who's in favour of having this petition tabled?

MADAM SPEAKER: Five?

MR. RUSSELL: Shameful.

MADAM SPEAKER: Against having it tabled? Then the petition is not tabled in the Assembly. Any more tabling of documents and petitions? I'd like to call on the Honourable Minister of Finance.

MR. POTTLE: Nakummek, Madame Speaker. As outgoing, Acting Minister of Health and Social Development, I wish to table a report on the activities of the department that I received from the Deputy Minister on Sunday evening. I apologize, Madame Speaker, for not getting this to the Assembly, but I didn't think I had the time necessary to transfer the document to the Clerk in order to have it as a part of your information here today, Madame Speaker. But just very quickly, this report outlines the activities of the department and the Deputy Minister of Health and Social Development had informed me prior to me receiving this report that there was one detail missing from the report, Madame Speaker, and that was a report on the activities from the Status of Women. Very briefly, Madame Speaker, the highlights of this....

MR. RUSSELL: Point of Order.

MADAM SPEAKER: Okay, state your Point of Order, please.

MR. RUSSELL: Why is that we have legal counsel and all the support in the world and all the lenience of this House for that side of the table and not this side of the table? Nakummek, Madame Speaker.

MADAM SPEAKER: Okay, if you're just asking whether a document to be tabled

without a speech. Tabling a document would be appropriate.

MR. POTTLE: Thank you, Madame Speaker. I had no intentions of providing a speech here, and I think I'd be remiss if I didn't provide a few of the highlights in this report. But if you want it tabled in the House of Assembly, without the Members having read this report beforehand, then I accept your ruling on that and I ask the Clerk to take this report for tabling for the library for this session. Nakummek, Madame Speaker.

MADAM SPEAKER: Thank you, Honourable Minister. State your Point of Order, please.

MR. RUSSELL: Since we've messed up in this House so much today, I'd like to have a clarification given to all the people here. When Minister Pottle tabled a document earlier today, he was allowed to have no motion, no vote, he read it in its entirety, made commentary during that and then when I tried to do, under the a similar act for a petition underneath the Standing Orders, we had a motion, we had a seconder, we had a vote, it was voted down. Where's our consistency here, Madame Speaker? Nakummek.

MADAM SPEAKER: There is a difference in the Standing Order 168 which states, *Notwithstanding sections 164 to 167, a Minister may table a document in the Assembly with or without the consent of the Assembly.*

MADAM SPEAKER: So are there any more tabling of documents or petitions? Then we'll move on to our next item on the agenda, which would be number 7, Minister Statements or Announcements. Do we have any Minister Statements or Announcements? The Honourable Minister of Finance.

MR. POTTLE: Nakummek, Madame Speaker. Again, as outgoing Acting Minister of Health and Social Development, I would like to congratulate the AngajukKâk for Rigolet for being named Pauktuutit Woman of the Year in recognition of Ms Wolfrey's years of lobbying and advocacy on behalf of the rights of women. I believe, Madame

Speaker that this award is well deserved and the AngajukKâk for Rigolet should be commended for all her hard work and her dedication to ensuring that the lives of Labrador Inuit women are healthy and their concerns are heard and considered. So I say congratulations to the AngajukKâk for Rigolet for a well-deserved award.

MADAM SPEAKER: Nakummek, Minister Pottle. Congratulations, Charlotte. Any more Minister Statements or announcements? The Honourable Susan Nochasak, Minister of Education and Economic Development.

MS NOCHASAK: Thank you, Madame Speaker, for the opportunity to highlight some of the activities within my departments. If I might first mention that the deadline for applications for the Post-Secondary Student Support Program and the Inuit Pathways Programs has changed from April 1st to March 1st. This has been advertised through the fall and winter on the rollup channels and the Labradorian, notice posted in the communities, circulated to all the students, posted in regional institutions and advertised in the Canadian Constituency Newsletter. It has also been received lots on CBC air time and has been advertised on Okalakatiget Radio Society. There were some funding issues this past year, but we managed to come out on top. We still fund almost 200 students under Post-Secondary Student Support Program. In addition to the IBSW, we will continue to work hard on the issue within our department and with other agencies such as INAC. Madame Speaker, if I may, since 2011, there is a report submitted to the President of the University of Memorial on a number of activities taking place within the Aboriginal Initiatives Task Force. Within that update, there's a Native Liaison Office on campus. The Native Liaison Office has become more involved within the university system. There have been a number of cultural awareness activities taken place. Aboriginal orientations; orientations for instructors; diversity workshops, internal to MUN and external to school and community groups; social activities for all Aboriginal students; an Aboriginal Student Handbook developed; meet and greet activities; and so on. The Native Liaison Office travels around the province to various communities and schools to advise of their services and gather knowledge on services that they may be needed to be implemented. An Aboriginal Student Advisory Committee has also been established to review services, obtain feedback from students and

recommend improvements to services. They, in conjunction with the Native Liaison Office, hold monthly Aboriginal gatherings to share knowledge, offer supports, discuss issues and update students on Memorial University happenings. The Native Liaison Office is now manned by two individuals both Nunatsiavut Government and Nunatsiavut beneficiaries. There has been a huge increase in the number of students accessing these services and face a new problem, not only having enough space for all the students who use these facilities, a second social gathering and a study space has been assigned for students but on a different floor of the Native Liaison Office. Students Services is involved in a committee looking to alternate space and relocate the office. There is a fairly lengthy update in regards of the Aboriginal Initiatives Task Force and, if requested, you may receive a copy from my office. I won't go through everything in my Minister's statement. Madame Speaker, in regards of Inuit Pathways, I have an update. Inuit Pathways have implemented a freeze on funding for the Welding Program, unless someone has guaranteed employment in the field, if they were to complete training. This freeze will be reviewed before March 1st, deadline of 2012. The ASTSIF Program has a two-year initiative with HRSDC, with an agreement administered through the Inuit Pathways office. The project address labour market gaps in the marine industry in Labrador. The objective was to provide unemployed or underemployed Aboriginal clients with institutional training directly linked to the marine industry as well as work on-the-job training with private sector employees. This program will be completed March 31st, 2011. Although there were not so many work opportunities, Madame Speaker, as was hoped at the beginning of the program, program statistics and result for training and employment have exceeded the initial targets set out in the agreement. Service Canada representatives, the ASETS Program officer, and the regional Aboriginal consultant were in Makkovik last week, Madame Speaker. The purpose of this visit was to close out the AHRDA Agreement as also completed the first quarterly monitor under the new ASETS Agreement. There are a few small details noted that have to be worked out under the new agreement guidelines, but both Inuit Pathways and Service Canada were pleased with the monitor and results of this program, Madame Speaker. Inuit Pathways staff and the Deputy Minister of Education have a meeting scheduled with Service Canada, Director of Labrador Aboriginal Programs and staff to discuss and review the ongoing implementation of the new ASETS Agreement.

The 2011/2012 Aboriginal Labrador Aboriginal Training Partnership work plan has been submitted to the federal government, Madame Speaker. This work plan was well focused on short-term training initiatives and work experience for clients who had been previously trained under LAMP and other funding agencies. LAMP are now challenged with trying to meet the employment targets that were set out in their ASEP Agreement. With the delay in the initial start of the Lower Churchill Project, Nalcor will no longer be able to meet their commitments for employment numbers for the 2011 season. This means LAMP staff will have to concentrate on building work experience opportunities with other potential employers. On a final note, Madame Speaker, the Social Work Program, the program is still going well, and we still have full complement of 19 students continuing the program. We are experiencing some challenges in getting work placements for all the students in Labrador; however, we are working with all our partners to secure meaningful and valuable work placements. The CDO funds, as AngajukKaat would be aware, we did meet with ACOA and Innovation and Trade in Rural Development during a joint management meeting in St. John's, and we have received all the required information to put the CDO proposal together, and we are hoping that the proposal's submitted by the end of the business day tomorrow. Please note that I am asking that Inuit community governments would begin the advertisements of this position in their communities for the plan of April, April 1st. The Labrador School Board, Madame Speaker, there was a visit to Kuujjuaq. As the Assembly would be aware, we do provide funds from the Fiscal Financing Agreement to the Labrador School Board to deliver Inuit-specific programming in the Inuit community schools. Madame Speaker. I would like to make reference to the new project we supported this year which involves sending teachers into Nain-, from Nain to Kuujjuaq to share information and learn about the Inuktitut and Cultural Program to Nunavik. I understand that their recent visit went very well and I am pleased that the Minister of Cultural, Recreation and Tourism was able to join the group for this visit. Thank you, Madame Speaker.

MADAM SPEAKER: Thank you, Honourable Minister. Any more Minister Statements or announcements? I'd like to call upon the Honourable Johannes Lampe.

MR. LAMPE: First of all I'd like to congratulate the two new Ministers, Patricia Kemuksigak, Minister of Health and Social Development and Glen Sheppard, Minister of Lands and Resources. Also the First and Minister of Health because these two people had a lot of work on their hands and it is hard trying to work on a lot of other items as a Minister and I know it is going to be hard to handle. I know there were people before us that travelled in cold weather, sometime they were hungry. What we're talking about at this table here is nothing compared to what we went through before and to remember how they handled everything before and to think about this and try to move forward. Madame Speaker, in terms of my role as Minister of Culture to talk about the new Torngasuk Cultural Centre has been in the work for a long time, since the LIA was transitioned into the Nunatsiavut Government, and a lot of work has been done, and a lot of work still has to be done. And through into words heard on CBC, I've said that the final cost would be around \$15 million and the finishing date, we're looking at 2014, but we have to work in stages. I think it will not happen overnight. It will take many years and many different groups and companies and agencies including Nunatsiavut, Newfoundland and Labrador and Canada. And so this work is going to take a lot of effort and the different departments will have to work together to make something like this to preserve our language and to show the rest of the world who Labrador Inuit are, the culture that we have and the survival of the Inuit. And technical work has been done. Some samples have been done and this was completed in February. And we have awarded a business plan consultant and their final report should come in March 31 of this year. And we are going to promote the Torngasuk Cultural Centre and right now we are trying to collect many things that relate to the Labrador Inuit to show the future exactly the history of Labrador Inuit. And also, Madame Speaker, there is a group where Tom Gordon who is with the Memorial University, and Nigel Markham, who is a filmmaker, will be filming the Nain and Hopedale Choir in Nain on Palm Sunday and in Hopedale on Easter Sunday. And we are very grateful that the Inuit Community Governments of Nain and Hopedale could contribute to this, we feel, very important part of our tradition and culture. And as my colleague, Minister Nochasak, mentioned earlier I was able to travel to Kuujuaq with the Inuktitut teachers to see exactly what they are teaching to our children and our grandchildren in their area. And that was very helpful to me, Madame Speaker, too, to see and to

hear exactly what it is that we need to do in terms of language preservation and to help our children and our grandchildren to learn our very important language. And the department is also working on language strategy where we want to include many stake holders of Inuktitut to make sure that everyone concerned is able to contribute to preserve our language. And, Madame Speaker, toward the end of this month, the Interpreter Translator workshop will happen where elders, interpreter translators and language professionals will be able to share exactly what it is that they know and what they need to share. And also, Madame Speaker, we are looking to partner with other groups or agencies where for example, the Labrador Aboriginal Training Partnership wants to partner with the department to hire an interpreter translator where the Department of Torngasuk will oversee the position. And also, Rita Anderson who is our language coordinator has been working over the years on the Rosetta Stone Level One and Level Two. And this past year, it has been more special because we were able to hire a photographer to make a connection with the language, the terminology and, for example, the land, the sea, the wildlife, the fish and everything else so that everyone or anyone who needs to learn about the language can make a connection to what it is that they are saying. And also, the Innuagualuit Language Nest here in Hopedale, we also have a connection with that and we hope that we will get the opportunity to work with the Hopedale Language Nest Team. And, Madame Speaker, just this past spring/summer, the Torngasuk Cultural Centre was able to help with the Them Days Magazine, where stories were able to be put in the newsletter, in the magazine in both languages of English and Inuktitut. And, Madame Speaker, in terms of archaeology, the story of William Duncan Strong having taken human remains from marked graves, where marked graves have been, I believe, been the most important, for me as Minister of Culture, Recreation and Tourism. And I as Minister and archaeologist, Jamie Brake, will go to Chicago to the Field Museum to bring back the human remains that were dug up and taken away from our land. And we hope, if things go as planned, that we will have a ceremony to rebury those 22 remains and we want to invite people to come to that ceremony but, Madame Speaker, the money is not always there so we will bring a few people to Zoar to the reburial ceremony, but we would also like to invite others to come, if they can pay their own way. And also the province has communicated with the President about fragmentary remains being found at the

Memorial University and we hoped that the remains from Rose Island that were missed, we hope that we will also do a ceremony to rebury those fragmentary remains around the middle of August. And about heritage, Madame Speaker, we have a heritage committee and we hope that we will have a heritage forum here in Hopedale and this will be from May 2nd to the 4th. And on the Okak working group, we are also working to have an apology plaque to be erected and how we should do that. We will consult with elders and oral history. Interviews have been done on Okak and Nutak and that work still has to be completed, Madame Speaker. And for recreation, recreation is a challenging part of our department. And we have to do a lot of reviews on the different roles in supporting community recreation projects and we cannot do it alone as a department. So we will need Inuit Community Government support, also the province and other agencies or anyone who has an interest or concern in how recreation is given to the communities. And we hope that we will develop a recreation strategy and the department feels that we need to hire a Director of Recreation in order that this position will be able to be involved in talks with, for example, the management committee and other groups, too. And because recreation is such a challenging part of our department, we feel that a Director of Recreation would be a very important position for our department. And to make my statements and announcements shorter, Madame Speaker, for tourism, the Torngat Mountains Base Camp and Research Station, just a few weeks ago, we were able to be involved with the province to make a press conference to accept from the province and Minister Patty Pottle and her colleagues some money where, I suppose, tourists could have a better, you know, appreciation of the base camp. And, Madame Speaker, I believe, as Minister, that we need to further work together and keep working on that working relationship with the province and other agencies from Canada also. And also, we need to develop a website where we will be able to promote the base camp and other projects more in terms of tourism and our culture. I know that a lot of more people are using the internet to make people aware of exactly what is happening in Nunatsiavut, for example, the Torngat Mountains National Park. And the one thing that I would like to say, Madame Speaker, is that we have established a new management committee. The Executive Council has established a management committee for the base camp, and we feel that it is very important that people who are within and who are connected to Nunatsiavut and the

land make the important decisions that they need to make. Madame Speaker, I am so very happy to be a part of the Nunatsiavut Government and to be able to share, I suppose, in all the good news that is given. But sometimes, it's not all good news but we still all need to work together and we could go to many projects and many other ventures. For example, the Mealy Mountain National Park, we will need to do a lot of work, Madame Speaker, in order to make economic development a reality for our beneficiaries. And our Director of Tourism, Kristy Sheppard, is doing a really good job. I know that a lot of people don't hear from her exactly what she's doing but I am so happy and so proud to be working with Kristy. That's all I wanted to say. Nakummek, Madam Speaker.

MADAM SPEAKER: Nakummek, Honourable Minister. Are there any more Minister statements? The Honourable First Minister.

MR. SHIWAK: Thank you, Madame Speaker. I'll try to keep this very brief. In light of the fact that I'm the outgoing Minister of Lands and Natural Resources and have been in the role for the past few months, I'll touch on a couple of brief topics and I'll ensure that Minister Sheppard is briefed well over the next little while and that this whole document is circulated to the Assembly for your review. Madame Speaker, we have been actively engaged; the department has been actively engaged in the environmental assessment processes for the Lower Churchill Generation Project. The environmental assessment panel hearings commenced on March the 3rd, 2011 and will continue until April 15th, 2011. The department is coordinating the Nunatsiavut Government's intervention at the panel hearings. Our interventions will address the biophysical impacts of the project including methyl-mercury, seasonal flow and fresh water input and nutrient cycling. Our interventions will also address the social economic impacts, including traditional land and resource use, employment, communities and cultural impacts. As we all know, Madame Speaker, our legislation that was drafted about three years ago has restricted the mining and milling of uranium on Labrador Inuit lands. The legislation says that Nunatsiavut said we shall review this moratorium after March 31st, 2011. I have asked my staff to draft a plan that can assist our government and the Assembly Members in review of the milling and mining uranium restriction. I feel it will be very important to be able to

provide this, as much information and knowledge of the uranium industry as we can. We would like to ensure that the Assembly Members can make an informed decision on this topic. When this draft plan is done and is approved, now by the new Minister, it will be brought to the Assembly for consideration. Thank you, Madame Speaker. And on a final note, any questions with regards to the Department of Lands and Natural Resources, could you please direct them to me as the new Minister has yet to be briefed. As well, I believe, the same thing will go for the Department of Health and Social Development. Could you direct them to the Minister of Finance, Human Resources and IT. Thank you, Madame Speaker.

MADAM SPEAKER: Thank you, Honourable Minister. Any more Minister Statements or announcements? If that's it for that item today, I'd like to acknowledge that we have a special guest in our gallery. I'd like to welcome Patty Pottle, Minister of Aboriginal Affairs. And now, we'll move on to item number 8, Member Statements on here. So now, I'd like to recognize the AngajukKâk for Makkovik, Herb Jacque.

MR. JACQUE: Thank you, Madame Speaker. On behalf of Makkovik Inuit Community Government, I'd just like to acknowledge and thank a couple of the departments here today. I would like to thank the Department of Health and Social Development for assistance in providing funding for our Seniors Project in Makkovik. Example, snow clearing, helping out with wood, et cetera, and it is very, very appreciated. I'd like thank Keith Russell, Dan Pottle and the rest of the Department of Health and Social Development. Also, I'd like to acknowledge, also, MHA for Torngat Mountains District, Patty Pottle, and her department for providing assistance, as well. And also, to Department of Education and Social Development, Honourable Susan Nochasak's department, for funding provided for a project, that we'll have ongoing in preparation for a cruise ship coming this summer, in making souvenirs, et cetera. And it's going to be about 650 people. Thank you, Madame Speaker.

MADAM SPEAKER: Thank you, AngajukKâk for Makkovik. I'd like now to call on the Ordinary Member for Upper Lake Melville, Mr. Keith Russell.

MR. RUSSELL: Nakummek, Madame Speaker. Oh, just bear with me; I'll just sign this petition here. I hold in my hand an unofficial document. And the names are from Mud Lake, Hopedale, Rigolet, Nain, Goose Bay and Lab City, St. John's, Postville, all kinds of communities that we represent here. Everybody's used to me standing up here and being very longwinded, but I'll just say this. These people wanted their names put to this table. They wanted their voices heard. And I'll end by saying this. Leadership, we have none. Nakummek, Madame Speaker.

MR. LYALL: Question of Privilege, Madame Speaker.

MADAM SPEAKER: State your Question of Privilege, please.

MR. LYALL: I would like to request, Madame Speaker, that the Honourable Member from Upper Lake Melville retract his statement. We do have leadership. I think as a young government, we've gone a long ways in the last two and half, three years. Thank you, very much.

MADAM SPEAKER: We'll recess for a couple minutes.

(Recess)

MADAM SPEAKER: We're going take a 10-minute break.

(Recess)

MADAM SPEAKER: I'd like to call the Assembly back to order. Number 8, Member Statements. First of all, I'd like to remind all Members of Standing Order number 41. *Members have a duty to conduct themselves in a manner respectful of the Assembly, the Chair, other Members, Inuit law and Inuit culture and traditions.* Keith, do you have something to say?

MR. RUSSELL: Nakummek, Madame Speaker. We are politicians; this is a House

of Assembly. I encourage all, I guess, to conduct themselves with respect to this House and to the Speaker's Chair but yet, to approach your jobs and represent your people with emotion. But in saying that, I would like to apologize to our gallery for the comments in reference to my grandmother being a Big Bayimuik and that I have a right to freedom of speech and speak in this House. Those comments were outside of the Member Statement and I would like to apologize to you, the Speaker, Madam Speaker, and to the Gallery. Nakummek, Madame Speaker.

MADAM SPEAKER: We will now carry on with Member Statements. I'd like to call the Ordinary Member for Makkovik, Denise Lane.

MS LANE: Thank you, Madame Speaker. First of all, I'd like to congratulate Glen and Patricia on their new portfolios and I wish you best of luck. Just a couple of things coming from my community since our last sitting. We started Kids Eat Smart last month and it's a huge success. And it wouldn't work without all the volunteers. I also would like to recognize Makkovik has a team in Cain's Quest, team number 27, Lewis McNeil and Perry Dyson. We are very proud of them and we wish them the best of luck. Thank you, Madame Speaker.

MADAM SPEAKER: Thank you, Denise. I would like now to call the AngajukKâk for Rigolet, Charlotte Wolfrey.

MS WOLFREY: Thank you, Madame Speaker. I want, first, to start off by saying that what I'm going to talk about is without any prejudice intended. But my statement today is concerning a sort of, I call it, a movement, but I don't know what it is, that has been happening with one of our Inuit Community Corporations. I attended a research conference in December, in Ottawa, and there were a couple of people there presenting on a research project, I guess, that Sivunivut from Northwest River had, and they were reporting on this project, and I was really surprised and shocked when I heard them calling Northwest River one of the southern most Inuit communities in the world. And after the presentation and the question and answer period and session, I corrected them. I corrected the information, what I thought, by saying that Northwest River is not an Inuit community. They are an incorporated

town who have Inuit living in their town, Inuit, who for the most part, I think, were imported to Northwest River. That's my opinion. My second encounter with this was at last weekend at another conference that I attended in Goose Bay. And one of the participants there from Northwest River, again, started talking to me about what Sivunivut was doing to try to get funding because they are an Inuit community, he told me, and they are talking to DIAND about getting funding. And he said he felt that we are an Inuit community living within a municipality. Again, I reminded him that Northwest River is a municipality, incorporated as a town, as just that, a town, not an Inuit community. And I have no problem with Sivunivut looking for money for Inuit in their community, that's their business. But I think we need to have clarified what an Inuit Community Corporation is. It is not an Inuit community, it is a Corporation. It is not a level of government. Rigolet Inuit Community Government asked me to speak to this issue here because we for many, many years have been referred to as the southern most Inuit community in the world, and we feel that that is our claim to fame. It is a part of what will draw tourists to us but it is our identity and it upsets us. And, I think, there needs to be clarity. The Inuit in Northwest River, like the Inuit in the remainder of Canada, are part of a growing Inuit population. They are referred to as urban Inuit, and there are pots of funding and a recognition that Inuit do not only live in Inuit communities, but they live in towns, municipalities, cities, outside of the traditional settlement areas. And we, in Rigolet, are not interested in pitting one of us against the other. We are interested in working together, no matter where, and helping to better lives for Inuit, no matter where they are. However, we want to ensure that the interest of our community is protected and that the Labrador Inuit Land Claims Agreement is adhered to, and the communities that have been declared Inuit communities remain at five, with Rigolet being the southern most Inuit community in the world. And that ends that part. Just I'd like to acknowledge, also, that Rigolet has had some funding from Community Enhancement from the province and from Susan's department, and just that we would like to thank them for that. Thank you, Madame Speaker.

MADAM SPEAKER: Thank you, AngajukKâk from Rigolet. I'd now like to call on the AngajukKâk for Postville, Diane.

MS GEAR: Thank you, Madame Speaker. On behalf of the Postville Inuit Community Government, I want to say thank you to the Minister of Education and Economic Development for providing funding to repair the bridge on Brinex Road. This is an access road that's used for hunting and fishing and trapping, getting wood and it's also used as part of the winter trail to Goose Bay. And we want to also say thank you for providing funding to continue work on our boardwalk. I also want to say congratulations to our B. L. Morrison School. In the past couple weeks, they came first in the winter sports meet, the first time they ever did that, and our volleyball team will be going to Lab City the first week of April to compete in the regionals. Thank you very much, Madame Speaker.

MADAM SPEAKER: Thank you, Diane. I'd now like to call on the AngajukKâk for Nain, Tony Andersen.

MR. ANDERSEN: Thank you, Madame Speaker. I realize that perhaps you don't have all that much time left in our 20 minutes so I'll talk very fast. I'm very happy and congratulate Patricia Kemuksigak. I know that over the years she's demonstrated in her work that she has a heart and she cares very much for Inuit, and she has dedicated her life's work to that. And I have no reason to believe and expect anything less from Patricia Kemuksigak in her new role and I wish her well. Madame Speaker, as well, to the new Minister of Natural Resources. I'm sure that, Madame Speaker that his old grandfather must be quite proud looking down at him, a well-known leader from Postville\Makkovik area over the years and, as well, I expect that, which is very grass root approach we'll have. You know, we'll be able to work with that Minister. In saying all that, I wanted to talk about, did want, something like Bob and Doug Mackenzie, Madame Speaker, but the topic I have chosen today is the fishery and how important it is to my part of Nunatsiavut. I have two fisheries, commercial and communal. And I hope that the Minister is listening to me today because this statement is, more or less, meant for him in his new role. And that is that, perhaps, we've been living in violation of our Land Claims Agreement with that silly communal system that we have over the years. And, last year with those two girls out of the Goose Bay office on a whirlwind tour through Nunatsiavut with some DFO people who think that can dictate the terms of how we're going to catch fish for

food in our Nunatsiavut communities, as to telling us what size mesh we can use and when we have to take our net out of the water. The communal fishery in Nunatsiavut is very important and, I think, that you almost got to be from Nunatsiavut and live in those communities to realize how important that is when you see 10, 12-year-old boys and girls who put 3 or 4 or 5, 6, 7 meals on the table during the height of the char run. And even the President, I noticed, participates all out in that fishery, and he smokes char and prepares food for winter, and he thinks that he's quite good at smoking. I noticed that because he shares it around. But that's how we all are, Madame Speaker. I mean, you know, I use the President and, as an example, you know, Madame Speaker, he's a busy man, but we all do and it is important. And as I said, Madame Speaker, I think, we may be in violation of our Land Claims Agreement in allowing DFO to dictate the terms of that licensing and perhaps that silly thing should be thrown out the window. And we, as Inuit, in Nunatsiavut communities should really have the decision making on how we set up that food fishery in the summertime. The other thing on the commercial side, Madame Speaker, is that a lot of time has gone and it came to mind because I see here we're going to guarantee another loan for Torngat Fish Producers Cooperative, and that's a very good thing. And you know, God bless the Torngat Fish Producers Cooperative. I don't know how long they've been around, but other things have come and gone and yet they're still there in my community providing much needed work, given it's only a few weeks each summer. But it is there and they're still there and they're going to be there again this summer. When things like quarries and that have all fell by the wayside, the fishery is still there. And for anyone who does not know, let me tell you, that in Nunatsiavut, the fishery has a future. The fishery is alive and well, and we need to turn our attention to that. We have not heard from the government side over the last number of months on the road towards one end of the fishery. And that is long overdue. And, again, these words are met for the new Minister. I hope he turn his attention to that because, I believe, that as a fisherman, he may have been a fisherman at one time in his life when, he knows just exactly how important that is. That's my speech on my topic for today. Thank you very much, Madame Speaker.

MADAM SPEAKER: Thank you, AngajukKâk. We have time for one more Member

Statement so I'll call on Jennifer Hefler-Elson, the Chair of NunaKatiget Corporation.

MS HEFLER-ELSON: Thank you, Madame Speaker. Mine is going to be quite short. It's not anything lengthy. I just wanted to offer congratulations to three beneficiaries that are living in the community of Happy Valley Goose Bay right now, who completed the Licensed Practical Nursing Program. They graduated in December and the three of the beneficiaries each received awards during the ceremonies. Jody Michelin received an Award of Excellence in child health; Linda Frances, I'm sorry, received an Award for Excellence in medical clinical and Katelyn Hefler received an award for overall highest average in the course. So I wanted to offer congratulations from, from my office to those students. And also, I'm not sure if everybody's aware of it, but in Happy Valley Goose Bay there is a trap line, it's not specifically for Inuit people, but it is a trap line marathon that anybody can participate in. And I would like to congratulate Beatrice Hunter, who's formerly from Hopedale, who completed the full marathon, a 42.2-kilometre run during that time. We also had three members who did half marathon was Sam Mansfield, Alison Way and Alison Haggerty, and that's a 21.1-kilometre run. And we had about 15 other members complete the 10-kilometre run. So I'd like to offer congratulations and hope that these people keep doing their physical activity to help keep the chances of getting diabetes or heart disease down. Thank you. Thank you, Madame Speaker.

MADAM SPEAKER: Do we have time for any other Member Statements? Thank you, Jennifer. Wayne, you wanted to make a Member Statement. We'll take this one last Member Statement.

MR. PIERCY: I'd like to say thank you to Keith Russell and Susan Nochasak for going around when I was away, and I apologize for being away. I had a young beautiful girl so everything's good, but I'd like to say thank you to Susan and Keith with the wood project that the money come forward from the government. It was 10,500, Kamatsiatet put in another 10,500 and we were able to support up to 40 people. Thank you.

MADAM SPEAKER: Thank you, Wayne. We will move on with our orders of the

day. Down to number 9, which is Oral Question Period. Do we have any questions? Okay, I'd like to call on Jennifer Hefler-Elson from the NunaKatiget Corporation.

MS HEFLER-ELSON: Thank you, Madame Speaker. My question is for the Minister of Finance, Human Resources and Information Technology, Minister Dan Pottle. Mr. Pottle, I would like to ask you, now, if you will provide me, and any other Assembly Member who may want the information, the classification list of all employees that are employed with the Nunatsiavut Government along with the level that they are placed on a salary scale. Thank you, Madame Speaker.

MR. POTTLE: Nakummek, Madame Speaker. Thank you to the Chair of NunaKatiget. As we had ongoing dialogue, and as the department has informed you, we cannot provide classifications of employees because it violates our privacy laws, Madame Speaker. We are a small government; we may have one person classified as an employee. Releasing that information automatically identifies that person, and we're bound by the privacy laws of this country to protect that information. Madame Speaker, if we chose to provide that information, this government could be held liable and we could be taken to court for breach of confidentiality and for providing that information. We just cannot do that, Madame Speaker. And, again, I mean, you know, to the Chair of NunaKatiget, I mean, how many more times can I say this to make my point clear? We have an obligation, as a government, to protect certain information. And releasing that information could, in all likelihood, identify a person and then we're held liable for that. Madame Speaker, thank you.

MADAM SPEAKER: Is that a supplemental question?

MS HEFLER-ELSON: Yes.

MADAM SPEAKER: Okay, go ahead.

MS HEFLER-ELSON: Thank you, Madame Speaker. Mr. Pottle, the Labrador Inuit Constitution, Part 5.9, Ministerial Accountability to Nunatsiavut Assembly.

Nunatsiavut Executive Council is obligated to respond to Nunatsiavut Assembly. As per 5.9.1, Members of Nunatsiavut Executive Council must respond to questions and requests for information from Members of Nunatsiavut Assembly in relation to the performance of executive functions or business of Nunatsiavut Government. But no Member of Nunatsiavut Executive Council is obligated to respond to a question or a request for information that is ruled to be frivolous or vexatious... I can't say it properly. I'm sorry. So, Minister Pottle, my question then, to you, is will you abide by the Labrador Inuit Constitution and supply me with a list of the classification of employees within our government that will be held confidential, by me, if you are to supply it to me?

MR. POTTLE: Nakummek, Madame Speaker. I think I answered the question, and I think I have provided the information, as per the Constitution. I have more to say on the matter, Madame Speaker.

MADAM SPEAKER: Supplemental?

MS HEFLER-ELSON: So your answer to that then is that you will not abide by the Labrador Inuit Constitution that we all took an oath to abide by?

MR. POTTLE: Again, I reiterate. I did respond to your question and request for information, and because of privacy legislation in this country, I cannot divulge that information because it would automatically identify certain individuals within this government. And, again, Madame Speaker, if I provided that information, this government is held liable. Is that what the Chair of NunaKatiget is looking for? I don't understand. How many more times can I answer the question? I answered the question. I gave you the information as per the Constitution. Thank you, Madame Speaker.

MS HEFLER-ELSON: You're asking a question for my answer?

MADAM SPEAKER: You were given two supplemental questions.

MS HEFLER-ELSON: Then he asked me a question.

MADAM SPEAKER: You asked him the question already had two supplementals. That's it for that subject. We'll now go on to Ed Tuttauk, Chair of the Sivunivut Corporation.

MR. TUTTAUK: Nakummek, Madame Speaker. My question is to the AngajukKâk from Rigolet in regards to her member's statement, and I reiterate from previous emails, how does someone define an Inuit community? With nearly 80 percent of our constituents being Nunatsiavut beneficiaries, how can someone tell us that we're not an Inuit community? Nakummek.

MADAM SPEAKER: Go ahead, AngajukKâk from Rigolet.

MS WOLFREY: Thank you, Madame Speaker. I'm not really sure how to answer your question and, except for the fact that we got a Constitution that names five communities as Inuit communities, as Labrador Inuit communities, I don't know what else to say and I'm told that Constitution is what governs us. That's what we got to go by. That's the laws of our land. And in the laws of our land, as far as I know, there's a Constitution that says there's five Inuit communities and Northwest River is not one of them. Nakummek.

MADAM SPEAKER: Thank you, AngajukKâk from Rigolet. I'd now like to call on the Ordinary Member for Nain, Mr. William Barbour.

MR. BARBOUR: Nakummek, Madame Speaker. My question is to the First Minister. In your previous role as Minister of Lands and Natural Resources, in your role as Minister of Lands and Natural Resources, you alluded to the fact that the department is now preparing a draft plan on potential mining and milling of uranium. How far along is the plan, is it already done, and when can it be available? Thank you, Madame Speaker.

MADAM SPEAKER: Go ahead.

MR. SHIWAK: Thank you, Madame Speaker, and thank you for the question, Mr. Barbour. The draft plan, I have not seen the draft plan. When I was Minister, I instructed the department to start preparing the plan a couple of months ago for my review, and that would be for Minister Sheppard's review and then brought to the Executive and, hopefully, brought to the Assembly for approval. So there's no time line, I haven't seen the plan. So I'd have to check with the department, but I will, once the time line is determined, the Assembly will be given notice that the plan is finished and brought to the Assembly for approval. The Assembly is the only body that can approve and accept the plan. Thank you, Madame Speaker.

MADAM SPEAKER: Thank you, Honourable First Minister. I'd now like to call upon the Ordinary Member for Upper Lake Melville, Mr. Keith Russell.

MR. RUSSELL: Nakummek, Madame Speaker. My question is directed to the Minister of Finance. In support of Chairperson Hefler-Elson's question about access to information, I just like the Minister's thoughts on why then, in the past, that same classification and information that Mrs. Hefler-Elson was looking for was distributed among civil servants, members of the Executive Council via email, and sent around for everybody to discuss and talk of then? I'd like his thoughts on why that select group is allowed to access that information and, yet, Members of this Assembly, around this table, are not allowed to access that information. Nakummek, Madame Speaker.

MR. POTTLE: Nakummek, Madame Speaker. Nakummek, Ordinary Member for Upper Lake Melville, for your question. I can't respond to your thoughts and opinions on this information being shared to this Assembly or other employees of government. That was before my time, but I suspect that if that was, Madame Speaker, I mean, there are certain individuals within government that have access to that information in order to do their jobs. It relates to the operations of government. And each and every employee who has access to that information is bound by the same rules of confidentiality and privacy that I or the department is bound by, as well. I cannot speak to because I was not party to that release of that information. What we can do

is to ensure that the information that's necessary for individuals and employees to do their job is protected and it is held as confidential information. And each and every member who's entrusted with that information is expected to uphold that confidentiality. Nakummek, Madame Speaker.

MADAM SPEAKER: Supplemental, Mr. Russell.

MR. RUSSELL: Nakummek, Madame Speaker. I guess this is supplemental but, also, clarification. That did happen while you were Minister of Finance. I'm speaking of a time when I was Minister and, I guess, that oath doesn't apply to me any more so I'll, I'll just say that they were shared by email and there were non-elected officials on that list. I still fail to see as to why, in confidence, that couldn't have been extended to a Chairperson or to an Ordinary Member or to an AngajukKâk, as well. I'd like to know why we, automatically, or why the Minister thinks that somebody who's not on the Executive Council would divulge confidential information? It seems to me that the reasoning for wanting the information was to make an educated decision, perhaps, on whether or not to suppose government business in relation to an upcoming Budget Bill. So, again, I restate my question. Why is it automatically thought because you're not on the executive council or you're not in the Finance Department, that it wouldn't be confidential? Nakummek, Madame Speaker.

MR. POTTLE: Madame Speaker, again, I can't respond to the Ordinary Member's accusation because I don't believe that information was provided. What were provided to the Chair of NunaKatiget Inuit Community Corporation were salary levels and the number of officials and employees who are on those salary scales. And I take offence to the accusation by the Ordinary Member for Upper Lake Melville that this information was not provided. As per the Labrador Inuit Constitution, Madame Speaker, Provision 2.4.31 states, *Relative to access to information that every Labrador Inuit has the right to access any information held by an institution of Labrador Inuit Government.* And that is required for the exercise of protection of any right. But that right, Madame Speaker, is subject to reasonable restrictions which may be imposed under Inuit law, including restrictions necessary to the protect the privacy of individuals. Nakummek, Madame Speaker.

MR. RUSSELL: Supplemental.

MADAM SPEAKER: Supplemental.

MR. RUSSELL: Nakummek, Madame Speaker. I guess I'll just put it briefly. Are you saying that I don't have these on my desk in the Goose Bay office? Nakummek, Madame Speaker.

MR. POTTLE: Nakummek, Madame Speaker. No, I'm not saying that. The Ordinary Member for Upper Lake Melville is saying that. Nakummek, Madame Speaker.

MR. JACQUE: Thank you, Madame Speaker. My question is going to be directed to the Minister of Recreation, Culture and Tourism. We would like to know what research Nunatsiavut Government, Department of Tourism, has been doing with respect to an insurance plan that would serve the needs of local people to be covered if giving local tours such as boat rides, kayak or dog sled rides, et cetera. Thank you, Madame Speaker.

MR. LAMPE: Nakummek, Madame Speaker. I don't have that information with me right now but when I do get back to my office, I will certainly get that information to you. Nakummek, Madame Speaker.

MADAM SPEAKER: Nakummek. Any more questions? Okay, the Chair for NunaKatiget Corporation. You can ask another question which is not related to the first question.

MS HEFLER-ELSON: Thank you, Madame Speaker. Again, my question is to Minister Pottle, Minister of Finance. I was approached by a female entrepreneur in Happy Valley Goose Bay with a question; she owns a gas bar or a gas station in Happy Valley Goose Bay. She is an Inuk beneficiary. She employs Inuit people, beneficiaries, and the majority of her staff is Inuit. She approached me and asked

me to bring forward, would you please consider asking or having any vehicles that are located in Happy Valley Goose Bay, such as the vans for Department of Health and Social Development or trucks for Fishery Department, I'm not sure of the departments, and I don't know the titles of the employees that might have those trucks in their possession because I'm not accessed to that information. So the person that drives the truck, would they be able to go down and buy gas from that gas bar instead of another company that isn't Inuit-owned? Thank you, Madame Speaker.

MR. POTTLE: Nakummek, Madame Speaker. The Nunatsiavut Government has no right to dictate and to tell our departments where to purchase their goods and their products. That is not within the jurisdiction of the Nunatsiavut Government. We, certainly, can look at and encourage our departmental staff to do that but, I mean, you have to consider, I mean, you know, if the Department of Health and Social Development office, by way of example, is on Kelland Drive, the gas station that the Chair of NunaKatiget is referring to, I believe, is located at the lower end of Hamilton River Road, formerly called Buck's Landing. I can't remember exactly the name of the business, Madame Speaker, but, I mean, we can't dictate and tell who, who our departments are to purchase their goods and services from, unless it's directly related to the procurement of goods and services as per the Nunatsiavut Procurement Order. Nakummek, Madame Speaker.

MADAM SPEAKER: Supplemental.

MS HEFLER-ELSON: Thank you, Madame Speaker. You mentioned a Procurement Order or a Procurement *Act* that we're going to be putting in for amendments at this sitting. I was wondering then if there is nothing that we can direct people to. If there is nothing that we can direct our staff to purchase from that gas station or the Inuk entrepreneur, is there a way then through the *Procurement Act* that we could do a standing offer or direct sourcing purchase for that good? Thank you.

MR. POTTLE: Nakummek, Madame Speaker. I can't respond to that because the

Procurement Bill has not been put through this House of Assembly for first or Second Reading. So the Procurement Bill or *Act* that you're referencing is to be considered by this Assembly and, until this Assembly approves that, I cannot answer that question. Nakummek, Madame Speaker.

MADAM SPEAKER: Second supplementary.

MS HEFLER-ELSON: I was under the understanding that the Procurement one that we're going to be looking at today is an amendment from the one that is going to expire in July of 2011. So are there any conditions in that one that we could possibly look at so that we would help the entrepreneur continue to employ at least three, if not four, Inuit beneficiaries in our community? Thank you.

MR. POTTLE: Madame Speaker, under the current Procurement Order, and I state Order because that is not an *Act*, that Procurement Order is slated to expire at the end of June 2011 and we can do a standing offer under that Procurement Order. Nakummek, Madame Speaker.

MADAM SPEAKER: I'd like to call on the Ordinary Member for Makkovik, Denise Lane.

MS LANE: Thank you, Madame Speaker. I guess my question is for the First Minister. A couple of the people in Makkovik were wondering if we can set up online banking with Torngat Housing. Whereas, when you pay your dwelling off, in postage, it would cost \$1884 over the course of 25 years. Online banking would cost \$450, a difference of \$1434. We're asking can we get this set up. Thank you, Madame Speaker.

MR. SHIWAK: Thank you, Madame Speaker. Could you repeat the first part of the question? I never really caught it.

MS LANE: To get online banking services set up for Torngat Housing.

MR. SHIWAK: Thank you, Madame Speaker. That is a question that would have to be posed to the Board of Torngat Housing. They make decisions on payments and for housing, whatever housing units they have. So you'd have to pose that to the Torngat Housing Board. I certainly can bring it up; we have a rep on that board, a government rep. I can certainly put that in his ear and see if he wants if he can explore that idea. And I will do that for you.

MS LANE: Okay.

MR. SHIWAK: Thank you, Madame Speaker.

MADAM SPEAKER: The Ordinary Member for Upper Lake Melville, Keith Russell.

MR. RUSSELL: Nakummek, Madame Speaker. My question is directed to the Minister of Finance. Mr. Minister, in the past we've had an Economic Development Fund. I'd like to know, what is the status of that fund? Nakummek, Madame Speaker.

MR. POTTLE: Nakummek, Madame Speaker. I'd ask the Ordinary Member for Upper Lake Melville to be a little bit more clear in his question and help me understand what he's referring to, to an Economic Development Fund. Nakummek, Madame Speaker.

MR. RUSSELL: The Economic Development Fund, that I'm referring to have a balance of, I believe, 400K, at one point. I believe it came from the supplemental budget that we had from mining royalties. I don't think it was used. I'm not sure if the Economic Development Fund was maintained past that fiscal year. I'm wondering if it's still in existence and, if so, what is the balance? Nakummek, Madame Speaker.

MR. POTTLE: Nakummek, Madame Speaker. I believe, and I would have to go back to ask the question and to find out what that balance currently is. The Community Economic Development Fund is a line item under the Department of

Education and Economic Development budget so maybe your question is better asked of the Minister of that department. But I certainly will take your question, under advisement and consideration, and get the details of that for you. Thank you, Madame Speaker.

MADAM SPEAKER: Supplementary.

MR. RUSSELL: I look forward to the Minister's response to that question. As a supplemental question, I would also request that some clear definition be provided along with the balance because it was my understanding and the understanding of, I guess, other elected representatives, that at the time when that was established, that was only available to Nunatsiavut beneficiaries that currently reside inside of Nunatsiavut. My question as to the clarification and the reason that I'm demanding that clarification to accompany the balance is because of the fact that my request to bring this question into this House came from an Inuit core fisherman committee. And they have core fishermen that are residents inside and outside of Nunatsiavut, and they were wondering as to the availability of start-up monies from that Economic Development Fund and whether or not that qualified, and I gave them my pledge that I would bring that question to the House to determine; if you give me a second here. One, if it still exists and there's a balance. Two, how do they access such said monies? And three, whether or not members on that committee residing outside of Nunatsiavut may be able to apply to that, as well, in order to have start-up funds for the next season in the fishery. Nakummek, Madame Speaker.

MS. FORD: Any more questions?

MR. POTTLE: Nakummek, Madame Speaker. Thank you for your three-part question, supplemental question, Ordinary Member for Upper Lake Melville. I certainly will consult with my department and get back to you.

MADAM SPEAKER: The Notices of Motion. The Member for Upper Lake Melville.

MR. RUSSELL: Nakummek, Madame Speaker. I'd like to give notice that I'll be

introducing a motion requesting that this legislative Assembly introduce an Auditor General. It'll be moved by me, of course, and seconded by the AngajukKâk for Hopedale, Wayne Piercy. Nakummek, Madame Speaker.

MADAM SPEAKER: Thank you. Any more motions?

MR. POTTLE: Point of Order, Madame Speaker.

MADAM SPEAKER: Go ahead.

MR. POTTLE: I would just like clarification before we move into motions as Standing Order 164 to 168. I'm wondering will there be any opportunities for Members to address the motion? Because it says under Standing Order 166, *Motion under 164 is not debatable. And if there's no unanimous agreement must be voted on immediately.* So I just wanted a clarification before we proceed whether or not you allow any debate on the motion? Nakummek, Madame Speaker.

MADAM SPEAKER: Give me a break for two minutes. The answer is yes, you will be allowed speak to it. Any more notices of motion? We have one notice of motion. Any more notices of motions? Go ahead, Honourable Minister.

MR. POTTLE: Nakummek, Madame Speaker. I'm not sure if I need to give motion here. I presented a resolution that I will be introducing today. I'm just wondering, again, within the time frame that I submitted it to the Office of the Clerk and to the Speaker that I don't have to provide notice to that motion. I just want clarification on that, as well.

MADAM SPEAKER: It's been normal practice that you give notice of motion when you're putting through a resolution. It would be different for the Bills, different issue on the Bills. So for now we'll follow the regular practice that has been followed. Go ahead, Honourable Minister.

MR. POTTLE: Nakummek, Madame Speaker. For the clarification, I wish to give

notice that I will be moving, presenting a resolution on the appointment of the Auditor for a five-year term beginning April 12th, 2012. My resolution and motion will be seconded by the Honourable First Minister, the Ordinary Member for Rigolet, Darryl Shiwak. Nakummek, Madame Speaker.

MADAM SPEAKER: Thank you. Any more notices of motions? If not, then we'll move on to number 3, Motions. So I'll call upon the Ordinary Member for Upper Lake Melville, Keith Russell.

MR. RUSSELL: Nakummek, Madame Speaker. I move, seconded by Wayne Piercy, AngajukKâk for Hopedale that we accept this motion requesting that the Nunatsiavut Assembly appoint an Auditor General and support structures. Whereas, the Labrador Inuit Constitution does not require the appointment of an Auditor General, whereas the Labrador Inuit beneficiaries have questioned past and current spending practices of the Nunatsiavut Government and, whereas, the responsibility of the Auditor General is to ensure Nunatsiavut Government funds are expended in a fiscally responsible manner, therefore, be it resolved that the Nunatsiavut Assembly appoint an Auditor General and support structures, and be it further resolved that the Office of the Auditor General and support structures be established by January 1st, 2012. Nakummek, Madame Speaker.

MADAM SPEAKER: Thank you, Keith. The motion is in order. Would you like to give opening remarks?

MR. RUSSELL: Nakummek, Madame Speaker. Well, I've stood on many occasions in this House and I've spoke of an Auditor General for our government. Earlier I put a couple of hundred signatures on the table of beneficiaries that wanted the same, and wanted their voices heard and their names put to this legislature. I believe we made a grave error in not allowing that to happen. But having said that, hundreds of signatures are still on the way, and I can assure this Assembly and all the beneficiaries and those people that took the time to have their voices heard that this is not a dead issue. We heard from the auditors, yesterday, and the Chairperson of NunaKatiget and a few other people around this table asked a lot of

very serious, hard questions to the auditors, and they did a pretty good job of answering those questions, they did. And our Deputy Minister of Finance also did a good job of answering some questions as well. But one thing was very clear. That we are very exposed as a government in terms of all the various branches and the money owed and how much money is really out there, as well as, basically, how complex it is to determine from a set of financial figures exactly where we are as a government. I'm not going to go on and on about that today, but, I think, everybody should have asked a lot more questions. And, I think, everybody should have consulted their communities on where we are with this Auditor General thing. So instead of me being longwinded up here, like we're used to seeing, I think everybody around this table should really have something to say and speak from your heart and speak on behalf of your constituents. I'll just say this, that over the last weeks, I have been in the public eye on this issue, and people from your communities, and mine as well, have been calling me to tell me to make sure that this happens. So having said that, I'll close my opening remarks and I'd just like everybody around this table to have your say because, in my mind, I mean, I certainly didn't understand all of those financial figures presented to us yesterday. And I asked a lot of questions and I did get some clarification. But what are we to think that if you didn't ask any questions at all, that you fully understood them all, or you didn't understand them at all? I'm not sure. So I'll invite everybody else to come to the table and have their say on this matter. Nakummek, Madame Speaker.

MADAM SPEAKER: Thank you, Mr. Russell. Would anybody like to speak to this issue? The AngajukKâk for Hopedale.

MR. PIERCY: In support of the Auditor General, because as you heard yesterday when we spoke with the auditors, they have no opinion and no recommendations as how we're using our money within our government. I feel with the Auditor General that if the Auditor General was to support us, he would say that, yes, we're using this amount of money right; we're using this amount of money wrong. So as I spoke to some residents here in my community, that's one of the reasons why we'd like to see an Auditor General. The auditor is just doing the audits. They had no opinion, whatsoever. If you take LIDC, for example, if the recommendations were made right,

maybe we'd still have our plant open here. LIDC might be open in Nain and supporting all the workers that they had down there. So, basically, for the Auditor General I'd like to see everything weighed out. Are we spending money in the right places? Are we saving money in the right places? So other than that, I don't know what else to say. I'd just like to see that the opportunity is there that if we're spending enough money in one place, we should be saving it in another place. So it should balance out so that we can have money to look forward to in the future. Thank you, Madame Speaker.

MADAM SPEAKER: Thank you, Mr. Piercy. The AngajukKâk for Postville, Diane Gear.

MS GEAR: Thank you, Madame Speaker. I was undecided at the beginning about whether we should have an Auditor General, but I spoke to quite a few people in my community and their questions to me was, where's the money going to come from? If we hire an Auditor General, is that going to cut back on our education funds? Is it going to cut back on the health funds? I couldn't answer them, and then the other question was why do we need an Auditor General? Don't we have an auditor? And then it was, well, right now, I'm undecided. I don't see our government doing anything wrong; I thought our government was doing a pretty good job. And having said that, that's why I decided to vote against it for now. Thank you, Madame Speaker.

MADAM SPEAKER: Thank you, Ms Gear. The Honourable President.

MR. LYALL: Yes, thank you, Madame Speaker. I'm not quite sure if I understood the AngajukKâk's comments clearly or not, and maybe I didn't. But I don't think it's the place of auditors to tell us how to spend our money. We decide how to spend the money. They can tell us and they only have to let us know if we're doing it legally or illegally or for misspending, but they can't tell us if we should keep the plant open or not.....

MR. TUTTAUK: Point of Order.

MADAM SPEAKER: State your Point of Order, please.

MR. TUTTAUK: Isn't the purpose of this debate to speak to the motion and not to another Member's statement? Nakummek.

MADAM SPEAKER: This is not a debate so, yes, you can speak to what another Member has said. Proceed, Honourable President

MR. LYALL: Thank you, Madame Speaker. Yes. Basically, what I wanted to say is that they don't recommend or tell us how to spend our money. That's up to the Assembly and the Executive on how we spend our money, and if we're not spending correctly, then they would report it. Thank you.

MADAM SPEAKER: Thank you, Mr. President. The AngajukKâk for Makkovik.

MR. JACQUE: Thank you, Madame Speaker. First of all, I'm not going to support the motion either because for the simple fact that I did talk to beneficiaries in my community and all the beneficiaries that I spoke with did not agree with an Auditor General. And you say you have names, you talked to people from the community, Mr. Russell. During an interview on the radio, you said that you heard from constituents of Makkovik, and you asked them to call the AngajukKâk or the Ordinary Member, but we received no calls. I'd like to know who they are, please. Thank you, Madame Speaker.

MADAM SPEAKER: Thank you, Mr. Jacque. The AngajukKâk for Nain.

MR ANDERSEN: Thank you, Madame Speaker. It isn't an easy job. Especially since the Ordinary Member from Upper Lake Melville has a large constituency. And let me say that, you know, he represents his constituency well. I don't think anyone here agrees with that. I tried to look at the points in the motion, not only from this one, but when it first came to light from a constituent of Upper Lake Melville had sent around to Assembly Members. And, you know, it's kind of weak, Madame Speaker,

the reasons why we need an Auditor General. They're certainly not in this motion, nor are they in the one that was sent around earlier. The whereas Labrador Inuit Constitution does not require appointment of an Auditor General. That's not an argument for having one. Labrador Inuit beneficiaries have questioned past and current spending practice of Nunatsiavut Government. Let me tell you, Madame Speaker, that Labrador Inuit beneficiaries, whether there's four or five Auditor Generals will forever question past and spending practices of Nunatsiavut Government. That's the nature of governments. That is not an argument. The responsibility of the Auditor General is to ensure the Nunatsiavut Government funds are expended in a fiscal responsible manner. You know, at some point down the road, Madame Speaker, maybe there will be a time, and I think that there will be, the time will come when we will need an Auditor General when we grow and we have money to spend. But they're not spending any money. You know? There's not enough, there's not enough money in programs out there, you know, and that's not the positive thing I'm saying about the government today. But there just simply isn't that warrants that kind of office. We're not talking about one person, an Auditor General, Madame Speaker. We're talking about a whole office, a whole structure with Assistant Auditor Generals and clerks and running all over the place, you know? And here we are, yesterday, Madame Speaker, trying to find a bit of funds for infrastructure in our communities and us just putting on another level? Half or the majority of programs being delivered by this government, Madame Speaker, are federally funded programs through Health Canada, Indian Northern Affairs and there are internal audits by the federal government, anyway. And what this motion is to put a third level now of auditing on. And I don't think, Madame Speaker that at this point in time, I think its good intention, but in this time, I can't support the motion because simply there isn't enough work out there that warrants scrutiny of having this complex system put in place in our government to audit what little there is. There's simply not enough work for this kind of thing. And not only that, but, I think, that what we have in place with our auditors, at this time, for me, in as simple words from my community, Madame Speaker, that does the trick. Thank you.

MADAM SPEAKER: Thank you, AngajukKâk from Nain. Anyone else like to speak? The Honourable Minister of Finance.

MR. POTTLE: Nakummek, Madame Speaker. Even though you have ruled this motion in order, technically, I believe, Madame Speaker, you are correct. But I want to speak to why I will not support this motion, Madame Speaker. Madame Speaker, as we just heard the President say, the auditor does not audit government decisions. It is not sustainable, Madame Speaker, that there be both an auditor and an Auditor General operative at the same time. In terms of the Constitution, Madame Speaker, the appointment of an auditor for Nunatsiavut is mandatory. It is not discretionary. And once that appointment is made, there is no room or function for some other or more specific category or class of audit to perform. Madame Speaker, the logic of saying that because the Constitution does not require the appointment of an Auditor General and does not specify of an Auditor General means that one can be appointed is mere semantics, Madame Speaker, and without reason, as the AngajukKâk for Nain pointed out. It is like saying that because the Constitution does not require the election of a supreme legislative council that, therefore, in addition to the Nunatsiavut Assembly there can be another legislative Assembly, or like saying that because the Constitution does not prohibit or provide for a President for life you can have a President for life. The point is each instance is that the mandatory legislative Assembly is the Nunatsiavut Assembly. And all the legislative powers and authorities of government are vested in it, Madame Speaker. The election of a President of Nunatsiavut is mandatory, and all the powers and functions of the CEO of the Nunatsiavut Government are vested in the Office of the President in terms of the Constitution. The notion that there is currently no one to ensure that the Nunatsiavut Government funds are expended in a fiscally responsible manner, Madame Speaker, is just not true. The process for ensuring that fiscal responsibility is a complex process that involves the powers, rules and functions of the Assembly, the Treasurer, the Controller and the procedures laid out in the Constitution, and the Fiscal Financing Agreement. Fiscal, *Fiscal Financial Administration Act*, sorry, Madame Speaker, which include proper budgetary, proper authorization of spending, power controls, proper accounting, proper and timely reporting, and having the auditor for Nunatsiavut audit everything that is done in relation to fiscal administration of the government and to report on same to the Assembly, which in the final analysis is the institution to ensure fiscal responsibility. It is for this reason,

Madame Speaker, and other reasons that I cannot support this motion is because the Ordinary Member for Upper Lake Melville, after four years in office, should, by now, be aware that in order for this to happen, there's supposed to be a Constitutional amendment. This motion that this Ordinary Member for Upper Lake Melville has put forward does not do that, Madame Speaker. The other reasons why I cannot support this motion, Madame Speaker, because as the AngajukKâk for Nain had pointed out, this has implications for finance. The only person who can produce a motion or a Bill in this house to expend dollars from the Nunatsiavut Government is the Treasurer or the First Minister, Madame Speaker. For these reasons, Madame Speaker, I cannot support this motion put forth by the Ordinary Member from Upper Lake Melville simply because, as the AngajukKâk for Nain has pointed out, it is vague. And, I believe, that it is unconstitutional. We are a democratic government, Madame Speaker that must govern in accordance with our rule of law. In this case, Madame Speaker, we must follow what is our supreme law, the Labrador Inuit Constitution. Nakummek, Madame Speaker.

MADAM SPEAKER: Thank you, Honourable Minister. Does anyone else wish to speak to this motion? The Chair for Sivunivut.

MR. TUTTAUK: Nakummek, Madame Speaker. I stand here today in full support of the motion to appoint an Auditor General. I have spoken with many beneficiaries, both in my region and in Nunatsiavut. They have commented about feeling ignored by our government and that we are doing nothing to help them. They have lost their faith and belief in our government. They say if we have nothing to hide then we should have no problem in appointing an Auditor General. By appointing an Auditor General, I feel, this will be the first step in regaining credibility of government and the faith of the people we represent. The Executive Council continues to use the words accountability and transparency. These terms are thrown about in such a manner that, and with such frequency, that they've lost their meaning. The appointment of an Auditor General would bring about true accountability and transparency for our government. Nakummek.

MADAM SPEAKER: Thank you, Mr. Tuttauk. Anyone else wish to speak? The

Chair for NunaKatiget.

MS HEFLER-ELSON: I'll stand here today, too, thank you, Madame Speaker, and say I'm in full support of an Auditor General for Nunatsiavut Government. I believe that the people in my constituency have approached me and stated that they would like to see an Auditor General appointed for the Nunatsiavut Government. I understand it's going to cost money. I don't think it's going to cost as much as the figures that were presented to us yesterday. I know it won't cost that much, I don't believe it will, anyway. I would like to see it because one of my questions yesterday to the auditors was concerning the strength of the internal controls that we have in place for our government. Who tests those strengths? Who decides if we are following what we have set up as policies and procedures within our government? An Auditor General would review that, as well, not just the financial information but also what we're doing in that way. And a lot of people have approached me questioning some of the things that are happened within some departments. And that's why I'll stand here today and say that I do support it. Thank you, Madame Speaker.

MADAM SPEAKER: Thank you, Jennifer. Anyone else wish to speak? The Honourable First Minister.

MR. SHIWAK: Thank you, Madame Speaker. I have no doubt that you have heard from many of your constituents and beneficiaries as we all do on a daily basis. And we must defend, on a daily basis why we're spending our funds on what programs and services. But that's part of our job. I think that we are still a very young government. We are developing policies; our resource is developing our capacity to deal with issues. I believe the Minister of Finance has identified a process to start looking internally, to report back to the Assembly on how we review our finances, how we review certain programs and services. I think that's the way we begin. I think that right now we're not in a position, financially, to support an Office of the Auditor General. Thank you, Madame Speaker.

MADAM SPEAKER: Thank you, First Minister. Anyone else wish to speak? The

Minister of Health, Patricia Kemuksigak.

MS KEMUKSIGAK: Thank you, Madame Speaker. Today, I'm speaking as Ordinary Member for Upper Lake Melville. I've had a lot of people call about accountability within the government and questions. They're wondering about financial mismanagement and I tried to tell them I don't see any. However, there's a lot of misconceptions out there and I had this emailed to me by a constituent so I'd like to read it out. Constitution 8.11.1, *There shall be an auditor for Nunatsiavut Government. The Nunatsiavut Government programs are to ensure that the Nunatsiavut programs are run economically and efficiently and that Nunatsiavut policies and programs are well implemented.* And this is a person who has a strong financial background. Our current financial auditors do not report on our programs' success or implementation of programs or services, or if our legislation is followed. They believe that an Auditor General, or more than a financial auditor that we presently have, would be able to address those concerns. You know, I also had some calls about people concerned they wouldn't want programs and services to be cut to put in place an Auditor General. I had more in favour of one, but I did have some that was concerned that some programs and services may be cut. There could be other options looked at like maybe contracting out specific auditing other than the financial audit. I think there needs to be more than a financial audit put in place. We also need to audit the effectiveness of our programs and services. Thank you.

MADAM SPEAKER: Thank you, Honourable Minister. Anyone else wish to speak to this issue? The Honourable Minister of Lands.

MR. SHEPPARD: I guess I'll start off by saying that I'll stand here as the Ordinary Member for Postville. And I'd like to thank Mr. Russell for, I guess, his endeavours and his work on behalf of your constituency. Madame Speaker, there has been a lot of comments. There has been in favour and not in favour. We talk about dollars, we talk about programs, we talk about Auditor Generals, and we talk about auditors. I stand here today, as the Ordinary Member for Postville, Madame Speaker, and to be honest, from the bottom of my heart, I've had one phone call that I can hundred

percent say that was related to the Auditor General issue from my community. I represent a community, the smallest in number in Nunatsiavut. I have over a hundred eligible voters. I've asked the question to my constituents, Madame Speaker, what do you think of an Auditor General? The basic answer I got was where is this going to get us? We are presently struggling with some of our existing programs that we're currently delivering. For me to stand here today and support this motion, I cannot do it. I do not support this motion for the above reasons. Thank you, Madame Speaker.

MADAM SPEAKER: Thank you, Honourable Minister. Any more comments?

MS NOCHASAK: Thank you, Madame Speaker. I'd also like to say that I'm not in favour in regards to the motion for the Auditor General. There have been many questions, many comments, many pros and cons in regards of this Auditor General. In my mind, in my heart, Mr. Russell had mentioned that he'd like us to speak from the heart, and my comments is that there will be programs and services cut in regards of this Auditor General because the money has to come from somewhere. And the figures were in, in and around \$200,000 to \$400,000 a year. And as the AngajukKâk from Nain had mentioned that it's not just one person that we'll have to fund. It's a whole office that we have to pay for each and every year. And a lot of those programs and services come from the Nunatsiavut area. A lot of those programs and services that we have to pay for in regards of getting our beneficiaries out of community into other areas in regards to health, air fare, accommodations. What's going to happen with that? A lot of those funds, our beneficiaries depend on in regards of our area in Nunatsiavut. Thank you, Madame Speaker.

MADAM SPEAKER: Thank you, Honourable Minister. Would anyone else wish to speak? The Honourable Minister of Culture, Recreation and Tourism.

MR. LAMPE: Thank you madam Speaker. I, myself, when we talk about the Auditor General for the Nunatsiavut Government, I do not support the motion to appoint an Auditor General. We have our beneficiaries in Nunatsiavut and especially representing the community of Nain everything that is there for the program services

will be affected greatly. It would be better for outside of the Land Claims area and the people outside of the claim area they already have their representatives for medical reasons. They do not have a far distance to go to their appointments to see a doctor. They also have their own representatives in their own community. We, here in Nunatsiavut have always been asking for help and how to be represented in better ways, Madam Speaker. But we are trying to represent our fellow Inuit, we have a lot of people in our communities who cannot do anything for themselves or better lack of word we have no funding and when we are talking about a resolution or a motion, when we talk about budgetary issues. So Madam Speaker I cannot support this motion because we have our beneficiaries that we are representing. The Nain beneficiaries have told me more than once *“do not support a motion for an Auditor General”*. Thank you, Madam Speaker.

MADAM SPEAKER: Nakummek, Honourable Minister. Do we have anyone else that wish to speak on this motion? The Ordinary Member for Nain.

MR. BARBOUR: Thank you, Madame Speaker. I, along with my colleague, the Minister of Culture, Recreation and Tourism, never received any amount of phone calls on the request for an Auditor General. On the contrary, I received the other way. Do not support. What I find with petition and, Madame Speaker, I'd like to point this out for the Assembly. We are entrusted by our constituents to represent them. And sometimes, sometimes, we have to go against their wishes because we have to do the right thing, follow our Constitution, and follow our laws. In this case, those that signed the petition, did they understand the appointment of an Auditor General? For me, in my case, Madame Speaker, it is not only a phone call but, actually, a visit to me at the airstrip in Nain Monday morning saying *“Do not support”* and that's why I cannot support. Nakummek, Madame Speaker.

MADAM SPEAKER: Nakummek. Anyone else wish to speak? If not, then I'll ask the Ordinary Member for Upper Lake Melville if he has any closing comments.

MR. RUSSELL: Nakummek, Madame Speaker. First, let me start by saying that I appreciate a few of the more positive comments directed at me. It's good to know

that some people can, I guess, understand the difficulty in representing a very large constituency and the work that it takes, and sometimes, you're not the most popular man in the room when you do your job and go for what you believe in. Before I begin my closing remarks, I'd also like to say that, you know, there's no way non-insured or educational programs would ever be cut by an administrative expense such as an Auditor General and that is a fact. Because those are federal dollars that come from outside of our government as per our Land Claims Agreement and our fiscal financing agreements that are negotiated. That is guaranteed. And I hope that everybody who reads the Hansard, of what I'm speaking right now, understands that so when this Auditor General comes back to this table, at another date, it may be successful because it probably won't be successful today. Secondly, we sat here, all of us, elected representatives of the people in our communities and listened to our own auditors, those hired and engaged and that report to our Finance Department and, eventually, report to this Assembly, have told us, not only do we have \$17 million in cash in our government as per our financial statements, we also have 8 million plus in internally restricted funds to do something like this with. That's a fact. So we've established what just in, in my two statements in here? Nobody loses out by doing this. Two, there's plenty of money there to accomplish this. The Minister of Finance put together a report which ball parked a few figures. Although those weren't substantiated, it still ball parked a few figures and proved that we could do this easily. And, three, we've missed the whole point, although it was provided in the document by the Minister of Finance. And I'm going to read a prepared statement, but I just want to say this much. We've missed the point of what the concept of what an Auditor General means. It doesn't mean, oh, we're going to be nailed and scrutinized and we want somebody nailed to the cross. What it means is this. It builds upon what was said by the Chairperson of NunaKatiget and by Chairperson of Sivunivut and the AngajukKâk for Hopedale. And what it says is that, right now, we have our numbers in front of us. We certainly did get those yesterday and they told us how much money is here and what a surplus is and how much we spent over here. But it doesn't tell you one thing. They can't tell us if anything was wrong. They can't tell us if we're being efficient. They can't tell us where we're not putting the correct amount of money, or we're putting too much money over here. Those controls aren't there. And then in, in the event that they even looked at any of that

data, they took a random sampling. So with that, in order to get these to the Hansard and to the people that may want to read this, I'll enter into my closing remarks in which I put together and did exactly what, I hope, all of you did. And by some of your statements, I think you have done, which was engage your constituency and talk to the people. That's what we're here for. And my closing remarks are prepared, but they represent that interaction that I had with my constituents and those that have overwhelmingly demanded an Auditor General for Nunatsiavut Government. Okay, so here it goes, for the record. I've spoke to many people on this subject and the question on the mind of the people we represent is who are we here for? If you're here for the people, then you will very easily accommodate their wishes to have an Auditor General. If you are here for yourself and do not want to rock the boat or cause any trouble, then you've missed the intent of a government's purpose, which is to do what is best in the collective interest of the people. People want to know what's going on in their government, and we are the body. This legislature is responsible for overseeing government activities and holding the government accountable for their handling of our beneficiaries' money. And this is a very important point in all of this. The money in question is not the money of the Executive, not the money of our government, this is the money of the people who are beneficiaries to our agreement, and they want to know that we're doing the best that we can with it. And they have that right. People are counting on their elected officials to make the right decision and do the right thing to vote for an Auditor General. That is what you're here for, to represent what is in the best interests of the people. The people want their elected representatives to restore pride and confidence in our government. Can you imagine how our constituents will feel about this government if we return to our communities and tell them that the majority of our elected officials voted down a motion to be more accountable and transparent? I'll tell you this. Pride and confidence will be at an all time low. Elected representatives need this independent reporting so that they can effectively question or challenge the government on its actions. This is a healthy interaction with leadership. And if you are told anything different, then you've been misled. The most important thing that elected officials need in order to make the best choice for the people is information. Can you say that you were informed? If you vote no today for an Auditor General, then you are saying that you know where our dollars are

going and you understand why we're doing what we're doing. I, for one, do not have a full understanding of what we're doing. People on the street are saying this. If you're prepared to vote no for an Auditor General, then you're part of something that you do not want uncovered. I think of it this way. If we truly have nothing to hide....

MR. POTTLE: Question of privilege, Madame Speaker.

MADAM SPEAKER: Go ahead.

MR. POTTLE: Madame Speaker, I listen time and time again to the Ordinary Member from Upper Lake Melville insidiously imply that this House of Assembly do not know what we're doing. I feel, Madame Speaker, that our intelligence as a government, our intelligence as elected representatives of this government is being attacked and criticized unfairly and unjustly. The Ordinary Member for Upper Lake Melville time and time again, Madame Speaker, will leave this House of Assembly and openly and publicly...

MR. RUSSELL: Point of Order.

MR. POTTLE: ...criticize the Nunatsiavut Government for the things that we've collectively decided to do as a government.

MADAM SPEAKER: Okay.

MR. POTTLE: I will not stand for this, Madame Speaker and I don't think it's fair that each and every one should be attacked and in this manner and...

MR. RUSSELL: Point of Order.

MADAM SPEAKER: State your Point of Order.

MR. POTTLE: ...our integrity is at stake here, Madame Speaker. It's the opinion of one person...

MR. RUSSELL: Point of Order.

MR. POTTLE: ...not the Assembly.

MADAM SPEAKER: State your Point of Order.

MR. RUSSELL: Nakummek, Madame Speaker. The, the Minister of Finance raised a question of privilege. I heard his speech. My Point of Order here is that my statement...

MR. POTTLE: Madame Speaker, Point of Order.

MADAM SPEAKER: State your Point of Order.

MR. POTTLE: The Question of Privilege was raised by me. The Ordinary Member for Upper Lake Melville stands upon a Point of Order. Madame Speaker, I believe, that I have a right to hear your opinion and your ruling on my Question of Privilege before you entertain another Point of Order from the Ordinary Member from Upper Lake Melville. Nakummek, Madame Speaker.

MADAM SPEAKER: We're taking a recess. We will let Mr. Russell finish his closing comments without interruption.

MR. RUSSELL: Nakummek, Madame Speaker.

MADAM SPEAKER: Hold it. The Honourable Minister.

MR. LYALL: Just a Point of Order. You say that we, we can't interrupt the Honourable Member when he's making a statement?

MADAM SPEAKER: For clarification, it means no interruptions unless Question of Privilege.

MR. LYALL: Thank you, Madame Speaker.

MADAM SPEAKER: Proceed, Mr. Russell.

MR. RUSSELL: Nakummek, Madame Speaker. Start off where I left off there? I think of it this way. If we truly have nothing to hide then let's prove it together, as adults, with the best interests of the people at heart and put in an Auditor General to prove to the people that we are getting the best value for our expenditures and to help us get to the next level of governance, which will include extending our jurisdiction into more areas of concern for our people. An independent fresh set of eyes on our financial records will help our government, exponentially. An unbiased set of reports on our spending habits and how we can improve ourselves is guaranteed to make us more effective in enhancing the lives of the people we represent. We are a new government, and there's nothing wrong with asking an independent Auditor General to look at what we're doing and make constructive recommendations to make this government better. People are craving accountability and transparency, and no matter what any NG official says, an independent Auditor General is the only solution to give the people the assurance to be able to say, I believe our government is doing their best to be accountable and transparent to the people who put them where they are. Without a yes vote today, we'll never be able to say that. Everyone has heard the stories about our transition from LIA into this government and how millions may have gone astray. Everyone has heard how we lost \$21 million in our stock portfolios, and yet we have taken absolutely no action to make sure that these types of things do not repeat themselves. I looked at the report that Finance Department put out prior to this vote, and I have to thank them as the first five paragraphs spelled out exactly why we need an Auditor General. It mentioned all of the things that we do not have; accountability, transparency, regard for economy or efficiency, measurement and reporting on the effectiveness of programs. The report also had a little section in it about what this meant to NG and listed what type of governments have an Auditor General and how we do not fit that mould. The Department of Finance is exactly right in saying that we are smaller and have less of a budget, which will make an Auditor General's duties less intense and

less in the need for additional resources. I'm asking people today that don't let those giant numbers scare you into wondering where we are and where we're going to get that money. I explained that earlier. It won't cost that much and Finance knows it. I'd wager that the position would pay for itself in enhancements and efficiency recommendations on a yearly basis. I'll give you one small example of my opinion here. For example, if we were to pay an Auditor General at the recommended salary, which would be approximately 285K as per the report from Finance, with those extra support structures in place, if they were able to provide recommendations that could prevent, for example, a \$2 million deficit in non-insured that we have had to cover off with additional surpluses before, it wouldn't be hard to see that the, the benefits could far outweigh the costs. When I was on the radio talking about the need for an Auditor General, people called me from all over Upper Lake Melville and Nunatsiavut and everyone had the same thing to say. They say nothing has changed since our government was ratified. That our people, in disproportionate numbers, continue to cycle in and out of correctional facilities, they continue the substance and alcohol abuse that leads to violence on each other or worse. Housing is still a major problem, and people, including Elders, are freezing and starving, at times. It's not about me, it's not about our President, it's not about our Minister of Finance, and it's not about doing this just for the sake of doing it. It's about doing the right thing and about ensuring a future for our people and the maintenance of our government for future generations. It's about doing the most for those that need us the most. I'll tell you one thing, though. When the Minister of Finance, now, and I worked together, we fought to get information in the hands of elected officials. And I'll tell you what. We also fought in support of an Auditor General. If you've watched the Chairperson of NunaKatiget and her struggle to get salary information...

MR. POTTLE: Question of Privilege, Madame Speaker.

MADAM SPEAKER: State your Question of Privilege, please.

MR. POTTLE: Again, Madame Speaker, I ask for a ruling on whether or not my integrity, as an elected official, is at stake here. The Ordinary Member from Upper

Lake Melville stated that I supported him in the Office of an Auditor General. That is not true, Madame Speaker. I did not give that support and I still do not give that support. Nakummek, Madame Speaker.

MADAM SPEAKER: Right now, we are going to take a 10-minute recess.

(Recess)

MADAM SPEAKER: Our session is back in order. First of all, I'm going to read from the Standing Orders, number 43. *Members may not interrupt when another member has the floor, except to raise a Point of Order or a Question of Privilege.* I have considered the Question of Privilege. I do not have answers to facts, whether or not the statement made by Mr. Russell are libellous or untrue, but I would caution the Member to refrain from personal accusations of any Assembly Members, unless you have facts to back them up. So proceed, Mr. Russell.

MR. RUSSELL: Nakummek, Madame Speaker. And I will say to this Assembly right now, I just made a statement that Minister of Finance previously supported me in the concept of an Auditor General. If he says he's never supported an Auditor General for the Nunatsiavut Government, well, then I retract that statement as part of my closing remarks here. In order not to get into any more trouble, I guess, I shall close these closing remarks very quickly. I am, apparently, pushing the boundaries of what is to be allowed and what is not to be allowed in this House, and out of respect for our processes, our Speaker, our gallery and everyone else around this table who has earned the right to be here, just as I have, I will close by saying this. It is in my opinion and the opinion of many of my constituents, that to follow simply for the sake of following, or just to go a certain way because that's what you've been told to do, is more or less considered to be just towing the line, in politics that is. I ask you all today don't blindly tow the line, but think of the people that have put you in this job. Vote yes for an Auditor General so we don't have to look back, in the not so distant future, and think about how we could have made a difference. Nakummek, Madame Speaker.

MADAM SPEAKER: Thank you, Mr. Russell. That concludes the debate on this motion. We're now going to take a vote. All in favour of this motion raise your hand. All against? Okay, this motion is not passed. The result is 11 against and five for. The motion is not passed. We will move onto the next motion. So I'll call on the Honourable Minister of Finance.

MR. POTTLE: Nakummek, Madame Speaker. I move, second by the Honourable First Minister, the Ordinary Member for Rigolet, Darryl Shiwak that the Assembly adopt the resolution directing the Treasurer to put out a request for proposals for a Nunatsiavut auditor for a five-year period beginning April 1st, 2012. Whereas, section 8.11.1 of the Labrador Inuit Constitution states that *There shall be an auditor of Nunatsiavut appointed by the President on the nomination of the Nunatsiavut Assembly and, whereas, section 8.11.3 of the Labrador Inuit Constitution states that the auditor for the Nunatsiavut holds office for five years. And, whereas, section 89, subsection 3, of the Financial Administration Act states that the incumbent auditor continues in office from fiscal year to fiscal year until a successor is appointed.* Now, therefore it be resolved that the Assembly direct the Treasurer to put out a request for proposals for an auditor for Nunatsiavut for a five-year appointment beginning April 1st, 2012. And be it further resolved that the Treasurer will submit to the Assembly on or before December 15th, 2011 a recommendation with reasons for the nomination of an auditor for Nunatsiavut. Nakummek, Madame Speaker.

MADAM SPEAKER: I thank you, Honourable Minister. The motion is in order. Would you like to give opening comments?

MR. POTTLE: Nakummek, Madame Speaker. I'll be very brief in my opening comments and just remind the Assembly that the Assembly did, on a resolution by me, a year and a half ago, Madame Speaker, appoint the current auditors for the period ending March 31st, 2011. Given, Madame Speaker, that we are nearing the end of this fiscal year and their auditing processes will be starting as of April 1st, 2012, keeping within the time frames for those audits to be completed and keeping with the Constitution and the *Financial Administration Act*, Madame Speaker, I believe, we will not have the time necessary to put out a request for proposals and to

have an auditor approved for this fiscal year. Therefore, I'm asking that section 89, subsection 3, of the *Financial Administration Act* be continued in order for that the auditor continue for this fiscal year, in order for us to meet the time frames for the audit processes as per our legislation. Nakummek, Madame Speaker.

MADAM SPEAKER: Thank you, Honourable Minister. Would anyone have any comments on this motion? Honourable Minister of Finance, do you have any closing comments?

MR. POTTLE: No, Madame Speaker, I don't have any closing comments. Nakummek.

MADAM SPEAKER: Then we'll take a vote on this. All in favour?

ASSEMBLY: Aye.

MADAM SPEAKER: This motion is passed unanimously. We are going to take a break now for 20 minutes.

(Recess)

MADAM SPEAKER: We'll call the Assembly back to order. We'll continue with our Orders of the Day, number 4, on First Reading of Bills. I'd like to call on the Honourable Minister of Finance.

MR. POTTLE: Nakummek, Madame Speaker. Before I introduce the Bill if I may, Members yesterday may have noticed that they were given a clean copy of Bill 2011-02. We realized, as we saw the Bill, Madame Speaker, in the binder, it came to our attention that there was a couple of typos that we wanted to correct. Those typos, Madame Speaker, did not change the intent or the details of the Bill in any manner at all. And I point to part 4 of the Budget Bill, Madame Speaker, 4(b). There was a typo in, in there. The original Bill had 31,736,362. In actuality, it should have read 31,966,062. 4(c), Madame Speaker, again, there was a couple of typos there. On

interest and investment revenue, it should have read as it is now in the Bill, Madame Speaker, 3,935,289. Under Program Revenue, it should read as it do now, Madame Speaker, 1,045,870 and as you go through the Annexes and the schedules to the Bill, you'll realize that these are consistent with the Annex and that's where we picked up the inconsistency and the typo so we felt it was prudent that we would have to correct those typos. And, again, it did not change the details and the dollar amounts in this Budget Bill. Nakummek, Madame Speaker. Madame Speaker, it gives me great pleasure today to deliver our government's 2011-12 Budget, my first as Minister of Finance, Human Resources and Information Technology. In preparing this budget, Madame Speaker, my department consulted openly with other government departments and I am confident that it strikes a balance between fiscal realities and meeting the needs of our people while at the same time protecting our land and environment. Madame Speaker, we have made tremendous progress since the signing of our Land Claim Agreement just over six years ago. We have a functioning government, and we continue to deliver programs and services to meet the needs of all beneficiaries while living within our means. It has not been easy, Madame Speaker, but we feel we are on the right track. If we are to effectively continue to invest in our land and our people, Madame Speaker, we have to build on our strengths, be more resourceful, prudent and accountable. Expectations are high, Madame Speaker, and they will continue to remain high as we strive towards our goal of self-governance. We are committed to meeting those expectations, Madame Speaker, but it will take time, hard work, commitment and understanding. Madame Speaker, for the 2011-12 fiscal year, the Nunatsiavut Government is projecting our own source revenues of \$15,040,067. Broken down, Madame Speaker, we expect to receive about \$3 million in personal income tax, \$1.4 million for culture and language, \$4 million in interest revenue, \$950,000 in GST and 1 million in program revenue, \$2.8 million from the mining tax royalty and \$29,000 from the rental of properties. I should also note that we have a surplus of nearly \$2 million from the last fiscal year which will be, which will be applied to cover off some of this year's expenditures. Achieving this surplus, Madame Speaker, took careful fiscal management on the part of all government departments. Madame Speaker, we are also projecting to receive nearly \$32 million from the Fiscal Financing Agreement which is the backbone of our program delivery of our government. Our combined

revenues, Madame Speaker, for the 2011-12 fiscal year will exceed \$47 million. As noted earlier, Madame Speaker, the Nunatsiavut Government is committed to investing in our people and our land. In order to achieve this, however, we must ensure we deliver adequate programs and services, while at the same time building the necessary capacity of our government. Our employees, Madame Speaker, significantly lag behind their provincial and federal counterparts as well as those in the private sector with respect to salaries and other benefits. As a result, we have had tremendous challenges in recruiting and retaining qualified and experienced individuals to our civil service. Since we became a government, Madame Speaker, on December 1st, 2005, we have not had any increase in salaries, not even to adjust for the increase in cost of living. During this time, our employees continue to excel and to exceed our expectations. I think it is important, Madame Speaker, that we put this into perspective. In completing employment competitions, we continue to hear the same message. We simply just cannot compete. Provincial government employees, for example, in similar positions, currently receive a base salary 20 percent higher than our employees. This is why we have not been successful in recruiting qualified individuals to fill such positions as the Director of Economic Development, Director of Human Resources, Director of Mental Health and Addictions, Director of Non-Renewable Resources, just to name a few. Over the last year, we were not able to retain some of our key positions. This has had a profound impact on the way in which we deliver our programs and services. Madame Speaker, the Nunatsiavut Government has completed an extensive salary review of all employees. Effective April 1st, all employees will see an increase in their annual base salary. Members of the employee division of the Civil Service will receive a 5 percent increase, each, for the next four years, while management division employees will see the implementation of a four tier salary scale which will bring us closer to our provincial government levels. While we still have some difficulties, this will make us more competitive, Madame Speaker, in attracting and retaining qualified personnel. Madame Speaker, the Nunatsiavut Government is entering into negotiations with the federal government on a new five-year Fiscal Financing Agreement. As I've indicated earlier, Madame Speaker, this agreement is the backbone of program delivery to the beneficiaries of the Labrador Inuit Land Claims Agreement. This year's budget addresses the need to ensure we have the

necessary resources to negotiate the best possible agreement. Madame Speaker, I am also pleased to announce an increase in budgets for the Membership Enrolment Committees and the Inuit Appeals Board. These increases will enable us to ensure that policies and laws are applied consistently. Madame Speaker, we are also increasing the budget for government infrastructure and to ensure the smooth running of programs and services. Madame Speaker, after years of planning, delays and challenges, our Assembly building is expected to be completed this year, representing another significant milestone in achieving our goal of self-governance. Madame Speaker, keeping with the rapid advancements in information technology has not been an easy task. It is very difficult to keep pace, and in many areas, we find ourselves falling behind. The creation of a SharePoint Administrator as well as the placement of an Information Technology Support position in Nain will assist us in meeting our information technology needs. This budget also allows us to upgrade software applications as well as to protect overall systems. Madame Speaker, during last year's sitting of the Assembly, unanimous consent was given to Bill 2010-07 to provide protection of the environment in Labrador Inuit lands and the Inuit communities and to provide for the environmental assessment of initiatives on Labrador Inuit lands. This new legislation, Madame Speaker, is a significant step in protecting our land and our environment and provides for Inuit participation in environmental decision-making. This new legislation will come into affect once the required regulations have been prepared and the necessary capacity is filled within the Nunatsiavut Department of Land and Natural Resources. Madame Speaker, I am pleased to announce that two new positions will be created within the Department of Land and Natural Resources and that additional financial resources will be provided to carry our necessary research associated with legislation. Funding will also be provided to hold a mining policy workshop related specifically to uranium. In the area of renewable resources, Madame Speaker, this year's budget will also allow for the hiring of a Fisheries Manager to ensure we are able to effectively manage this file on behalf of our communities and our people. We are also increasing, Madame Speaker, the overall budget for the Status of Women division to allow for the establishment of a toll-free telephone service and to commemorate significant dates throughout the year. In the area of education and economic development, while there are no new expenditures, we will continue to build our very

successful Community Economic Development Program to fund economic development initiatives at the local level. This program, Madame Speaker, provides funding to assist the capital and operating costs associated with proposals that will lead to self-sustainable projects and have the greatest potential to create long-term permanent employment in our communities. To protect and revitalize our language, Madame Speaker, this year's budget will allow for the creation of a Translator Interpreter Coordinator as well as a new Translator position. Nunatsiavut, Madame Speaker, is fast becoming a tourism destination. This year's budget will provide for the hiring of a Product Development Specialist enabling us to be better positioned to take advantage of the tremendous potential for growth in this sector. Madame Speaker, this budget represents a significant investment in our people and our land. It lays a solid foundation on which to build our future. Increased government capacity within our communities will ensure increased opportunities for our people while continuing to meet the challenges of and providing and enhancing programs and services. I trust, Madame Speaker, this budget will have the full support of the Assembly and I am confident that it will be received well by all beneficiaries of the Labrador Inuit Land Claims Agreement. Nakummek, Madame Speaker. That is why I am supporting Budget Bill 2011-02, the Budget Bill for the fiscal year 2011-2012. Madame Speaker, I move, seconded by the Honourable First Minister, the Ordinary Member for Rigolet, Darryl Shiwak, that Bill 2011-02, an Inuit law to implement the Consolidated Financial Plan of the Nunatsiavut Government for the fiscal year beginning April 1st, 2011 and ending March 31st, 2012, be introduced and read for the first time. Nakummek, Madame Speaker.

MADAM SPEAKER: Thank you, Honourable Minister. The motion is in order. Does anyone wish to speak to their principle of the Bill? We have no one wishing to speak to the principle of the Bill. Does the Minister of Finance, Human Resources, Information Technology wish to conclude the debate?

MR. POTTLE: Yes, Madame Speaker, I wish to conclude debate. Nakummek.

MADAM SPEAKER: Thank you, Minister of Finance, Human Resources, Information, Information Technology. That concludes debate on First Reading. Is

the Assembly in favour of approving Bill 2011-02 on First Reading?

ASSEMBLY: Aye.

MADAM SPEAKER: Accordingly, Bill 2011-02 has had First Reading. We'll now go onto First Reading of our second Bill, 2011-03. I'd like to, again, call upon the Minister of Finance, Human Resources and Information Technology.

MR. POTTLE: Nakummek, Madame Speaker. I'd like to introduce Bill 2011-03 and provide my rationale for asking the Assembly to support this Bill for First Reading. Bill 2011-03, A Bill for an Inuit law to authorize the Nunatsiavut Government to issue loan guarantees to support commercial borrowing by Torngat Fish Producers Cooperative Society Limited for the period April 1st, 2011 to March 31st, 2012. Madame Speaker, as most Assembly members around this table are aware, since 2007, the Nunatsiavut Government has been providing loan guarantees to Torngat Fish Producers Cooperative Limited for their operating line at the Bank of Montreal. We have not had to act on this guarantee since we have been providing these guarantees. In 2007-08, Madame Speaker, the Assembly approved a loan guarantee of \$600,000 for a term of 6 months. In 2008-09, the Assembly approved the loan guarantee of \$750,000 for 12 months. In 2009-10, \$750,000 loan guarantee was approved by this Assembly. And in 2010-2011, another \$750,000 loan guarantee was approved by the Nunatsiavut Assembly. Madame Speaker, the provincial government also provides a \$2.1 million loan guarantee to Torngat Fisheries Producers Cooperative Limited. Based on the cash flow projections provided by Torngat Fish Producers Cooperative Limited, Madame Speaker, they are able to support this operating line without the government having to provide monetary support. Our government, Madame Speaker, is recommending that we provide the loan guarantee to Torngat Fisheries Producers Cooperative Limited for \$750,000, from April 1st 2011 to December 31st, 2011, as per their request. Madame Speaker, I move, seconded by the Honourable First Minister, the Ordinary Member for Rigolet, that Bill 2011-03 be read for the first time. Nakummek, Madame Speaker.

MADAM SPEAKER: The motion is in order. Does anyone wish to speak to the principle of the Bill? If no Members wish to speak, does the Minister of Finance, Human Resources and Information Technology wish to conclude the debate?

MR. POTTLE: Yes, Madame Speaker, I wish to conclude debate. Nakummek.

MADAM SPEAKER: Accordingly, Bill 2011-03 has had First Reading. We will now move on to Bill 2011-04 for First Reading. I'd, again, like to recognize the Minister of Finance, Human Resources and Information Technology.

MR. POTTLE: Nakummek, Madame Speaker. Madame Speaker, I would like to introduce Bill 2011-04, An Inuit law to establish procedures to be followed by the Nunatsiavut Government, the Inuit Community governments and their agencies in the procurement of goods and services. The reasons why I'm supporting this Bill, Madame Speaker, are because the current procurement order is set to expire on June 30th, 2011. As such, our department and the Legal Services Division undertook a review in consultation with a sample of users of the procurement order and, as such, our government is pleased to present this *Procurement Act*. Under the *Act*, Madame Speaker, there are new monetary thresholds which will dictate when the process for open tenders, invited tenders, request for proposals and direct sourcing are to be used. The *Act* more clearly outlines the steps for each process and there is more clarity in the report processes. Madame Speaker, we have not made any changes to the sections on Inuit content. Our government believes that it is not only important, but essential, that no changes be made to the sections in the Procurement Order with respect to Inuit content. As such, Madame Speaker, these sections will be included in this Act. Nakummek, Madame Speaker.

MADAM SPEAKER: Did you make a motion?

MR. POTTLE: Sorry, Madame Speaker. Yes, I move, seconded by the Honourable First Minister, the Ordinary Member for Rigolet, that Bill 2011-04 be read for the first time. Nakummek, Madame Speaker.

MADAM SPEAKER: The motion is in order. Does anyone wish to speak to the principle of the Bill? If no other Members wish to speak, does the Minister of Finance, Human Resources and Information Technology wish to conclude the debate?

MR. POTTLE: Madame Speaker, I wish to conclude debate. Nakummek.

MADAM SPEAKER: Accordingly, Bill 2011-04 has had First Reading. We'll now move on to Bill 2011-05. And I would like to call upon the Honourable First Minister.

MR. SHIWAK: Thank you, Madame Speaker. Section 3.11.4 of Labrador Inuit Land Claims Agreement says *the beneficiaries who were enrolled when they were children must reapply to be enrolled when they reach the age of majority. Authorization is needed to deal with these individuals who fail to comply with this requirement.* The Beneficiaries Act says that *beneficiaries must inform the Registrar of any change of address.* A number of beneficiaries are not complying and authorization is also needed to deal with this. The Registrar of Beneficiaries has been trying to implement section 3.11.4 of the Labrador Inuit Land Claims Agreement by giving personal notice of this requirement to beneficiaries when they turn 19. The first notices were given about 18 months ago. Some beneficiaries have not responded. Three follow-up letters have also been sent out. Despite this, a large number of these individuals have failed to reapply. In addition, a number of letters have been returned to the Registrar's Office because the beneficiaries concerned have changed their addresses without giving notice. The Department of Nunatsiavut Affairs has issued press release to inform people of section 3.11.4 of the agreement and to encourage affected individuals to comply. Neither the agreement nor the *Beneficiaries Enrolment Act* says what is to be done with individuals-, about individuals who fail to comply with section 3.11.4 of the agreement, or who fail to give notice of change address to the Registrar. There is a backlog of people who have not complied and the Registrar's Office and the management committees want a process in place to deal with the situation. On February 2nd, 2011, I told the Assembly that I would be bringing forward legislation to deal with these issues. This is the necessary Bill for amending the *Beneficiaries Enrolment Act*. Madame

Speaker, I move, seconded by the Minister of Finance, HR, Information Technology, Dan Pottle, that Bill 2011-05 An Inuit law to amend the *Beneficiaries Enrolment Act* be introduced and read for the first time. Nakummek.

MADAM SPEAKER: The motion is in order. Does anyone wish to speak to the principle of the Bill? Mr. Ed Tuttauk, Chair of Sivunivut Corporation.

MR. TUTTAUK: Nakummek, Madame Speaker. I'm not sure if this is the right time to bring this forth, but the intent of the Bill is basically to rid beneficiaries that are non-compliant. I do not support getting rid of membership. We should be an inclusive government and not an exclusive one. We need to find ways to help people, not get rid of them. This is not the Inuit way. If there is constituencies that have delinquent people, then in a way to better communicate to our constituents, maybe those people and concerns could be brought to the offices of the constituencies. Nakummek.

MADAM SPEAKER: The Ordinary Member for Upper Lake Melville.

MR. RUSSELL: Nakummek, Madame Speaker. I, too, agree with Mr. Tuttauk on what we're trying to accomplish here and, and I can't support this, this Bill as is. I mean, the provisions in the Land Claims Agreement are what they are, but I want to make sure that we're going to make every best effort to make sure that we've contacted people; we've tried to contact people. I mean, have we flagged them in our systems for non-insured health benefits when they interact with our government program services? I just don't think that we give up so easily and take them off the registry. I think we really have and you know, this, this is going to affect people in every community. It's not just my constituency. This is across Canada. This is going to be Upper Lake Melville, all through Nunatsiavut. If people have moved, or if people are away to school or travelling abroad or whatnot, somebody knows where they are. We're not so large a group that we can just, oh, can't find them, sorry, you're not recognized as being Inuk anymore. To me, that's not good enough. And I'm not here opposing for the sake of opposition. I'm stating that we should do all we can and exhaust every possibility to make sure that anybody that may have gone

astray from our administrative processes is brought back into the fold before they're dismissed completely. And then, for whatever reason, whether it's our fault, their fault, it's not a blame game. You will have people that will not be able to take advantage of the services that they may be in need of, which we deliver as a government. So I just don't want to be so quick to dismiss, and I'm not prepared to support this Bill. Nakummek, Madame Speaker.

MADAM SPEAKER: Thank you, Mr. Russell. I'd like to call upon the AngajukKâk for Nain.

MR. ANDERSEN: Thank you, Madame Speaker, and I must say that, you know, I'm very pleased with this Bill. I have, in my previous life, had the horrors and experience caused by trying to track those people across the country. And with that concern, you know, the way that the old legislation was that you would get rid of people. But here, the Minister has, and I congratulate the Minister and just fine piece of work that we have before us, in that, it isn't a way of getting rid of someone. It's a way of giving someone a chance. Certainly there are people, beneficiaries out there that no longer have interest in being beneficiaries to the Labrador Inuit Land Claims Agreement, Madame Speaker. And that's fine. We can't force them to be. They should go on their way. We have young people who have not taken the time or understood, perhaps you know, they're not filling out this application when they become of age. Their names can now be removed. And that's you know, that's fair. It is fair. But there is opportunity for them to come back. And that's what I'm so pleased to see in all of this. It's not a cold piece of legislation. It's an opportunity. They'll have opportunity to reapply. As soon as they go-, they decide that they need to take you know, advantage of a service or a program, they can reapply and they'll be reinstated as a beneficiary. That is something that was not in the old *Act* or the old legislation, whatever it was. Certainly, Members around here know what I mean. I'm very pleased to see that this is in here and pleased to say that I, I will certainly support this Bill.

MADAM SPEAKER: Thank you, Mr. Andersen, and I now call upon the Honourable Minister of Finance.

MR. POTTLE: Nakummek, Madame Speaker. Nakummek, AngajukKâk for Nain. I believe you took the words out of my mouth. You must have been reading my thoughts because I have intended to reiterate what the AngajukKâk for Nain has said. Madame Speaker, I believe the principles of this are not intended to wipe out or take people off the Register of Beneficiaries. Madame Speaker, the Land Claims Agreement and the *Beneficiaries Enrolment Act* clearly state that people have an obligation to the Nunatsiavut Government. We simply ask people when they reach the age of majority as consenting adults that they are required by the Labrador Inuit Constitution to reapply as a person who has reached the age of majority. Madame Speaker, this amendment to the *Beneficiaries Enrolment Act* sets out a process that makes it, I believe, Madame Speaker, a lot easier for beneficiaries to reapply when they reach the age of 19. This Bill speaks to policies that will put in place a process whereby the Register of Beneficiaries will provide notice and change of address and removal of beneficiaries from the register, if they fail to give notice, Madame Speaker. People may not realize that they have to reapply, or they had to send in a change of address or they will be reminded of their commitment as per the Labrador Inuit Land Claims Agreement, and the only responsible thing that we ask them to do is understand what's required of them. And, I think, this process sets out and clearly informs people of their responsibility to the Nunatsiavut Government. Madame Speaker, the amendment to the *Beneficiaries Enrolment Act* will also provide a process whereby the Register must maintain a record of beneficiaries who are enrolled as minors. This Bill speaks to a process, Madame Speaker, prior to a beneficiary reaching the age of majority. Six months to their 19th birthday, the Registrar of Beneficiaries will send out a notice and remind people that they have to reapply as per the Labrador Inuit Land Claims Agreement. And this piece of legislation, I believe, Madame Speaker, also sets out a principle and a policy to give the Nunatsiavut Executive Council, upon recommendation for the Minister, to make further regulations respecting applications, respecting the establishment and maintenance of the register and regional membership list and so on, Madame Speaker. The details of the Bill here are very explicit, and I agree with the AngajukKâk for Nain that it sets out a process that provides more clarity and it provides further assistance and notices to beneficiaries of their obligations to the

Nunatsiavut Government, as per the Labrador Inuit Land Claims Agreement and the *Beneficiaries Enrolment Act*. Madame Speaker, that's why I give my support to this Bill. Nakummek.

MADAM SPEAKER: Thank you, Honourable Minister. Does anyone else wish to speak to the principle of this Bill? If no other member wishes to speak, does the First Minister wish to conclude this debate?

MR. SHIWAK: Yes, Madame Speaker, I do wish to conclude debate.

MADAM SPEAKER: Thank you, First Minister. That concludes debate on a First Reading. Is the Assembly in favour of approving Bill 2011-05 on First Reading?

ASSEMBLY: Aye.

MADAM SPEAKER: Any nays? There have been a couple of nays there so we'll go to a vote. Recess for two minutes.

(Recess)

MADAM SPEAKER: Assembly is now back in session. I'd like to recognize the Honourable President.

MR. LYALL: Thank you, Madame Speaker. I wish to put the passing of Bill 2011-05 since it was not unanimous, I'd like to have it put to a vote, please. Thank you.

MADAM SPEAKER: All in favour?

ASSEMBLY: Aye.

MADAM SPEAKER: Please raise your hands for a count. Those not in favour. Thirteen in favour and 3 against. Accordingly, Bill 2011-05 has had First Reading. Our next item on the list is Second Reading of Bills. I think we'll adjourn for lunch

until 1:30 and then come back and start on Second Reading of Bills. So we are adjourned until 1:30.

MADAM SPEAKER: We'll now call the Assembly back to order. We'll continue from where we left off this morning. Order of the Day, number 5, Second Reading of Bills. So I will now call on the Honourable Minister of Finance, Human Resources and Information Technology.

MR. POTTLE: Nakummek, Madame Speaker. Madame Speaker, I move, seconded by the Honourable First Minister, the Ordinary Member for Rigolet, Darryl Shiwak, that the Assembly proceed directly to Second Reading under Standing Order 118 and I seek unanimous consent to waive Standing Order 120 in order to proceed with Second Reading of Bill 2011-02 today. Nakummek, Madame Speaker.

MADAM SPEAKER: The Minister of Finance, Human Resources and Information Technology is seeking unanimous consent to waive Standing Order 120 and proceed immediately to Second Reading of Bill 2011-02. Does the Minister of Finance, Human Resources and, and Information Technology have unanimous consent?

ASSEMBLY: Aye.

MADAM SPEAKER: Is there a nay? Break for two minutes.

(Recess)

MADAM SPEAKER: Seeing that we don't have unanimous consent to waive Standing Order 120, in order to proceed the Second Reading of the Bill, we will have to stay here for another 10 business days to come back to this Bill for Second Reading. Did anyone want to reconsider their nays? Then I'll call on the Honourable President.

MR. LYALL: Thank you, Madame Speaker. Since we don't have unanimous

consent for Bill 2011-03, I would like to suggest we go into a Committee of Consensus to see if we can come to some agreement. Thank you very much.

MADAM SPEAKER: The President will now Chair on the Committee as a Whole.

MR. LYALL: Thank you, Madame Speaker. I guess we are now in Committee of Consensus, now?

MADAM SPEAKER: Yes.

MR. LYALL: Okay, thank you very much. Okay, we are now in a Committee of Consensus. For those new members, we are now not so formal. You can ask as many questions as you want and give as many responses you want to the Bill that we're considering. If I feel that we have consensus, we'll move forward from there. If not, then we go back and do Assembly as a Whole. Would like to speak to the Bill?

MR. TUTTAUK: Thank you. The reason I chose not to waive Standing Order 120 is that I think Budget Bills should have an opportunity to be commented on by the public and 10 days would give me the opportunity to meet with my constituency.

MR. LYALL: Okay. Keith?

MR. RUSSELL: Yes, Jim, I just can't say see it in the Standing Orders which say that the sitting remains active. I mean what's the purpose of people sitting here waiting for a public consultation to occur? I mean, I just don't understand that at all. That's not fiscally responsible for the government to sit here without any business on the table while the Department of Finance takes this budget out to the people to let them know what's in it and let them question it and make recommendations that may be forwarded in a form of amendments through their representation.

MR. LYALL: Thanks. I can only suggest it. It may be cost savings. You would have to ask the Speaker for that.

MR. RUSSELL: Can we get an explanation of the provision that says that the house sitting be maintained for the duration of, of that period?

MADAM SPEAKER: You've got it Loretta?

MS MICHELIN: Yes.

MADAM SPEAKER: May I see?

MR. RUSSELL: Where would it be? What document is that going to be in?

MADAM SPEAKER: It's the Standing Orders.

MR. RUSSELL: It's in the Standing....

MS MICHELIN: It's Standing Orders, if you start at 118. *After a Bill has been given First Reading, the Assembly may consider a motion to go directly to Second Reading. The House sit for 10 days to give the Inuit public a chance to comment.* What the Minister of Finance has put forward is waiving that 10 day period to go directly to Second Reading. Under 120, the Assembly agrees to the debate on Second Reading *if the Assembly agrees to go directly to Second Reading, the debate on Second Reading must be delayed for 10 days in order to allow the Assembly to hear recommendations and submissions from the Inuit, unless the Assembly waives the requirement by unanimous consent.* So unless there's unanimous consent to go directly to Second Reading, then the House, basically, the Assembly sits for 10 working days.

MR. RUSSELL: Thank you, Loretta. I would like to see in our Standing Orders where the word delayed turns into that's it. That debate is delayed. I don't get it, there's zero point to remaining here, while if you look at 122 in our Standing Orders, it says that, wait, now, which one am I looking for? There's one here saying that Committees of the Assembly can undergo those hearings that take place. What's

the point of everybody else remaining here in Hopedale with zero business incurring costs to the government while public consultations are held? I just don't understand how the word delayed gets misconstrued into us remaining sitting. I don't get that.

MR. POTTLE: Whether you like it or not, this is going to cost the Assembly dollars to bring us back to our communities, to bring us back again in 10 days' time. So where's the cost saving in that? You tell me, Mr. Ordinary Member from Upper Lake Melville and help me understand that, please.

MR. RUSSELL: My comment was to say that for us to remain here for 10 days while the consultation goes on; I have a problem with that. I have no problem with the cost associated with putting a budget out to the people to let people know what we're doing as a government. That's quite evident in everything I've said all this morning and yesterday as well.

MR. POTTLE: I never said that there would be a cost to this Assembly for putting this out to the public. You asked for an explanation of why we would be required to stay here for that 10 day period. From a financial perspective it is more cost-effective to keep us here and we can sit here and we can form our Special Committee or a Standing Committee of the Assembly. We can do our work here from Hopedale. There's enough business that if we so choose, whether we're sitting as an Assembly or not, we can work from Hopedale just as well as we can work from our communities. So what is the difference? It's going to cost us the cost of a charter, our charter will be bringing us back to Goose Bay. It's going to cost us a charter again to bring us back here. What's the difference in staying here for 10 days in Hopedale and incurring those expenses while we're sitting in the hotel versus bringing us again back on the charter again? I don't understand.

MS MICHELIN: This is a money Bill and under Standing Order 120 the 10 day business days to give the Inuit public a chance to have their input can be a Committee of the Whole, which is the whole Assembly or a Committee on Consensus, which is also the entire Assembly. So it's one or the other, which is basically the whole Assembly. So you sit for 10 working days. Otherwise, it has to

be waived by unanimous consent.

MR. RUSSELL: But....

MR. LYALL: I'm sorry, you have to wait.

MR. RUSSELL: Oh, sorry.

MR. TUTTAUK: My question is how do we receive public input?

MS MICHELIN: You put out a press release saying, you put out a press release saying that the Assembly's meeting is sitting for the next 10 days and any Inuit public that want to come in and speak to the Bill can. Basically, that's what you do.

MR. ANDERSEN: It's only the line of 122 and 123 is that 122 says if the Assembly does not adopt approach, Section 118 of the Bill must be referred to a standing or Special Committee of the Assembly. One twenty-three goes on to say for important legislation of such money Bills or constitutional amendments; the Assembly may refer the Bill to Committee of the Whole, Committee on Consensus pursuant to section 123. But it could, in be referred fact, to a Standing Committee.

MS MICHELIN: But that committee can go... there's, I guess, three ways, Committee of the Whole, Committee of Consensus or Committee or a Special Committee of the Assembly.....but the compositions of those committees would be determined by the Committee on Rules and Procedure to name the people that would be appointed to that Special Committee that would sit here and deal with that. So it could be that the Committee on Rules and Procedure could decide the whole Assembly needs to sit here for that.

MR. LYALL: Any more questions on it?

MR. POTTLE: Further to that, Loretta, I'd like to add as well, I mean, this is the 26th of March. If we're sitting here for 10 business days...

MR. LYALL: No, it's only the 16th. It's the 16th, not the 26th.

MR. POTTLE: It is the 16th of March today.

MR. LYALL: Yes.

MR. POTTLE: So we take business day Thursday, Friday, Monday, Tuesday, Wednesday, Thursday, Friday next week; Monday Tuesday, Wednesday of the following week. When does that bring us to in the calendar? Anybody got a calendar on them to do that calculation? And, and while you're looking for that calculation, we have a holiday on the 28th of March in observance of LIA Day. So that knocks off one business day so we have to stay an extra day. If that brings us into March 30th or 31st, do we have the time necessary to gather the information from the public, review that information, bring that back to the Assembly and April 1, we're already into the next budget year. This government can't function without appropriation of dollars for the operation of our government. So, technically, we can't operate as a government for the next year.

MR. RUSSELL: Okay, that boogie man is completely out of line and out of whack. But I'll say-, I'll....

MR. POTTLE: Point of Order. Mr. Chair, there's nobody here proposing any boogie man. This is reality, Mr. Chair.

MR. RUSSELL: You can still operate and conduct government business, etcetera over across the fiscal year.

MR. POTTLE: Tell me how you're going to do that, Keith?

MR. RUSSELL: Okay, that's not the time to get into this right here. I'll start right here and say this. Okay? Hold on, Danny, just hold on. No, there is a significant cost to be incurred through our decision but I will say this in reconsidering my

position about not waiving 120. Our intended point was to get submissions from the public, to get this out to the public and, perhaps, this government should take the concept of pre-budget consultations a little more seriously going into the future and perhaps there's something, maybe, we can do in order to get the submissions from the public that we'd be looking to accomplish here. I'm not sure if that 10 day window is sufficient, and maybe it's something we have to look at on our Standing Orders, but the bottom line here is we'll have to go to our people and get submissions after this and then come back and have positions, points and concerns clarified with the Department of Finance. I'm prepared to do that. The other nays, it's up to them as well so I'm prepared to reconsider.

MR. LYALL: Thank you. Tony.

MR. ANDERSEN: Thank you, sir. Well, I don't very often agree with my Upper Lake Melville colleague. We can be a little bit informal here. But, you know something, there are such things as rights and every member in this Assembly has a right. And if the Chair of the two Inuit Community Corporations feel that they need to go, that's their right to say so. And the other one thing is you know if this thing has to be delayed for 10 days and there's not sufficient time, then that's not their problem and it's not mine. It's the problem of introducing the budget in a fair time that so that there'll be ample time in case there are delays. That, again, is not their problem and I hope that I'm not here for 10 days, Chair, I really hope so. But sometimes I, too, I want to be fair and make sure that, you know, rights of Assembly Members are treated as they should be. And we have to be respectful of people and not try to shove stuff down people's throat. And in saying that, I think there's probably a way to get through this but, hey, make sure that people's rights are I don't know about protected but that they have their rights.

MR. LYALL: Thank you, Tony. I think that we also have a right to follow our Constitution, make sure we abide by our Land Claims Agreement and the Constitution. I think that's more important than as rights as elected officials to make sure that we follow our own rules and or own laws. Jennifer?

MS HEFLER-ELSON: My question is if we move, because I'm new and I don't fully understand, I just would like some clarification is that if we did move to the Second Reading, are we allowed to ask as many questions as we like and to get as much detail as we want about what is included in the budget?

MR. LYALL: You are allowed to ask any questions on the budget that's why we're here in Committee on Consensus, gives you a right to ask as many questions as you want, right now. If I can get consensus at this level, of course that's what I'm trying to do, I'm trying to get the interaction between all the Members so that you can discuss it and fill in as much as you want, but I'm not going on it all day. If I feel after a couple of hours after no consensus, I'll just go back in the full Assembly.

MS HEFLER-ELSON: So we can ask when it goes to the Second Reading if it's been reviewed line by line, we can ask as many questions as we like?

MR. LYALL: I guess, basically, what I'm saying right now is if you have any concerns on it, now is the time to ask, you know, have the discussion with the Minister of Finance on some of the items that you have difficulty with.

MS HEFLER-ELSON: So I would ask my questions now with concerns on the budget or....

MR. RUSSELL: Well, no, the Second Reading.

MR. LYALL: Okay, hold on now. Danny, could you respond to Jennifer.

MR. POTTLE: In response to Jennifer's questions, I mean, you know, the procedure for reading on second debate will be a page-by-page review of the Bill. Each Member may speak for up to 15 minutes on each page. So whatever you can jam into 15 minutes on each page, feel free to do so as long as the other Members of the Assembly have the same opportunity.

MS HEFLER-ELSON: I would withdraw my nay in that we have that opportunity so

that I can go back to my constituents and if I do agree, then I can say that I did the best that I could to find out what was in the budget and that I knew what I was saying yes to and what I wasn't saying yes to. Because right now, I can't do that. But I will take back my nay so that we do have the opportunity to go to Second Reading and I can bring this back to my constituents and say that this is what I agreed to.

MS MICHELIN: If there is a concern about having the 10 days to take the budget to the Inuit for recommendations or submissions, one of the things that might help is if the budget could be tabled earlier and then put it to a committee for 10 days before Second Reading. I mean, in the future, that might be done because that is the process that's basically outlined in the Standing Orders. What we are doing now is waiving that normal 10 day period and going straight into Second Reading.

MR. RUSSELL: No, and that was my point to you earlier, Loretta, about examining our Standing Orders. Because the bottom line is this, year after year, we push our budgets through, really at the 11th hour. I mean, coming into the end of the month before the fiscal year rolls over. In the event that there is much more opposition to certain things, as our government grows and gets more complex, that will become a very dangerous practice. You will get to a point, perhaps, that may cause a lot of confusion and controversy for people, as Danny had mentioned earlier. I mean, but, you know, so that's all I'm saying is if there was a situation where this Assembly had, you know, some type of consultation about an upcoming budget and then those became pre-budget consultations that went out to the public in some type of submission through a committee, whatever committee that would be, I don't know. And then our constituents carry then our concerns back in and, like I said before, they could end up being amendments to our budget that could be passed, could be failed, but at least people have had their say about what's going into our budget. So not to belabour the point, I'll end it there.

MR. LYALL: Ed?

MR. TUTTAUK: Thank you. I like the suggestion that legal counsel has made. I do feel that it's important that the public would have input to any budgets that come

down in the future. If there was some way that a recommendation could be made, like Keith said, that if our budget was out earlier before we meet in our spring sitting and the public had a chance to comment on the Budget Bill then I would be happy with that. And I, too, will withdraw my nay vote.

MR. LYALL: Thanks, Ed. Any further comments, William.

MR. BARBOUR: Thank you, Mr. Chairman. When the Minister of Finance introduced Bill number 2011-02, in his introduction, I didn't necessarily agree with all of his opening remarks to that Bill. But, ultimately, I will vote on the whole Bill, not parts of it, not because I disagree with parts of it. I have to vote on the whole Bill. And I go there. We may want to go back home and consult, may want to come back with whole bunch of amendments, but at the end of the day, the Assembly, itself, votes on the Bill. And for me one of the statements that the Minister of Finance made was that he consulted with all the necessary departments of the Executive Council who, ultimately, run the day-to-day operations of Nunatsiavut Government. You know, that I just go back to it. I don't necessarily agree with the Minister of Finance opening remarks in his introduction but, at the end of the day, I have to vote on the whole Bill not parts of it.

MR. LYALL: Thank you.

MR. RUSSELL: I'll just make a final comment, as well. A point well taken, Will, that's true, as I agree with some of the things you're talking about there, too. Bottom line, for me, is this, though. I mean, I could easily read that Standing Order and interpreted it a certain way. Obviously, it meant something else in that particular Standing Order which only illustrates the point that, I guess, maybe we do a little more work on our Standing Orders and that's fine, that's going to happen over time, that's going to be a normal thing. But, you know, and it's not like a Standing Order demands you to stay in Hopedale for 10 days either. I mean it's not absolutely mandatory you stay here, because our Assembly can still operate with the committee in place and all that too. I don't know what the expenses would be, I mean for people to be leaving and coming and going but I'll take Charlotte as an illustrated

example. She wanted to attend the panel hearing and she's not here today. So no Standing Order glues us to these seats and to this particular community either.

MR. LYALL: Yes, but, Keith, it does. Understand that any Member can get the permission from the President to leave the Assembly.

MR. POTTLE: And If I just may respond to that. I mean, the Inuit Community Government, not the Assembly, paid for Charlotte's way back to Happy Valley-Goose Bay. Just a couple of points, if I may, Mr. Chair, on a couple of things that was raised so far. As of March 1st, we did send out the Annexes to the Budget which sets out the dollar amounts that we had proposed to bring back to this Assembly. People had ample time to review that. People had ample time to take some of that to their constituents. I don't know if you did that or not but that's why the Fiscal Financing Agreement sets out that way so the information is provided to the Assembly before we actually get here. On the point on pre-budget consultations. Pre-budget consultations are to solicit feedback from the Inuit public on how they believe we should spend our money in any given year. We can't go out with a draft Bill and present that to the Inuit public before it comes back to this Assembly because when a Bill is in that stage, it is confidential. We can't bring that to the public. I mean that is process that we need to follow and in prior years and pre-budget consultations, to my recollection, we had one and there was never a report on that pre-budget consultation. I believe the Member from Upper Lake Melville can collaborate what I'm saying because we asked those questions. And where was the report in the pre-budget consultations? We did not receive that. So we did not know, at that point in time what the public wanted us to spend our dollars on because it wasn't reported back to us.

MR. LYALL: Thank you. Ed.

MR. TUTTAUK: And that's exactly why we didn't go to the public for consultation. Because it was a draft Bill that was sent to us.

MR. POTTLE: We never sent the draft Bill. We sent the Annexes with the dollar

amounts that we were proposed to spend this year. We did not send the draft Bill.

MS HEFLER-ELSON: When I received the Annexes across the pages that I got, said it was confidential, so I didn't think that I could bring it out to the public to ask for any input onto what was included into the Budget. And I wouldn't have been able to answer any questions on it because I don't have the details of it, like what it included in a certain figure.

MS CRAWFORD: The *Financial Administration Act* allows us to send it out to the Assembly Members on March 1st and on the assumption that if there are questions on what is in the Annex, that you would have an opportunity to come back and ask us some of the questions on the details, as well. As for the pre-budget consultations, those are normally before any budget is drafted. And, I believe and, like I've heard here, I think it was 2008, there were pre-budget consultations done. And I don't know at what cost. And, like you said, there was no report. It is something we can consider. Do we need it on an annual basis or do we put it on a cycle and say once every two years we'll go at it and do pre-budget consultations in order for it to be more cost-effective to the government?

MR. RUSSELL: No, and that's the point we were trying to get to. That was the intent of what we were looking for. I guess going forward, past this day, we'll be looking to introduce something new that changes how we do things. And I think that's necessary. But I'll tell you one thing, though, that is also made very clear throughout this entire process is that, we have an Executive Council and our Minister's have their supporting cast. And that's great in the running of a government. We're truly left on our own on this side of the table. So, it is truly up to the individual Members to, to do what they can and what they can't do and I'm just saying, perhaps, we need some help, too. And, perhaps, we need some type of organization to the point where we have resources that are easily accessible to us.

MR. LYALL: Jennifer.

MS HEFLER-ELSON: Not to keep talking about things that I was talking about

earlier but I wanted to try to explain to you, as Members, why I was requesting the classifications for the employees. I wanted the classifications because I fully supported a raise for civil servants. For two, maybe four years, I've been saying our civil servants deserve a raise. I wanted to be able to have that information so I could compare it to the provincial government, to the federal government and if it did come before us in a budget, I would be able to say I supported it. Because, right now, a secretary that is classified as a Level IV in our government is paid \$22,000 a year, while a secretary in the provincial government is paid \$33 or \$35,000 a year, step one, which is 51 percent lower. This is why I wanted the classification so I could be prepared to talk and to ask questions. I was denied that information. And so this is why I said nay in the first place because, I think, we should be able to tell people what we are doing and at least they could feel a five percent raise for people that are below management level to me it's a good start but I think we got a long way to go when there's a gap of 51 percent between a salary level of one to another. And I understand provincial government is a lot bigger than us but, still, I don't believe that gap should be that big. And I fought for this when I worked and I asked, please, have a salary review. And when will it be done? Because our staff need a raise. And that's why I asked for the information.

MR. POTTLE: And just in response to that, if I may, Mr. Chair, you never explained that in the manner that you just presented to this table, Jennifer. When I ask you why you wanted that information and what you intended to do with it, your answer was simply that you wanted to prepare yourself for the budget. You never explained any further than that. And the bottom line, again, as I reiterated yesterday in the Assembly, classifications can lead to breaches of confidentiality which then sets us up for liable. And people have a right to have certain information protected. That was the sole reason why that information was not provided. And, I mean, you know, I still don't understand how we can compare a classification for our government against the provincial government. I understand, yes, and your point is well-taken. We are not the provincial government in Newfoundland and Labrador. We don't have the coffers that the provincial government in Newfoundland and Labrador does. It'll take us years to reach that, if we ever do. And, I mean, you know, and we all support, I believe, a salary raise for our public service but, I mean, we have to

provide that increase within the means that we have. I mean where would we get the money? That's all I'm saying. I mean, we'd have to take it step by step by step. And this, I agree with you, Ms Hefler-Elson, is a good start. There's no doubt about it. We're lagging behind other systems of government but we have to keep in mind, we are not those other systems of government and we have a certain amount of fiscal reality that we have to live with in those means. And we can only spread a dollar so far. That's all I have to say on it.

MS HEFLER-ELSON: In your introduction this morning, you said that you compared the salaries with provincial government for management and above and you have a new salary scale for management levels. Like, you know, the provincial government has a HS scale for management or a Hay Scale. And you said that there will be a raise, well I can't remember the exact words, but from what I got was, there's a 20 percent difference between what our management people are being paid and what the provincial people are being paid in management level. So I was under the assumption, and whether it's right or wrong, the, the raise that is being put in this budget, right now, for management is at a 20 percent raise for management people that are up in this level here and is it only a 5 percent raise for people that are below?

MR. LYALL: Are you raising a Point of Order?

MR. RUSSELL: Yes and no offence intended to anybody but I truly believe we're entering into discussions that are meant for Second Reading. I mean I think not to make judgment here, but I believe we've achieved what the President wished to in terms of going into a Committee of Consensus to maybe reconsider the issue that was before us with the Standing Orders.

MR. LYALL: Okay. First of all, I don't really know how many people voted nay to the Second Reading. I know that Jennifer and Ed did. Was there anyone else? Did you, Keith?

MR. RUSSELL: Yes, I did.

MR. LYALL: So the three of you are withdrawing your nay vote? So we have consensus now then to go and go back to Assembly.

MR. POTTLE: Before you do that, though, Mr. Chair, may I ask for clarification on a point that Ms Hefler-Elson made a little while ago, as well.

MR. LYALL: Yes, okay, go ahead.

MR. POTTLE: Excuse me, Jennifer, if I misunderstood what you said but I heard you say that you wanted to go back to your constituents to provide them with information. Did I hear you correctly? Further information on the Budget Bill, itself, or information that you would have achieved through debating the details of the Bill? I just wanted to know if you can clarify that for me. Thank you.

MS HEFLER-ELSON: I wouldn't know if it came from the debate of the Bill or if it was from what you had talked of earlier. I can't remember the words you used. But if a constituent asked me a question as to why did you approve this budget when in this budget there's an item in here where management is getting a certain percentage and the other people are getting another percentage, then I would like to be able to say, yes, I did vote on that and, yes, I agree to it because of these reasons and that reason. And if I had to say, yes, I voted on the budget because I voted on the budget as a whole and that happened to be in there, then I would be able to stand up and proudly be able to say why I did or did not agree to a budget and not stand there and shrug my shoulders and say I don't know. I don't know what's in it. They didn't tell me.

MR. LYALL: Sorry, I had Rexanne ahead of you.

MS CRAWFORD: I was just going to answer the question but as Keith pointed out, the question that Jennifer had, but Keith had a Point of Order to.

MR. ANDERSEN: Thank you. I just wanted to ask, a question that she asked

earlier and I didn't feel that she was given a proper answer and she asked a couple of times. Can I speak as much as I want during the Second Reading? My understanding, Chairman, of the Standing Orders that Second Reading each Member may speak once for up to 15 minutes. And I don't think this is what she understands. So, you know, that should be made clear to her, I think.

MS HEFLER-ELSON: No I thought I could....

MR. LYALL: Yes, go ahead, Keith. Go ahead.

MR. RUSSELL: In the past, I mean, during the debate, during the Second Reading, we went into a Committee on Consensus and we actually went back and forth, back and forth, back and forth and that's how we did things. So not only would she get to, to speak to the Bill but once she did go into the Committee then you have all the opportunities like Danny said, I believe, 15 minutes per page, if that's what it is, it is. You've got 15 minutes of dialogue on the issues on one page so. Or we can go for 10 days, yes, either way.

MR. LYALL: Loretta.

MS MICHELIN: If you go into a Committee of Consensus for Second Reading then the rules are more fluid, more relaxed.

MR. LYALL: Okay. I just want it clear before I make this decision. Keith and Ed and Jennifer all wanted to retract their nay vote if we go into Committee of Consensus and give opportunity to ask more questions. Is that correct?

MR. LYALL: Okay. Madame Speaker, I request that the Assembly go into a Committee of Consensus to have to review the Second Reading of the Budget Bill. I have a question, again. Do I remain as the Chair? I will now be asking the Assembly to go back into Assembly and out of the Committee of Consensus. But don't panic, Danny will read his motion again for the Second Reading and once the motion is approved, we'll go into a Committee of Consensus again, at which time

every Member can speak as many time as they want but the longest you can speak at one time is three minutes. I now ask the Speaker to chair the Assembly.

MADAM SPEAKER: We're now back. We'll call the Assembly session to order and I will call upon the Honourable Minister of Finance.

MR. POTTLE: Nakummek, Madame Speaker. I move, seconded by the Honourable First Minister, Darryl Shiwak that Bill 2011-02, An Inuit law to implement the Consolidated Financial Plan of the Nunatsiavut Government for the fiscal year beginning April 1st, 2011 and ending March 31st, 2012 be read for the second time. Nakummek, Madame Speaker.

MADAM SPEAKER: Does the Minister of Finance, Human Resources and Information Technology have unanimous consent?

ASSEMBLY: Aye.

MADAM SPEAKER: Any nays? Okay, proceed.

MR. LYALL: Madame Speaker...

MADAM SPEAKER: Yes.

MR. LYALL: I'll now ask the permission for the Assembly to go back into a Committee of Consensus. Do I have approval?

ASSEMBLY: Aye.

MADAM SPEAKER: Okay, so now....

MR. LYALL: I'm sorry. I'm appointing the Speaker as Chair for this.

MADAM SPEAKER: Okay, so now we are in the Committee of Consensus. So

we'll start off with this Bill number 2011-02 by going to the Annex in the back of the page, Annex A, page 1, on the bottom and we'll ask everybody to have a look at this page with any questions on this page, please raise your hand. The Honourable Minister of Finance?

MR. POTTLE: Thank you, Madame Chair. Again just a clarification for the Assembly Members. During Committee of Consensus, we have the right to bring experts to the table, if we so choose, such as legal counsel and the Controller of the Nunatsiavut Government or any, or any other expert that an Assembly Member would like to bring to the table to provide more information to help us understand fully more the details of what we're discussing, Madame Speaker. Thank you.

MADAM SPEAKER: Yes, that is correct. So we're on page 1 of the Annex. If anyone has any questions, please raise your hand. The Chair of NunaKatiget.

MS HEFLER-ELSON: Before I came to the Assembly I did a quick little overview, compared 2011 to 2012 budget and our overall budget was increased by \$2.1 million for this year compared to last year. And one of the reasons why I was doing, I was trying to find out where the salaries were so I could talk on it more. But what I did notice was in the Lands and Resources there's an increase of 1.1 million and I was wondering that's from the administration budget and then there's 80,000 from the fiscal financing budget. I was wondering if that is due to the positions that you were talking about before that are going to be put in, is that the one you were talking about, the new positions for....

MR. POTTLE: Jennifer, I'm wondering if you're a little bit ahead of yourself. We're on Annex 1. I believe you are into Annex....Page-, our pages are not numbered. Annex A sets out department by department, including the House of Assembly, the dollars allocated for administration and the dollars from the Fiscal Financing Agreement to support the work of each of the departments including the House of Assembly. So, I believe, you may currently be on....

MS HEFLER-ELSON: I just did a comparison of the different departments and

that's what my question was. Because from the Department of Lands and Resources in 2011 to 2012, there's like a 1.1 million dollar increase in the budget and that was in the administration budget part that was comparison to last year. And in the Fiscal Financing Agreement, it was increased by 80,000 from last year to this year. So my question is it related to where the *Environmental Act* is now put in place, anything?

MR. POTTLE: Yes, you're absolutely right, Jennifer. That's why there is an increase this year in the budget to reflect the salary proposals that we are proposing in this year's budget. I'm wondering if the Controller has anything to add to what I'm saying so I'd ask Rexanne to come forward. Thanks, Rexanne.

MS CRAWFORD: Change in the Department of Lands and Natural Resources, under the administration dollars, is the result of, one, the proposed salary increased; two, the two new positions under the Department of Environment which are directly attributable to the Environment Protection Act; and there's also increase in professional fees, I believe, of about 75 to \$80,000 under the Environment Division as well and that's as a result of the EPA. And it's to cover items such as if we need to do research for environmental assessments, if we need to engage additional advisors as we go through implementing the *Environmental Protection Act* or developing regulations that fall under the EPA. And also as well, under the Division of Renewable Resources, there is a fisheries manager being proposed. And under the Division of Non-Renewable Resources we have allocated funds in order to have a mining policy workshop directly related to uranium.

MADAM SPEAKER: Any more questions for page 1 of the Annex? Mr. Russell?

MR. RUSSELL: Thanks. It's a general kind of question but, I mean, on page 1 there, too, we do have reference to the \$150,000 that is distributed to the community corporations and I'll reach out to the Chair people here to help me but, I mean, it seems that in our constituency of Upper Lake Melville, we have a lot of people migrating off the north coast. I'm wondering if we're tracking any of that. I mean, now, maybe it's from the Registrar change of address, I don't know. We seem have

a lot more people in Upper Lake Melville from the north coast. I'm hearing some concern, I guess, from the people that perhaps this money is not going far enough and, I'd hope the Chair people would maybe jump in there, give their two thoughts on that. With such migration taking place, maybe it's time to consider maybe bumping that up. It's been pretty stable over the last few years, hasn't it?

MR. POTTLE: Thank you, Keith, for your question. I can't speak to the numbers of people migrating to Upper Lake Melville from the Nunatsiavut but the dollar allocations for the Inuit Community Corporations are based on their budgets that they put forward to the Executive Council for approval to be integrated into this Budget Bill.

MS HEFLER-ELSON: As Chair for Happy Valley-Goose Bay and Mud Lake. I'll put the Budget forward for 2011, no, 2012 no 2011 because ours goes from January to December so it's different. And what I use was a figure that I was told this is what I have, this is the revenue that I have, so then I submitted my budget on that number of what my revenue was. I didn't ask for more because I thought that that was what I was going to get and that's why I put my budget on. And after having discussions with the Members of the support staff for the Executive Council on December the 7th and knowing that week we cannot do certain things in the delivery of our programs because we can only deliver parts from the programs and services that are offered from the Nunatsiavut Government and we're told there is no programs and services that we can do. So I feel, right now, what I have until we can get a change to that, then that this would be sufficient for my corporation right now. I don't know if Mr. Tuttauk feels the same way.

MR. TUTTAUK: Yes, thank you. Our, our corporation is pretty much the same as the Goose Bay Corporation with the exception that if there are people migrating from Nunatsiavut, they tend to locate in Happy Valley-Goose Bay so we, we don't see in North West River, yet people moving down there. So right now budget is sufficient.

MADAM SPEAKER: Rexanne, go ahead.

MS CRAWFORD: Sorry, Jennifer, I forgot to answer the second part of your first question. FFA dollars, Fiscal Financing Dollars, that 80 percent change, our Fiscal Financing Agreement is always adjusted on a yearly basis based on population growth, statistics that the federal government uses, FIDIPII they call it. So based the facts and figures that I was given from INAC that is how the Fiscal Financing Agreement dollars are allocated. So the changes in that are directly coming from Canada.

MS HEFLER-ELSON: That's going on a five-year basis, it's an agreement that's in place for five years and it's determined every five years how much money you want to get for fiscal financing?

MS CRAWFORD: The way our agreement is structured, it is a five-year agreement and the dollars, each year, have an adjuster to it. So I'm just going to use the budget for the Inuit Community Corporations as a base example. If, under our Fiscal Financing Agreement we were to give Inuit Community Corporations a hundred and fifty thousand dollars every year, on year one it'd be a hundred and fifty. On year two, it would be adjusted by these adjustors called; I think its FIDIPEE and population growth. Anyway, it was 0.02 percent and 0.211, or 2 percent and 2.11 percent. So the next year, the dollar would be a hundred and fifty-four thousand dollars that would get allocated. And so, yes, it is a five-year agreement but built into that agreement is an adjustor for each year to adjust for inflation, cost of living.

MR. POTTLE: If I just may add to that, too, just to provide some clarity. As you see in Annex A, the dollars for administration and I stand to be corrected here and I know my deputy will assist me here with this, but if you look at administration for Inuit Community Governments, most of those dollars, or the majority of those dollars, are dollars from our own source revenue and not from the Fiscal Financing Agreement.

MADAM SPEAKER: Do we have any more questions for this first page of the Annex A? Mr. Russell?

MR. RUSSELL: I'll just make a general comment on the process we're going

through here and not so much this process that we're into right now but the process, the presentation of the Bill and the Annex to the Bill in its current form. For me, I find it difficult not to have at least one of these forms. We do have budgeted numbers from 2010 extended out to 2014 and that's great. But in a general sense, my comment is to not have last year's actual side by side, in the same exact format, with the math already laid out for us in terms of the percentage increases or decreases in terms of the expenditures in each department, really limits our ability, at this particular session here, this point in time, to ask meaningful questions that will generate a lot of information that we can carry back to our constituency. So I think if we can ask for that after this session and perhaps have some things justified and some additional information and preparation put into this then maybe we can get a little more out of it.

MADAM SPEAKER: Rexanne.

MS CRAWFORD: Keith, the information in that exact same format is in the Annex of the Budget Bill 2010. So would you like us to send that out to all the Assembly Members after that?

MR. RUSSELL: Sure.

MS CRAWFORD: That would be....

MADAM SPEAKER: Any more questions for this page? If not, let's move to the second page of the Annex. Projected Revenue and Expenditure. Mr. Russell.

MR. RUSSELL: Again, a general comment. Being the type of individual that takes the Bill and rips the Annex off in order to look at it we need a little work on our captions for our pages and our numbers and a few other things that make it a little easier to navigate.

MADAM SPEAKER: Any more questions for this page? Okay, we'll move to the next page, Projected Revenue, Sources of Revenue. Any questions or comments

for this page? Jennifer.

MS HEFLER-ELSON: The surplus from audited financial statements from March 31st, 2000 on of \$1.9 million that's projected to be spent in this fiscal year. What about the surplus that's finished for March, 2010? There were, I think, 2. something million surplus.

MS CRAWFORD: The process, in the past, and which is the process we continued or the practice that we continued in this budget, is I'm going to speak without being here in the past but, I believe, it's because sometimes our Consolidated Financial Statements were not available at the time the budget was being prepared. So the practice in the past has been to look back to two years, to 2009, and use that to budget. So next year when we develop our budget for 2012, 2013, we will then take that \$2. million into using for own source revenue.

MS HEFLER-ELSON: I don't understand what program revenue is. I don't know if it's because it's new to me or what, but what is program revenue?

MS CRAWFORD: If you were to look at, and it's the total departmental budget, we have revenue across that we generate throughout.... I know its two pages past. It's lastly I know, Keith, it's my fault that the pages are not numbered and I take full responsibility for it and it will be numbered next year so it will be easier for everyone to track. Under the revenue side, under the Nunatsiavut Secretariat, Department of Finance, Lands and Natural Resources. Would you like to go ahead to that....?

MR. RUSSELL: Do you know where that page is?

MS CRAWFORD: I'll show you it's the page that says Nunatsiavut Government Total Department, April 1st, 2011 to March 31st, 2012.

MS HEFLER-ELSON: Okay. I see what you mean.

MS CRAWFORD: And across the top, it gives each of the departments of the

government. Would you want, at this time, to start with this page? Or I know the process is to go by page by page but that is where the program revenue is coming from.

MS HEFLER-ELSON: Okay. So we can talk about that then, these columns?

MS CRAWFORD: That would be fine.

MS HEFLER-ELSON: Okay.

MADAM SPEAKER: Anymore questions for this page? Tony, go ahead.

MR. ANDERSEN: Minister, I guess, I'll say it over again. The mining tax royalty, is that a projected?

MS CRAWFORD: Yes.

MR. ANDERSEN: Okay. Because, you know, like for the interest revenue, you have brackets for Jeff Ditzell and I thought that's what it would be, you forgot to put projected in there, that's all but....

MS CRAWFORD: We had consultations with the government in Newfoundland and Labrador. We used the figures that were actually received, previously, and used that as a budget figure upcoming. The contact we have at the Department of Finance, within the provincial government, said that is at least the minimum that we would expect and it is very difficult to project. But as you said, we should the use the word projected.

MADAM SPEAKER: Go ahead, Keith.

MR. RUSSELL: Rexanne, I mean, two of the biggest, I guess, components of our revenue stream are the projected mining royalties and the interest revenue on our investments. I mean, how confident are you that our contingency amount of

whatever that is a couple of hundred thousand dollars is going to be sufficient in order to cover any effect to this budget with dips in markets or market prices of commodities?

MS CRAWFORD: Based on our financial advisors that we have for the trust and in discussions with them, based on trending, and, no, we cannot predict another market crash like what happened in 2009. But based on the trending that is occurring, currently, within investments, our advisors are telling us that they're fair-, and I only can say that they're fairly confident because no one can be 100 percent sure what will happen in the markets, that we would be able to obtain and gain on our market value in our investments to sufficiently support giving the government \$3.9 million. This is \$1 million less or \$1.1 million less than we asked from our trusts last year.

MADAM SPEAKER: Any more questions on this page? Go ahead, Keith.

MR. RUSSELL: Quick comment, really. I guess a mentality that's been a theme throughout our elected officials, for years, has been that, you know, when something new comes up or we want something different or you want something done another way, that things like education and health and all of those programs have to suffer. We have to know that we're estimating things like this, too, and things can change and we can have higher numbers, lower numbers, and you hear what the surplus that's mentioned by Jenny and talked about Dan and by our auditors, that's not the case. So people have to understand that, you know it's not the, non-insured health benefits and it's not the educational programs that will suffer by people questioning what we're doing, maybe wanting something done a little differently so it's a healthy exercise. That's all I'm saying.

MADAM SPEAKER: Any more questions on this page? Then we'll move on to the next page, Projected Budget. Go ahead, Jenny.

MS HEFLER-ELSON: Now, Rexanne, would you be able to explain? I don't understand that the subtotal for the expenditures is 15 million, and the budget requests are just 14? Like is there a million dollars, that's that revenue up there.

MR. POTTLE: Revenue, exactly.

MS HEFLER-ELSON: Okay, Yes, sorry. Sorry about that.

MR. ANDERSEN: Only that capital infrastructure, I notice, is zero dollars this year but I don't understand that capital infrastructure. Before I ask a stupid question, maybe you could tell me what capital infrastructure means.

MR. POTTLE: If I may, Tony, in the past, we have budgeted X number of dollars every year for capital infrastructure like the Assembly building that's going up here in Hopedale, the administration building in Nain. We realized this year that we don't have any significant capital infrastructure projects that we need to so we just did not budget for that for this year. Rexanne?

MS CRAWFORD: The Department of Health building that is being built in Nain is being built out of money that we already have in our financial statements. So when we talked about the deferred revenue yesterday, and I believe Jenny had a question, it was \$20 million, 1.3 to 1.6 of that was related. The money that we had already appropriated for capital purchases from the Fiscal Financing Agreement under the health, they've appropriated that each year to build up that amount. And the rest of the funds we've already approved a lot of borrow funds, so we're not using any of our own source revenue or fiscal financing dollars in regards to that capital infrastructure. So capital infrastructure would be things that we are budgeting for, such as, like the Minister has said, the Nain administration building, the Nunatsiavut Assembly building. If we're going to buy a vehicle, we would put it under capital. So those are the types.

MR. ANDERSEN: That's very good. And you're not even buying a skidoo this year, that's very good.

MADAM SPEAKER: Go ahead, Wayne.

MR. PIERCY: Thank you, Madame Speaker. We never wrote a letter yet on behalf of the AngajukKaat from each of the five communities for recreation. So we were just thinking the interest we requested, could that be placed in there for next year for the next budget, for this budget, I should say?

MR. POTTLE: When you're talking interest, Wayne, you're talking the interest on the \$20 million that was allocated from Tasiujatsoak Trust. We can't make that decision, at this level, for Tasiujatsoak Trust. They make that decision. So this Assembly cannot make that decision on behalf of Tasiujatsoak Trust. That has to be a decision of the trustees.

MADAM SPEAKER: Any more questions on this page? Then we will move over to the second page, Projected Budget Five Year Plan, Year ended March 31. Go ahead, Jenny.

MS HEFLER-ELSON: The contingency fund that's set up for 2.5 percent, what is it 2.5 percent of?

MS CRAWFORD: The departmental budget.

MS HEFLER-ELSON: The total department budget?

MS CRAWFORD: Yes.

MS HEFLER-ELSON: Which department?

MS CRAWFORD: No, the total of the departmental budgets.

MS HEFLER-ELSON: So is it identified what that can and cannot be used for?

MS CRAWFORD: Yes. I believe it's under the financial administration. The *Financial Administration Act*, it allocates that it's to be put aside for emergencies, just get the exact quote from that. And just to clarify, it does accumulate each year, so

that is the balance that we allocate this year to be put into our contingency balance. Without going back again, but I can get the details, I think we are at about 798,000, I believe, in our contingency balance as of last year. So this will go on top of that and that will allow us to have a contingency balance of about, well, close to a million dollars or more.

MS HEFLER-ELSON: That would be for if there's an emergency in one of the communities? Like if there's something happened, I don't know, a big emergency might have happened in one of the communities like when there was no wood in Hopedale. Would Hopedale would have been able to apply to that contingency fund to get some of that money?

MS CRAWFORD: If we can just have one moment just to look up in the *Financial Administration Acts* we can quote out exactly what it's to be used for. In the *Financial Administration Act*, it makes a reference to contingency fund and it makes the reference back to the Labrador Inuit Constitution. So under section 8.5.5, Contingency Fund to be maintained. *The consolidated financial plan of the Nunatsiavut Government shall provide for the establishment and maintenance of a contingency fund that may be used by the Nunatsiavut Executive Council for the purpose of meeting a temporary excess of authorized expenditures paid out of Nunatsiavut Fund over revenues paid into the Nunatsiavut Fund, providing a working balance in the Nunatsiavut Fund, meeting an unforeseen emergency or responding to an urgent or immediate need to implement a new program or service for the good of Labrador Inuit.*

MADAM SPEAKER: Go ahead.

MS HEFLER-ELSON: So could that be like a public service works, like a water or sewer if there was a major break in one of the communities?

MR. POTTLE: It could be considered, Jennifer, I believe any number of those and, I mean, that would certainly have to be brought back to, as per the Constitution and *Financial Administration Act*, the Executive Council to make that determination. So I

don't think we can give you an outright answer on that. I just use an example by way of example. If there, if there's a severe outbreak of TB in our communities, maybe you can use some of that money for that...

MS HEFLER-ELSON: Okay.

MR. POTTLE: ...or, you know, that sort of thing. So that would have to be determined at a later date but it's set aside for those things, yes.

MADAM SPEAKER: Any more questions on this page? Then we'll move to the next page. Okay. Sorry, back to that page again for Keith.

MR. RUSSELL: Just one second. Rexanne, we're sitting here with a nice blue book from our auditors here with our actuals from the end of the year, 2010. Just for future reference, it'd be really nice to see how we're actually doing in our budgeting process versus our actuals and complete with variances for Assembly Members to see how this process is working over time. Some of us have been through this a few times and we've never been presented with that.

MS CRAWFORD: No problem.

MR. RUSSELL: All right, thanks.

MADAM SPEAKER: Now, we'll move over to the next page, Total Department. Go ahead, Jenny.

MS HEFLER-ELSON: I guess this is where I ask my question or one of my questions. In the salaries that are identified within the different departments that are at the head, at the top of the form, is it in this budget that there was a five percent raise for civil servants and there is a different level put in for management and up? And if the answer is yes, what is the level that is put in as proposed increase for management levels and can we have it?

MR. POTTLE: We certainly, just a little background information, I think if you may allow me for that, I'll speak a little bit to the salary review itself, Jennifer. The department engaged the consulting firm of Knightsbridge Robertson Surette to undertake a salary review for us. We certainly have no problem sharing this review with you. Again, the only thing that I would caution, and that we may not be able to share here again for privacy sake and to protect people's right to privacy with respect to certain information that we talked about yesterday, I don't think, at this point in time, be able to give you this-, the classifications under those salary scales. But we certainly can provide you with the tiers, the four layers of tiers and, and the dollar amounts and the step increments for that. We have no problem sharing that information with you.

MS CRAWFORD: So just to kind of step back and then I'll, hopefully, be able to answer all your questions as we go through. As the Minister has indicated, we engaged one of the top consulting firms I think, in the country in undertaking a salary review. Because, as we highlighted, it's highlighted in the budget speech, there is significant issues. One, in recruiting and filling positions into our management division and, secondly, he looked at our employee division and made recommendations on the employee division. And the two recommendations came out. One, on the management division, it went from a two-tier scale, so levels 13 and 14 are management division and now they are spread out to four divisions. And I don't have copies to give to you, at this very moment, but I can give you the scale, as the Minister mentioned, but I will take out the exact positions. In putting positions on the salary scale, our government uses the Aiken Job Evaluation Plan and there are nine factors on that plan. So every position in our government, when we became a government in 04/05, every position that currently was under LIHC and LIA was evaluated using this scale and placed onto the Nunatsiavut Government scale. The nine factors were complexity and judgment; education; experience; initiative; physical and sensory demands; results of errors; contacts; supervision and working conditions. And each of those nine conditions has a factor or a score assigned to them. The total is taken and whatever that total for that position is put onto our salary scale. So if you get a hundred, the hundred is already put on the salary scale and that's the level that you go at, your job is placed at, or was placed at, or if there is a

new position it was placed at. And that is the same process that was done in going to a four-tier scale where that the management division positions were evaluated and were placed onto a four-tier scale. And so then it's not 20 percent for management. It's hard to say because we're not saying that if, for example, if I'm at step four, do I automatically go to step four of the new scale in the management division? No. The recommendation that has been put forward is that each individual position and employee in that position has to be evaluated based on their education, their work experience and their experience within the government and then they will be placed on the scale at the appropriated step within the level that the job's classified on. This salary review did not put us at par with the provincial government but it made us a little bit more competitive wherein the gap is closing. For the employee division, what the recommendation came out was to implement a five percent increase this year, five percent next year, five percent year three, and five percent year four, at which time we will undergo another process and review the salaries and ensure that we are appropriately compensating our employees. We can't compare ourselves to the federal government and I know sometimes you hear, well, the federal government employees are paying this, and I hear it from our employees, but we cannot compete with federal government. But we're trying to close the gap on the provincial government and be able to reward our employees for their hard work. So that was the two recommendations that came from our consultant and which we, which the government, the Executive Council reviewed the recommendations and accept it and we incorporate it into the budget. The Program Revenue. So if you look under the Nunatsiavut Secretariat, there's 92,000 budgeted there for revenue. Those are really internal sources of revenue. So communications does work for....

MS HEFLER-ELSON: Could we wait to go back to that one because you've gone into the program revenue now and I still have questions on the salaries? So what you said earlier is that there's salaries for management is going to be on a four-tier system now and from the previous one, it was on a two-tier system, which would say that the lowest paid, at that time, was 55 and the highest paid was a hundred. So what now is the lowest to the highest on the four-tier or can you give that information?

MR. POTTLE: I have those figures in front of me. Rexanne, if you want me to give you those. I mean, the lowest pay scale on level one in the four-tier system would be \$65,000 and the highest under step one would be 85. If you go to step five, the highest would be a hundred and ten and under step one, the highest would be 85,000.

MS HEFLER-ELSON: I'm sorry, Danny, I can't follow that like it's too fast.

MS CRAWFORD: Just on the same as what you had asked, the lowest on step one would be 65 and the very highest would be 110,000. I'm going to ask the Assistant Clerk, when she comes back, if she can go make copies for everyone.

MS HEFLER-ELSON: So from the highest from your proposal now is a hundred and ten and the highest previously is a hundred. So that leaves a 10 percent increase in that if someone's at the top, very top, that would be a 10 percent increase. And the proposal then for the remainder of the civil servants is a five percent. It seems to me unfair. I have to say that I think that our civil servants, who are what you said employee division, and, I guess, the managements ones are not employees now, I'm not sure that's, how that's going to be. But I really believe that our staff, which is considered in the employee division, they need to have more increase for their pay. They have to be able to buy gas, buy food just like anybody else; whether they were in management or rather they're a secretary or a janitor or a manager, a team leader, whatever -, a financial manager. They still got increases. And if we're going to say a five percent, we should say five percent across the board, not five percent for the employees on the bottom and 10 or 20 for the ones on the top. To me, that's not fair.

MADAM SPEAKER: Who was next? Dan, go ahead.

MR. POTTLE: If we may first respond to Jennifer's question and concern. Obviously, we recognize that as well, Jennifer, but the biggest problem that we have with respect to recruiting and retention is at the management level. That is why the salary review brought forth those recommendations. That's where we see our

greatest need. I agree with you 100 percent that, I mean, you know, we should provide more. But, again, we only have X number of dollars that we can distribute and we're trying to be as fair as equitable across the board as we can on that and again, the biggest area where we're having problems with respect to recruiting and retaining is at the management level.

MS HEFLER-ELSON: I understand that as well with recruiting and retention of staff. I know, previously when we had to, to hire people that weren't beneficiaries of Nunatsiavut, we would have non-beneficiaries placed on a term for three years until a beneficiary may be able to be educated to be able to take over that position or mentored with that person. I don't know if that's in place anymore. I know that-, I think right now, as far as what I can tell, is the majority of our management people that, I think, are in that level like I said, I don't know which ones are in there and I'm not looking for the person, I'm looking for the name. But the majority of them are non-beneficiaries. And that's fine if that's who you can get. If you can't get beneficiaries, but the majority of our employees in the employee division, I believe are beneficiaries.

MADAM SPEAKER: Patricia.

MS KEMUKSIGAK: I think Keith were first, though.

MADAM SPEAKER: Okay. Keith.

MR. RUSSELL: Yes, but I think Patricia was asking for a copy of what Rexanne was going to provide there. Anyway, no, just my comments here, too. I totally agree with Jenny on that, and I'll tell you why. Because there's no need to say we've got two classes of people. Yes, and there's a reality there. We've got a class of management and we've got a class of people that are in the trenches getting her done. And I see by saying okay, we're going to roll out your raise over time here, but you guys get yours all up front. To me, that's not fair. And the one thing that's going to do is that's going to break down further the morale that we have in our workforce. I agree, if you have a plan to roll out raises and all that, and then don't use the civil

servants that are non-management as your method of cost savings. Give them the intended raise all at once. Let them know that they're valued. Let them know that they've earned it and that they deserve it. You know, you look at our financial statements and all of that, how we're doing and money we're carrying forward, it's not going to break this government to let our people know that they're valued, and specifically, just like Jenny said though too, these are the beneficiaries that are in these positions. We should be making that gesture and I support her fully in that. So if we're going to lay out 5 percent over 4 raises, give them the 20 straight up.

MADAM SPEAKER: All right. Patricia.

MS KEMUKSIGAK: I just wanted to reiterate what Jennifer Hefler-Elson has been saying. You know, when we looked at the levels that we had given to us a little while back, you know, there are some people who work's pennies over the minimum wage doing very hard and difficult work. Like home support, looking after our elders, and they're making pennies over the minimum wage, and they're the people that's entrusted with our elders. And the people who look after our children, for instance, in daycares, a little over minimum wage. Five percent is not going to make very much difference to them. You know? It's not going to help them that much more and the cost of living is going up. And at one time, what Jennifer was said was true, when in LIA days in the '90's, there was policies in place, I know we're a government, but there was policies in place that if we couldn't find a beneficiary for a position we had, and we had to offer it to a non-beneficiary, they were only allowed to be there for three years maximum and we had to hire other people. I mean, and they had to mentor other people and have job shadowing. That all seems to be gone, but we are educating our people. So I'm just concerned that the people who are making little more than minimum wage, five percent is not going to make very much a difference to them. But maybe, you know, we got to be fair to everybody. Higher up people or lower people, you know, I think, we have to be consistent. That's my say, thank you.

MADAM SPEAKER: Diane. Oh, you didn't. Okay. Tony?

MR. ANDERSEN: Yes, I'm, it's two points I'd like to make. The first is that I'm not

sure that raise the answer in attracting people and retention. And to give raise, you know, that's not going to resolve what we're supposed to set out to do, what a committee is trying to resolve now and that's to attract people to Nunatsiavut Admin Centre. Well, if you're going to give raises to that office people in Goose Bay, they don't want to leave there now if you're upping their pay and they're going to have the same pay as the same position in Nain, if I were them, I wouldn't move either. You know, so I don't think by giving the raises to those higher ups is in one way, helping what we're supposed to be doing here. It certainly is a set drawback to your committee, I believe any way. I think that the way that to attract people to Nunatsiavut is what had been mentioned before, and I had said it before sitting on that side, is that there should be a Nunatsiavut bonus across the board for all employees of Nunatsiavut. So, well, anyway, that's my point on that one. The other and I'm just going to make this one now and then I'll finish. But I noticed that a lot of this work now that the Executive Council does since last May, there are too few Standing Committees and it takes a way from the openness and transparency and trust when the Executive Council takes on responsibility of Standing Committees. There's no such thing, we don't have in this government a Finance Standing Committee or a Health or an Education Standing Committee. I know that they probably are expensive and sometimes can be cumbersome things to get people to meetings but that is the way the democracy works. And it'll make your life easier, I'm sure, and it would make, you know, because there is some distrust when Jennifer Hefler-Elson can't get the answers. You know? There are some things and that because the Executive Council doesn't have to report to the Assembly the way the Standing Committees is obligated to, it takes away something from that trust.

MR. POTTLE: Well, I guess, just general observation, general comments on some of the points that had been made. I think the Controller made it quite clear in senior management we're not proposing an automatic 20 percent increase as per the scaling systems and the point systems attached to that based on people's years of experience, people's education. All those had to be considered and, I think you know, look at general trends across the country, whether that's unionized or non-unionized people. I think we are keeping the pace. What employer can you give me an example of recently that has approved a 20 percent increase for their public

servants, whether they are unionized or not? I just want to make that point. And I think Tony raised the issue as well, but I think I'd like to take it further. There's more to this than salaries. There are benefits as well. I mean, we have a very attractive benefits package in terms of annual leave, hunting and fishing gathering days, statutory holidays, public and/or federal, our own statutory holidays, travel incentives, family trips. These are all benefits in addition to the salaries that we're paying so I think we are trying to be as competitive as possible and, I think, we have some very attractive things to offer people, other than just a straight salary. And, again, I have to reiterate and I would love to give everybody a 50 percent increase right now. I would love to do that, but, again, we just don't have the financial resources to do that. As the Controller pointed out in four years time, we will be entertaining this again, in four years time. Hopefully, we'll have generated more own sources of revenue so that we can look at, again, giving raises to our public servants, whether that's at the employee or casual division or whether that's at the senior management level. I just wanted to make those points based on some observations that I'm hearing. Thank you.

MADAM SPEAKER: Rexanne?

MS CRAWFORD: I just wanted to give a real life example of a position we've been trying to recruit. We, as everyone knows, our Director of HR position is vacant. We went through the job competition process. We had the best candidate who wanted to move to Nunatsiavut, wanted to work up in Nain, and were looking so forward to doing it. The top of the salary that I could offer him was 15 to \$17,000 lower than what he is making currently. He stopped me as soon as I said the salaries, like, you just can stop now. I'm not going to leave. But he wanted to go to Nunatsiavut. He wanted to work there. He, he was looking so forward to doing it, actually, and had been, you know, asking questions about it. The reason the recommendations that came out of the review were structured as such is because of the problems we have in recruiting the management division employees. So everyone understood, you know, what happens. And so because we don't have a Director of HR, as Controller and Director of HR, things are not getting done as quickly as we want to get them done. We're not able to tackle all the projects we want to do. You have a request to

our department. It may take us a week or two to get back to you because juggling those types of two positions is very difficult. I'm not the only one in that position. We have our Deputy Minister of Health and Social Development who is currently juggling her role as Deputy Minister, her Director of Mental Health and Addictions role position has not been able to be filled and she has real trouble recruiting because of the salaries. Her Director is on a sick leave position, but her Director of Nursing. I can't remember the division name. Anyway, it's not community service, this is the other one, he's off on sick leave, so we have a Deputy Minister who is fulfilling her role and two other roles currently because she wouldn't have to if we could recruit and be competitive on the salary for a Director. It's happened in the Department of Lands and Natural Resources. It's happening in the Department of Finance and Human Resources. It's happening in the Department of Health and Social Development. The Department of Education and Economic Development has one Director Position vacant and they've had five postings on that position and have not been able to recruit anyone to that position. So I just wanted to give some real live examples of why the recommendation was put in place the way it was. It's not that we don't think our employee division are working exceptionally hard and are down in the trenches. We are all working hard in the government. Management division is an employee of the government, as well. The way it's structured is it's just the terminology on those two positions.

MADAM SPEAKER: Keith?

MR. RUSSELL: Well I'll put some of our concerns and questions about the salary to the test. I'd like a calculation done on the 1.1 or \$1 million in salaries, what was the increase again? How much? I can't remember what it was. The actual increase in salaries from last year to this?

MS CRAWFORD: In direct relation to the salary increase....

MR. RUSSELL: Yes, 800.

MS CRAWFORD: It was \$778,000.

MR. RUSSELL: Okay. Rexanne, that was Seven Hundred and seventy-eight thousand dollars. That's an amount of money we're going to approve today that goes onto this budget from last year. What percentage of that is going to be spent on management and what percentage of that is going to be spent in the next fiscal year on the people that we're referring to as the non-management in the trenches type people?

MS CRAWFORD: I would need to be able to go back and take a half an hour to get that calculation. Just because the way my budget is structured, it's not that I can just open up a computer and, voila, it's there into the two divisions. Because I have structured-, the way my budget is, it's incorporated into each position, but I can't provide it. And when I budgeted, I did budget to be very prudent. I budgeted every position at the top level of the scale because, right now, we do not, in fact, know where each position in that division, that's going to the four-tier scale, will actually be. So for budgetary purposes, I didn't budget everyone at step one. I budgeted every position at step five so that I wouldn't be coming back here at the next Assembly and doing a budget-to-actual variance and saying, well, I'm over budget here because I didn't do my job and be conservative enough in my budgeting process or not conservative enough.

MR. RUSSELL: All right. No, I thank you for that answer. I would love to know what that number is. You're talking about three-quarters of a million dollars. And you mentioned earlier about the salary. I mean and we see it in the printout we were just given. We've got a low end of sixty-five and a high end of a hundred and ten. How many employees, permanent employees, of Nunatsiavut Government fall outside of this scale, any? Any employees fall outside of this scale?

MS CRAWFORD: No.

MR. RUSSELL: ...that's the be all, end all there?

MS CRAWFORD: What you asked for was the new four-tier scale for the top level

for the management, right.

MR. RUSSELL: So there's nothing outside that, nothing yet.

MS CRAWFORD: Well, all our employees, you only have levels, well that's inaccurately labelled. It should be going from 13, 14, 15, and 16. So the salary scale currently goes from 1 to 14 and we're proposing now going 1 to 16.

MR. POTTLE: And again, Keith, if I may, Madame Chair, respond to your question, this is the salary increase that we're proposing for employees whether that's at the employee casual division or management division of the Nunatsiavut Government. There is nobody outside of this salary scale that we're providing these salaries to.

MADAM SPEAKER: Jennifer?

MS HEFLER-ELSON: When you spoke about the Director of Human Resources that you tried to recruit for Nain and you were \$15,000 below what he's currently making, did he not take into consideration, as what Danny said, we present to our other employees, our bonuses, our annual leave, our sick leave, our hunting/fishing gathering, our optional religious? And if it is now going to be considered a hard to recruit position, these positions will be classified as hard to recruit, and then they will be entitled to a hard to recruit bonus, a housing bonus and any other bonuses that are available to the nurses that were considered hard to recruit. Is this going to happen for the Directors' positions that are going to be in Nain administration?

MS CRAWFORD: At this point, this is not something that we have considered for our department. In response to that particular situation and Director of HR, he was well aware of all the other, you know, all the holidays and all those benefits that go along, and I always try to encourage. I came from a background where we don't talk strictly salary; we talk compensation which is composed of salary and benefits. So I have, even in within our department, been preaching that we need to start talking in terms of compensation. Because what we pay our employees monetarily, there's more to it than that. So, you know, I came from an organization, I got four weeks

vacation, that was it and then I come here and my vacation's different, I get five hunting and fishing gathering days and all that and because I come from a place where I always think compensation, which is salary and benefits, was important to me. It was explained to him and it wasn't comparable for him to be able to. The second part of your question, Jenny, was on hard to recruit. We currently only have nurses under the hard to recruit and there are no other positions in our government that are classified as hard to recruit.

MS HEFLER-ELSON: And the conversation that's been taking place, so hard to recruit has come up several times in the conversation so that's why I asked a question are you going to reclassify these people as hard to recruit and that's why you're putting a salary up and are they then going to be offered these hard to recruit bonuses?

MR. POTTLE: We have no intentions of entertaining that, at this point in time, Jennifer, no, we don't.

MR. RUSSELL: Quick question. I think I missed that. I kind of have two, but they, they are attached in terms of the questions. How many hard to recruit positions did we say we have?

MS CRAWFORD: Just the nurses.

MR. RUSSELL: Just the nurses, okay. My second question then is I mean, we've had many conversations when we're talking about revenues and all that and the AngajukKâk from Nain brought it up, that we do have an interest in filling the admin centre. We do have an interest in having positions located inside Nunatsiavut. There's a tax revenue benefit to that. It's plain and simple and we do have an interest in having beneficiaries in as many jobs as possible. There's no doubt that comes up time and time again. The questions that have been brought to me by a lot of beneficiaries have been, well, if that's the case, then are we then getting ready to become serious and make it mandatory, immediately, that we don't have people who

don't even live here as permanent staff flying in, flying out? Therefore, not only are we talking about the burden of their salaries, we're talking about the expenses of maintaining these employees that don't even live here, not even in Upper Lake Melville, for example, at any current offices, some of these individuals. So you're talking about salaries, you're talking about flights, you're talking about expenses associated with all of that and the incidentals that occur and additional higher costs of them, while they stay, whether they're in Nunatsiavut or Upper Lake Melville or whatever. Are we going to start taking that seriously as well? We can't say that we need this, we need to be serious about filling the admin building, we need to be serious about tax revenue and beneficiaries and positions and not be serious about that. Can someone comment on that?

MR. POTTLE: You can go first, Rexanne, and I'll follow what you have to say.

MS CRAWFORD: There has been a decision made that no management positions are being filled outside of Nunatsiavut. So we are advertising all our management division positions only in Nunatsiavut. So for the Director of HR position, until we are able to fill that position inside Nunatsiavut, that position will continue to be vacant.

MR. POTTLE: And we've also enacted a policy where we're not taking any more transfers outside of Nunatsiavut. And, I think, as the Ordinary Member for Upper Lake Melville will understand and have knowledge of, as I reported to this Assembly in February, we have struck an internal working committee to look at the transfer of programs and services, including administration to Nunatsiavut. We are considering that. That will take some time for that work to be done. Obviously, it's a very complex process but at the end of that process, we hope to have a plan whereby we will be transferring all positions into Nunatsiavut. So we are considering that.

MR. RUSSELL: How many positions do we have currently right now where people are flying in and out? And, to me, that's not the jobs that exist in Upper Lake Melville, that's one thing, and jobs exist inside Nunatsiavut is another. The infrastructure that we've had in terms of the buildings, the offices, you know, the functions that are there, those are one thing. How many positions do we have where

people come from elsewhere on a regular basis? Because, to me, that's just not a good use of government funds.

MR. POTTLE: On top of my head, I can think of one.....two. We do have our post-secondary staff located in St. John's, and you know certain members of that department travel to and from Happy Valley-Goose Bay or Nunatsiavut, as required, as part of their duties and responsibilities. We do have people in Nunatsiavut that come out of Nunatsiavut, from time to time, to do business, as well.

MR. RUSSELL: Earlier, I asked Rexanne if she could give me a breakdown of the three quarter million dollars in proposed salary raises. If I could get the percentage put towards management and the percentage towards non-management, can we also get a breakdown of the total cost associated with the two jobs that fly in and out on a regular basis? And I'd also like to know whether or not the status quo is just going to be maintained on those positions as well.

MS CRAWFORD: Keith, sorry, like is that information you will need in order to make a decision on the budget? Because if it is, then I need to go and engage my finance staff in Nain and we're going to have to start pulling records, and a lot of them, in order to start doing that work. So I just need to know, if it is, I need to ask or research so I can go do my job.

MR. RUSSELL: I think, the one about the three quarter million dollars in proposed salary increases, I think that's something that we should have had already. That should have been a part of this. The second one about the come from away staff and the total costs, so everything, all expenses associated with the position, I'm prepared to wait a little while for that. That's not something that has to hit the table today. That's something that could be objected to at a later date. But in terms of the three quarter million dollars in proposed raises, I mean I certainly have my opinions on where I think people should get their salary increases. For example, if you're making a hundred thousand bucks, you know, excuse me for judging, but you're living pretty comfortably already. If you're making, as Jenny gave reference to, if you're in admin, you're in a secretary's role, administrative assistant role, forgive me,

if you're in one of those, then I, you know I think I fully understand and support that those people are just not living as comfortable as the ones making a hundred K a year. That's a fact of life, simple as that. Therefore, I'd like to know just how much money we're talking about putting towards those individuals. And that's why earlier I made the comment that if we're proposing to roll out, over 4 years, 20 percent to those people that are grinding you know, they're in the daily grind, I'd rather see a much larger percentage put to them and, if possible, all 20 percent go to them at once. And that's the statement I'll make.

MADAM SPEAKER: Go ahead, Jenny.

MS HEFLER-ELSON: I just wanted to make one more statement because I did do a little comparison last night because, like I said, I was trying to prepare for what was coming in the budget or I felt might be in the budget. And comparing the salaries for a secretary that's classified in our organization, with a secretary classified in the provincial government, there's a 51 percent difference. If we give our secretaries which get paid \$22,000 a year a 5 percent raise, that secretary will gross \$42 every two weeks to take home, that's her gross pay, or his gross pay, \$42 every two weeks is what a secretary will take home with our 5 percent increase. That's what I wanted to point out so that we are all aware of what 5 percent of a pay increase is. It's \$1,100 for a secretary being paid at \$22,000 a year.

MR. RUSSELL: Jenny, you just hit the nail right on the head. That's my point. That's my point exactly, and I'll tell you what. Even in my role as Ordinary Member, I don't have really anybody that directly reports to me. But we've got admin staff just like the people that Jenny's referring to that help me immensely. And they don't have to, it's not part of their job description to do this for me or do that but it's part of that type of role and they don't mind doing that and I sure as hell appreciate that in working for my constituents. And I think that something has to change about the way we're going to do this.

MADAM SPEAKER: Jim?

MR. LYALL: Yes, I'd just like to make a very brief comment on the civil service as a whole, not just from the secretaries up to the top management. I have a deputy work for me that work, not only 8:00 to 4:30 or every day. We travel probably 70, 80, 90 days a year away from home, and the senior management in our staff; they're working full-time, all the time. I've gone down to the office and many a time and seen some of our Deputies and Directors working on the weekend preparing for meetings, doing this, doing that. On that, I don't want take anything away from the secretaries and other employees but what I want to say is, basically, the senior management work a lot more hours a lot longer days than anyone else do in our government.

MADAM SPEAKER: Jennifer?

MS HEFLER-ELSON: I think, the senior management, too, for travel is one of the few positions that would be able to qualify for the family trips because they travel so many days a year. I think you used to have to travel 89 days of the year and you may, I'm not sure if it was the same number of not because I never looked at that before I came up. So, yes I agree with you that they do work hard and they do work a lot of hours and I do think that they should get a raise. I just don't think they should get a raise any more than anybody else. I just think it should be same percentage right across. And that's my belief in how people should be treated and I think it's going to affect morale, big time, if we don't do it that way.

MR BARBOUR: Thank you, Madame Chair. You know, for the last hour we've talked salaries and benefits for employees and for senior management or management. Like, going to the Committee of the Whole, I mean, if that is the issue with the budget, is it, is that the single biggest issue with the budget? Is it? I'm not seeing or hearing from anybody trying to put forward any kind of potential amendment. But if that is the issue that people want to just go home for 10 days on, then only put the recommendation for potential and then makes for a vote. I mean, on all the other issues, revenue, projected revenue, projected expenditures, I'm not hearing anything on that. But it has been on salaries for the last hour and detailed at that. I don't know, I would say that if it really came down to a vote that that is the

issue and I would think that's what the potential amendments are going to be and just my comment. I'm not sure how much further you want to beat this to death here.

MS HEFLER-ELSON: Well, I agree it's been going on a long time, and, I think, that there should be a recommendation for an amendment to the budget to reflect an increase, if their increase is budgeted there, a five percent increase across the board. Management gets the same as other employees. And the reason why I find that salaries is a big topic for the budget is because in the operation budget salaries of Human Resources, the salaries and benefits is a major, a major item in a budget. So that's why I wanted to, I wanted to talk about it more. And I would like to make a recommendation or put in something so that we can make an amendment to it.

MR. RUSSELL: But therein lies the problem about the amount of time we have or, I guess the timing of all of this. I find we're having a very healthy discussion about some of the realities that our staff, they're facing, I just don't know. I keep going back in mind to Jennifer's discussion about administrative assistants being 51 percent lower or 51 percent of whatever. I just don't know the numbers and I haven't seen any of the data on comparisons made. But I'm certainly prepared to propose an amendment to see, we've said we have two different raises going on here. I would still like to know what that three quarter million dollars is we're proposing what the breakdown is but, right now, I certainly would be prepared to propose an amendment that suggests that we give 15 or 20 percent to non-management civil service. I have no problem with that. I don't know if it's right. I don't know if I'll have the support for it but I certainly agree with what Will says. We're bantering back and forth about the mentality and the concepts behind the decision making processes and the right and wrong of it all, but we're really not moving forward in terms of our budgeting process.

MR. BARBOUR: Now, with the Committee of the Whole, Keith, I made my statement earlier about having listened to the Minister of Finance introducing the Budget Bill and listening to his reasoning behind the Budget Bill. And while I heard many good things but I didn't necessarily agree with a number of things that in his opening statement in introducing the Bill for First Reading. But having said that,

though, I've heard good things, as well, too, in being that there are potential increases for staff, all staff, can't paint it any other way. But having said that, though, I'll also point out that, too, that I have to vote on the Bill as a whole, not parts of it.

MADAM SPEAKER: We're going to take a 20-minute break.

(Recess)

MADAM SPEAKER: We're still in a Committee of Consensus here so Rexanne has some information there for Keith.

MS CRAWFORD: Okay. So the total salary increase proposed in the budget is \$684,000 of which 65 percent has been allocated to the new four-tier system. I just want to make sure it's very clear that when I budgeted for the management division, I budgeted every single position at step 5, to be prudent. That it's not necessarily where every single employee will end up at the end of the day because the recommendation and what we are planning on doing is assessing every management position based on experience, education and work experience with the government. And it's 35 percent for the employee division. Now, I'm going to caveat that I've checked my numbers twice just briefly so if I'm off a couple of percentages, I may be, but that is, you know, roughly what it is.

MADAM SPEAKER: Go ahead, Patricia.

MS KEMUKSIGAK: Is that the new positions added in, as well, or is that the existing management positions?

MS CRAWFORD: ...management positions. No, I didn't include them in because if you wanted to know what the effect of a salary increase would be, they're new so that is a separate issue outside of a salary increase. So in the calculation in what I was asked is was what is the determination of the percentage or the salary increase on-, between management and employee division. Those are three brand new positions that the government has never budgeted before.

MADAM SPEAKER: Go ahead, Keith.

MR. RUSSELL: And the actual, again, my math not being that great, can I have the actual dollar amounts associated with that, as well?

MS CRAWFORD: Four hundred and forty-two thousand for management division and 242,000 for the employee division.

MR. RUSSELL: Okay. I don't want to belabour the point but, I mean, you've got almost \$450,000 going to 17 management and then you \$242,000 going to a hundred and ninety-seven non-management civil servants. And I take into consideration Rexanne's methodology of saying that everybody's at the top, just for the argument's sake and will have to be done. Everybody will have to be done individually. My caution being is that we have a very standard system for doing the non-management civil servants, which is 5 percent across the board for several years and the management division portion of that is completely unknown at this point. So, in effect, it is just that, an unknown.

MS CRAWFORD: Go ahead, Dan.

MR. POTTLE: I just want to make one more final point and I ask the Ordinary Member from Upper Lake Melville, have you also considered, as somebody pointed out, the duties and responsibilities of senior management versus the employee and casual Division? You heard the Controller point blankly state in addition to her duties as Deputy Minister and Controller; she's also carrying the Director of Finance, the Director of, of Human Resources. I look at the Secretary to the Nunatsiavut Secretariat by way of example. She's the Deputy Minister of that department, Director of Planning, Director of Inter-Governmental Affairs, sits on X number of committees of the government, whether it's the joint management committee, the working committee that we put together to look at the possible relocation of programs and services, administration and other programs and services into Nunatsiavut. I look at our legal counsel. One person in this government, who works

like a dog, excuse my language here, that's the only analogy that I can use for that. You know take into consideration the amount of hours and the additional duties that our senior management is expected to carry and, I think, what we're proposing. You know, is not so outrageous. And out of respect for the hard work that these people do, I think we have a duty and an obligation to honour and respect that extra work and those extra duties that they carry versus somebody who's as the Chair of NunaKatiget Corporation stated, for secretarial duties. Look at the education levels required for that. Look at the education levels that we're requiring for our senior civil servants. You just can't compare it. So I think, you know, how can you say that we're being unfair and inequitable in these salary scales that we're proposing? We're trying to look at what everybody is doing and taking into consideration all of those things and details and I think, you know, we would be doing a disservice to people if we didn't recognize that. Thank you.

MR. RUSSELL: Danny, nobody's disputing all of that stuff but they're still a complete and utter unknown. You cannot identify a position or an individual or anything at any point in time and say what they're going to be making. We've got no starting point, no point of reference saying that we're going from here to here. It's very easy to figure that out for the non-management people, but for management, it's wide open.

MR. LYALL: I think we do have a turning point. We have budgeted \$684,000 for increase in salary for our civil service whether their management or not. That is the starting point and I think we're trying to treat all our employees fairly, whether, like I say, whether they're a secretary or whether they're my deputy. It's the same thing. We're giving an increase to everyone and I want to make it very clear here now that in the near future, hopefully, for my sake, anyway, I promised when I first became President in Nunatsiavut and Nain, especially, would be the administration centre for Nunatsiavut Government. I dare say, we'll be asking for a lot more money to get those people up here if we can't get them to, all I'm saying is we can get people to go to Goose Bay and work for \$67, we can't get them to come to Nain for that amount. So if that's the case, I'm willing and we're going to be willing, if we're going to make Nain the administration centre, as our Constitution says, we're going to be paying a

lot more money in the future and the salary in Goose Bay at 60,000 is you might as well say it's about 30,000 in living in Hopedale or living in Nain.

MR. RUSSELL: Okay. I know we have a lot of unknowns, Jim, and we're going to move forward in this government. We're trying to do a lot, but I'll simplify it and I'll propose this amendment. Rexanne has given us a rough estimate that there's going to be \$442,000 available for management and raises as if everybody did happen to potentially max out. She's also indicated that there will be \$242,000 available for a hundred and ninety-seven employees that are non-management civil service. My proposed amendment is this. I would just propose that everything stays status quo, one number changes and that is the first year of the proposed raises for the non-management civil service. So I propose we allocate another \$242,000 and give them 10 percent in their first year and deal with the increments of 5 percent for the subsequent three years after that as is. That's it. That's my amendment.

MR. RUSSELL: The first 5 in the non-management civil service becomes 10. I propose that everything in the proposed raises remains as status quo and the management division will be reported on as, you know, at a later date, and I propose that the first increment giving to the non-management civil service employees be 10 percent and not 5 with the remaining three years at 5 percent compounded on that amount. Does that make any sense?

MS CRAWFORD: We were proposing 5 percent over a 4 year period. So you're now proposing 25 percent over a 3 year period, or 4 year period?

MR. RUSSELL: Okay. I thought we were going five.

MS CRAWFORD: We were going 5 percent for the next 4 years which would give a total of 20 percent increase over the 4 year period.

MR. RUSSELL: Yes.

MS CRAWFORD: So what you have...

MR. RUSSELL: Yes, what I'm saying is...

MS CRAWFORD: ...proposed...

MR. RUSSELL: ...okay.

MS CRAWFORD: Okay.

MR. RUSSELL: What I thought was five percent this year, five on that next year and five. I'm saying 10, 5, 5, and 5.

MS CRAWFORD: So in total, it would be 25 percent.

MR. RUSSELL: In total it would be 25 percent. The portion that affects us this year is simply double the amount allocated to the 35 percent you referred to. The portion that affects us in this year's budget is \$242,000, which is 35 percent of the total allocation you indicated before for the hundred and ninety-seven employees that are non-management.

MS CRAWFORD: I just want it to be clear because it's changing...

MR. RUSSELL: Right.

MS CRAWFORD: ...the total percentage overall over the four-year period. So management get their increase in the first year, no raises for the next four years. Civil service get 10 percent year one, 5 percent year two, 5 percent year three, 5 percent year four, for a total of 25 percent versus the 20.

MR. RUSSELL: Yes, in a nutshell, I guess, yes, but the management one is a complete unknown. We don't know if that number of the 442, you said, it's available...it may not be used. You're obviously going to have to come back and let us know exactly how it was done and how decisions were reached and where we got

to with the individual positions and levels.

MS CRAWFORD: Everything else in the budget, I guess where the question is, I'm assuming that there are no other issues with the budget and that we are down to the salary issue. So to say that everything else in the budget is fine and remains status quo; however, the amount budgeted for employees' salaries would be....

MR. RUSSELL: You see this is it. Where, you know, the allocation of 442,000, like Rexanne said, is available as per the individual evaluations of the management staff. They may not be.... That's my whole difficulty.

MS CRAWFORD: No. But when you go undertake a budgetary process, you use projections. So when we are budgeting positions and budgeting new positions or budgeting existing positions, the budget process you go through is to be very prudent and to make sure that you are allocating adequate funds. It is better for me to come back here at the next Assembly and for the Treasurer to present his report and say we budgeted \$1 million in salaries for Department of Lands and Natural Resources. At this point we have only used 800,000. And the reason is because in budgeting for these salaries for management division, we budgeted at step 5. However, not all our employees are at step 5 and that's the explanation without identifying individual positions and saying who they are and where they are actually placed on the scale but in just giving the explanation. It's the same as we budgeted under professional fees half a million dollars in professional fees and at the end of the year we only use 250 and that's why we didn't do a particular thing that we thought we would. I'd like to invite Loretta up to clarify on the process we go from here because the way our Budget Bill is drafted.

MR. RUSSELL: I know. And I just want to say one thing. Okay? We can say that we don't have a balanced budget now going forward but didn't we just hear that we had \$8 million dollars in eternally restricted funds for issues such as this? Certainly, if we have that, well then put the additional 242 I'm proposing to the non-management civil service and that calculation is easily done.

MS CRAWFORD: The process, I just need to clarify on the process we're going through because if you look at the way our budget is presented, it is done by department-by-department basis. So the Annex to our budget is done on a department-by-department basis in the way the dollars are. So I just want Loretta to come up and clarify unto the process of how this amended will be reflected into our current budget.

MR. RUSSELL: Okay. And I want to make this comment. If we're going to sit here as a government and be passing a budget, if any single amendment to a budget requires that we don't have a balanced budget and we can't make those amendments, we can't do anything, then what's the point of even going through it? You know what I mean? You should be able to propose an amendment. Amendments in a money Bill will have a financial and monetary consequence.

MS CRAWFORD: Yes.

MR. RUSSELL: Yes. I know, I'm just saying. No, but it shouldn't be that difficult. There's the money.

MS MICHELIN: The budget has to balance. It's a Constitutional requirement that our budget is balanced.

MR. RUSSELL: My point being is, yes, and it is a Constitutional requirement that a budget be balanced but if my proposed amendment was five bucks, can that not happen because we can't pull five bucks from some, you know what I mean, from somewhere? From reserves, from wherever. You know, this budget, that's the difference between a budget and a financial position of a government. This is how much money we got in play for the basics, for the budgeting process for our government for the upcoming fiscal year, that's fine. That's different from the financial realities of how much money is available to government in terms of how much cash is available in these departments. That's the point.

MS SILLETT: Okay, Keith. I just want to be clear on your proposal on it.

Everything else in the budget remains as status quo. And now budgeting for salary employees will be what are you saying? I know what you're saying about non-management, what about management, what are you saying?

MR. RUSSELL: As proposed. Yes, basically, Rexanne has informed me that there's 442,000 was proposed for management. In order to make this new classification and salary scale work, she had to maximize that. That stays the same. I don't want to touch that. That's fine. If people go up 5 percent or up 15, I guess that's up to the HR Department and their review of the tenure of the individual, the education of the individual and the duties and responsibilities of the individual. That's, again, that's administrative. That's not for us here.

MS SILLETT: So, basically, your proposed amendment focuses on the amount of budgeting for non-management employees?

MR. RUSSELL: Non-management employees.

MS SILLETT: Okay. I've got it.

MR. RUSSELL: The first 5 becomes 10, that's it. Do we actually have a vote for an amendment in Committee of...

MS SILLETT: Committee of Consensus, yes.

MR. RUSSELL: In Consensus, Yes? Okay. So it's to the floor, I guess. Are you asking me?

MR. POTTLE: You proposed the amendment; you tell us where the money's coming from?

MR. RUSSELL: Any one of the cash reserves available to the government. It's not my problem.

MR. POTTLE: It is your problem if, as a politician, if you're proposing that.

MR. RUSSELL: Finance should be able to present us with some options.

MADAM SPEAKER: Go ahead.

MR. POTTLE: So should you, if you're proposing an amendment.

MS SILLETT: There's an amendment on the floor, we need a seconder.

MS HEFLER-ELSON: Seconded.

MS SILLETT: There is a proposed amendment. It's moved by Keith Russell, who's an Ordinary Member for Upper Lake Melville, and that proposed amendment is that the amount budgeted for salary, non-management, employees would be 10 percent in year one, 5 percent in year two, 5 percent in year three, 5 percent the in fourth year and it would come from any cash reserves of the government. It's seconded by Jennifer Hefler-Elson, the Chair of the NunaKatiget Inuit Corporation. Any questions?

MADAM SPEAKER: Keith, do you want to speak to that?

MR. RUSSELL: I'll be brief; we've been at this long enough. A very small price to pay, in my opinion, to let the non-management civil service employees know that they're valued by the members of this Legislative Assembly.

MADAM SPEAKER: Any more comments? Go ahead, William.

MR. BARBOUR: Thank you, Madame Chair. Again, I'm one of those that, as the Minister of Finance, you know, I'd like to give those increase but I'd like to see a clean sheet of paper telling me exactly what that cost me, that 10 percent versus 5 percent for the non-management. I'd like to see a clean sheet before I vote, before I cast my vote on that. What are we adding on here?

MADAM SPEAKER: Go ahead, Danny.

MR. POTTLE: I echo the sentiments of the Ordinary Member for Nain. I cannot vote on something that I don't know the cost implications of and how this is going to affect this proposed budget at this point in time so I can't support the amendment, Madame Speaker.

MR. SHEPPARD: I guess, yes, we've battled around the bush with this for a long time and, I think, William sort of took the words out of my mouth that I have a question. You know, I cannot vote on something until I know exactly where the money is coming from. I would have to know that before I vote. This wouldn't just make sense for me. Thank you.

MADAM SPEAKER: Any more comments? Go ahead, AngajukKâk for Nain.

MR. ANDERSEN: Yes, thank you, Chairman, is it? Thank you, Chair. It is hard to vote, I suppose, but you know, Madame Speaker, this is not a vote on where the money is coming from. This is a vote on whether or not we should give an increase to non-management staff. The answer to where the funds will come from will come after the vote, if there is a vote to amend this budget. And if the budget is amended and we agree that the staff are going to get an increase, then we have to determine where the funds come from. I come from a constituency that has a lot of front-line workers and I have to say that I read with interest the report from the Member Services Committee. And I saw in that report a lot of comments about front-line workers and how they are underpaid. I'm going to have to take into account my vote and my thoughts for those front-line workers and the large number that I represent. And I'm not doing it because I'm afraid of them but I have worked and saw the fine work that they do as well. I support the amendment.

MR. BARBOUR: Again you're getting no argument from me, AngajukKâk for Nain, because you're not. What I've seen in the Annexes starting on page 1 and that's the only place I'm coming from. It's not opposing increases to those front-line

employees, not that. But I've seen in the Annexes, our projected revenues and projected expenditures and readings all at the end of the day. If somebody can show me that, then that's fine. You know, that's what I want to see.

MADAM SPEAKER: Go ahead.

MR. RUSSELL: Okay. All good points being raised by people here. We were presented with a budget right here today which says we have \$684,000 that was very easy to find for raises, very easy. Nobody questioned where that came from. That was no problem because that originated from the Executive Council. Nobody questioned where that 684 came from. A budget is just that. You could just as easily add that to a projected number of which many of our sources of revenue are based on projections. Just as easily do that and deal with the consequences as they are. It's not as if this government in the event of any type of emergency, any type of decision, any type of new direction, wouldn't have \$242,000 available to them in order to do any one thing. So I guess, I'll, we are in Committee of Consensus here and we are going back and forth. Where did the 684 come from?

MADAM SPEAKER: Jim.

MR. LYALL: Thank you, Madame Speaker. I'd just like to point out a couple of comments that I've heard around the table saying that we should show some respect for employees and give them a raise. We are giving them a raise. We're proposing a 20 percent raise over 5 years, four years. And to stand there and say that we do respect our employees. We want them to work for us, they're good people. We are giving them a raise. To say that we're not and for somehow that we're not doing enough, and I think it would be irresponsible for us to support the amendment without knowing exactly what what's going to be cut from our budget.

MADAM SPEAKER: Jennifer.

MS HEFLER-ELSON: A possible thing for finding the 200 and some odd thousand dollars for the extra increase could be our surplus from the 2010 fiscal year that's still

not being used yet. The deferred revenue of \$20 million that's accumulated from all of the departments over the year, which probably part of it, is salaries from nurse's positions that weren't filled. So those salary positions that weren't filled and if those expenses are still sitting there because they weren't expensed out yet, they may be able to transfer it into our budget so that the budget may be able to do that.

MS CRAWFORD: I just want to remind about one financial reality we are facing in this fiscal year. So we, in March 31st, 2010, are showing a 2.something million dollar surplus. In reality, as of March 8th, we had spent \$1.2 million of funds under an NIHB program of which, this time, we do not have any commitment from federal government to cover that. That was actual cash outlays. The projections that we have done between the Department of Finance and Department of Health are projecting a \$1.9 million deficit under the NIHB Program for March 31st, 2011. We are in talks and serious discussions with INAC and Health Canada on that deficit but, at this point, we don't know if there is going to be any relief from them to help cover that deficit. My job is to make sure everybody has all the information in front of them and that is something that was in our departmental report and I just wanted to remind everyone about that one piece as well in making a decision.

MADAM SPEAKER: Jennifer.

MS HEFLER-ELSON: In the past years, we've always had a deficit in our...

MR. POTTLE: Madame Speaker, may I propose, if I can, a Point of Order. I had thought we were debating an amendment to the budget. We seem like that we've gone back into a debate on salaries one more time and my understanding of the process, I mean, do you not speak to an amendment once? Am I correct in saying that? And now we're allowing people multiple chances to speak.

MADAM SPEAKER: In a Committee of Consensus, you can speak more than once but keep it down to five minutes each time you speak. Standing Order 135.

MR. RUSSELL: I would suggest that if anybody wants to speak, raise your hand

and then let's vote. Amendment is on the floor.

MADAM SPEAKER: Go ahead, Jennifer.

MS HEFLER-ELSON: Will I get to finish what I was saying? Okay. What I was saying was that in all the year, like previous years there's been a deficit in NIHB. Has there ever been a year that it wasn't covered by our government, the federal government, or that we had to come up with it ourselves?

MS CRAWFORD: Yes.

MS HEFLER-ELSON: The close past?

MS CRAWFORD: That internally restricted funds started out and had been used twice to cover both times, I believe, over a million dollars of deficit in an NIHB.

MR. POTTLE: And we also, in our supplementary Budget Bill, I believe, too, and I stand to be corrected, we covered off the deficit out of those dollars, as well. In the supplementary Budget Bill that we debated and approved by the Assembly, I believe, was 2008, we paid off the NIHB deficit out of those funds as well. Ever since I've been in elected office, since 2006, we've been in a deficit position with NIHB and the Nunatsiavut Government has to pick up the slack and cover off that deficit with own funds.

MADAM SPEAKER: Keith, did you want to make closing comments on this?

MR. RUSSELL: Madame Speaker, I think everybody has said pretty much what everyone has to say and everyone knows where I stand. I'm in support of the amendment. I think we all should be. That's fine for me.

MS SILLETT: The proposed amendment reads as is, that the amount budgeted for salary, non-management employees be as follows. Ten percent in year one, 5 percent in year two, 5 percent in year three, 5 percent in year four and it would come

from any cash reserves of the Nunatsiavut Government. Does everyone understand the proposed amendment?

MR. BARBOUR: Can you say it just a bit louder, the last portion of the proposed amendment, please.

MS SILLETT: And it would come from any other cash reserves within the Nunatsiavut Government.

MADAM SPEAKER: Go ahead, Jim.

MR. LYALL: I wasn't quite sure what you had. You said 10 percent first year, 5 percent, 5 percent, 5 percent and 5 percent?

MS SILLETT: No. I only...

MR. POTTLE: Ten, five, five, five, compounded every year.

MS SILLETT: There are only four years that we covered.

MR. LYALL: Okay. Thank you.

MR. PIERCY: Thank you, Madame Speaker. I'd like clarification on which the non-management people are.

MADAM SPEAKER: Go ahead, Dan.

MR. POTTLE: The non-management people are and I stand to be corrected on this, but I think I'm giving you the right information, Wayne. Our current civil service is composed of senior civil servants, which is our management division. Then we have everybody underneath that employee casual division. From Directors and above could be considered senior management.

MS CRAWFORD: Just to kind of give some examples of some of the positions would be secretary/receptionist, community liaison officers, conservation officers, is just to name a couple.

MADAM SPEAKER: Okay. Can we take a vote on this now? All in favour of this proposed amendment, raise your hand? Against? The proposed amendment is passed. Ten for and 6 against.

MADAM SPEAKER: Okay, so we're finished with this page on total departments. We'll go to the next page. Does anybody have any questions on that?

MS CRAWFORD: It's the Nunatsiavut Assembly.

MADAM SPEAKER: This is the Nunatsiavut budget.

MS CRAWFORD: It's the budget for the Nunatsiavut Assembly.

MS CRAWFORD: Yes. It says on top, Nunatsiavut Budget and it has 2.623535 is the total dollar figure. It's the budget for the Nunatsiavut Assembly.

MADAM SPEAKER: Any questions on this page? No questions on this page, we'll move to the next page. Labrador Inuit Land Claims Agreement Implementation Plan. Any questions on this page? If you have no questions on this page, we'll move to the next page. Okay, go ahead, Ed.

MR. TUTTAUK: Just for clarification purposes, I think dispute, there needs an R added in there, dispute resolution.

MADAM SPEAKER: Say that again, please.

MR. TUTTAUK: There's a letter missing from, from dispute resolution. The last category on the left there.

MADAM SPEAKER: Okay, that will be changed, the R will be added. Now, we'll go to the next page, Fiscal Financing Agreement. Any questions on this page? Go ahead, Jennifer.

MS HEFLER-ELSON: When the Department of Health and Social Development submits their budget to Nunatsiavut Government, it doesn't include any like extra they might be able to get throughout the year for different grants, like, from Aboriginal Diabetes Initiative or anything like that, does it?

MS CRAWFORD: No. Those programs that either the Department of Health or our Environment Division or our Youth Division, to give an example, those are all proposal driven dollars. So every year, they would have to apply for that type of funding through a proposal driven. That's not reflected in this budget. This is just monies that would have to go through because it's not proposal driven.

MS HEFLER-ELSON: And does it show up somehow in the financial statements? Like as an expenditure and then when it's presented at Consolidated Financial Statements it's included in that. Is it?

MS CRAWFORD: Can I get you to repeat the question, please, sorry.

MS HEFLER-ELSON: The proposal driven ones, are they included in the financial statements at the end of the year and consolidated with our ones? Okay.

MS CRAWFORD: Yes those are all included. Any financial expenditure or revenue received by the government is always included in our Consolidated Financial Statements.

MADAM SPEAKER: Any more questions on this page? We'll continue with Second Reading of this Bill tomorrow morning after we get Rexanne to adjust her changes into this Bill. We'll convene now. We have a Meet and Greet at the school gym tonight at seven o'clock and we'll reconvene here tomorrow morning at 9:00am. One moment. Yes, Dan?

MR. POTTLE: I'm just wondering Madame Speaker, have we finished our work with respect to the Committee on Consensus here. All we did on this was review the Annexes. We never went back to the whole Budget Bill itself and review the details page by page with the exception of the Annex. I'm wondering are we supposed to do that at this stage in the process.

MADAM SPEAKER: We'll adjourn until tomorrow morning at 9:00am.

MADAM SPEAKER: ...from where we left off yesterday in a Committee of Consensus on the Budget Bill.

MS CRAWFORD: I know our financial statements say we have \$18 million in cash that's consolidated. So we would have to break it out by entity but it is never just as simple as looking at one line item on a financial statement in order to identify and say we have cash because we have to take into account your other assets, your other liabilities and what other factors are there. So, you know, and if you look at it in a one-line item basis alone then we say we have \$18 million in cash but we also have \$20 million that we're supposed to have in deferred revenue, which is money that the Government has received but has not yet paid. Or we have \$8 million in internally-restricted funds. So if you look at just three numbers, we're supposed to have \$28 million in cash or investments. So it's not as simple as just saying, let's just look at one line item. You have to look at the picture in its entirety. And I just want to, you know, that it's not one line item, you look at your statements as a whole.

MR. RUSSELL: Thank you for that, Rexanne. There is simply nothing more confusing than the amount of deferred revenue and expenditures that we are using to justify having money received and not yet spent, and spent and not yet received and what not. My question, I guess, to you, Rexanne, would be simple as this: Yesterday we made an amendment that proposed that, I guess, another \$242,000, approximately...

MS CRAWFORD: Yes.

MR. RUSSELL: ...I know the amount, Yes, approximately, the increase would...

MS CRAWFORD: Yes.

MR. RUSSELL: ...could be a little different than that. The point was made, the amendment was made on a percentage and not a dollar amount but we did use a dollar amount to justify that.

MS CRAWFORD: Yes.

MR. RUSSELL: My question is simply this. Is the Nunatsiavut Government in so hard of a shape financially that there is not a bank account with approximately \$250,000 available to accommodate this raise? Because the wording of the amendment that's put to this table yesterday was that the money come from cash reserves not from the snipping and cutting of the budgets of the individual departments and the expenditures that were already in the budget.

MS CRAWFORD: When we undertook our budget process, we went to every department, we asked what priorities were. We asked what we needed. They came back with what they felt were their departmental budgets. We looked at what revenues were available to us, what we felt would be prudent decisions to use from our own source revenue to run the government, because we run the government for today and we run the government for the future so we always have to make our decisions conscientiously keeping in mind that that money that we have in our trusts funds and the money we receive is not just for today's government, for the government for very many future generations.

MR. RUSSELL: Point of Order on that, not to cut you off. Sorry, Rexanne, not to jump in and try and get formal here, we are in a Committee of Consensus. But my question was that the amendment put to this table yesterday referred to the money, the 250,000, approximately, the money that would be given to non-management civil service employees as a raise would come from cash reserves available to this

government. I'm not talking about trust funds. I'm not talking about planning our need to plan for the future, which is a very valid point. I'm asking do we not have the cash available in an account somewhere to make sure that these employees get this raise and get the message that we want to let them know that they're valued employees of our government.

MR. POTTLE: If I may, Madame Chair, I'd just like to remind this Assembly that the Nunatsiavut Government has a responsibility to be fiscally responsible. The Department of Finance, Human Resources and Information Technology, as alluded to by the Controller, worked extensively with our departments to produce a balanced budget within our current fiscal resources and that we believe that this budget was balanced and it was fair and equitable. Our revenue sources have not changed since this and because you added this 10 percent on top of what were proposed by the Department of Finance yesterday through your amendment, it's more than what you proposed of 10 percent in the first year. We've done the figures. It, it's going to cost this government an additional \$330,000 to implement your amendment that you put forth to this House of Assembly yesterday. There's simply more than...

MR. RUSSELL: Point of Order.

MR. POTTLE: ...there's simply more than a salary here.

MR. RUSSELL: Point of Order.

MADAM SPEAKER: State your Point of Order.

MR. RUSSELL: My Point of Order is just this, Madame Speaker. I know we're in a Committee of Consensus and Mr. Pottle may speak as much as he likes. He's calling this mine, referring to this as Keith Russell. How many people, how many people voted on this? A lot of people voted on this. Yes, I put it to the, to the floor. Other people supported me in that saying that we want to give this money to our civil service. This, now, is the third response to a simple, single question that I asked. I asked, as per the amendment that was approved by this Legislative Assembly that

required that this raise come from cash reserves available to the government, do we have that money available to us? That's all I ask. I didn't ask for a speech.

MR. POTTLE: Madame Speaker, if the Ordinary Member for Upper Lake Melville would be respectful enough to this Assembly to let people finish their, and provide the information, then this Assembly may have some further things to consider. You have interrupted this proceedings several times before the Controller or myself have given any further information to that and in order for this Assembly to be fully informed, then this Assembly should hear what the Controller or the Treasurer has to say on this matter.

MADAM SPEAKER: Rexanne, go ahead.

MS CRAWFORD: If everyone could take out their blue book of financial statements that was passed out during the presentation. I'd like everyone to turn to tab 2, which is the financial statements for Nunatsiavut Government Finance and Administration, which comprises all our departments except for Inuit Pathways Post-Secondary Student Support Program and Department of Health and Social Development. Tab 2, Yes. Tab 2. And I'd refer everyone to page 2. In analyzing the government's statements, there are two indicators of financial performance and one is net debt or net financial assets and the other one is looking at accumulated surplus. So if I can refer you to net debt on this page. What net debt does is it takes the total financial assets that we have available to us as a government and takes off all the liabilities that we have as a government. Now again, this is the government without Department of Health, without Post-Secondary, without Inuit Pathways and without the Capital Strategy Trust and LIDC Group of Companies. What this is telling us is that the government is in a net debt position which means that we, as a government, for the number of liabilities we have here, do not have the money to cover our liabilities. There's one of the liabilities there that I want to point out and that is our note payable, note 8, which is \$36 million. That is paid off to the federal government on a yearly basis through funds from our Settlement Trust. So I just, you know because this is how a government when you're looking at statements, that's one of the indicators of financial performance. So I just wanted to, that's the answer to your

question, I think is where are we financially?

MADAM SPEAKER: Go ahead, Keith.

MR. RUSSELL: Thank you, Rexanne, for that answer, and I guess, we're looking at a balance sheet here, which is that snapshot in time, certainly. And that note payable, and this is monies that we use, this was a loan. We used this to negotiate and to get everything set up to get our agreement to a point where it could be ratified. That is being paid back slowly, in chunks, over time.

MS CRAWFORD: Yes, one payment.

MR. RUSSELL: Yes. So that \$36 million is certainly owed. My question to you then is on the top part of that balance sheet, we have a cash figure of \$13 million. Is that an accounted for number or does that cash actually exist?

MS CRAWFORD: Yes. There's cash in the bank, there are investments in the bank. We are not running into overdrafts. We run our government very, very responsibly and we watch our dollars very, very carefully.

MADAM SPEAKER: Jennifer?

MS HEFLER-ELSON: And the short term investments for the \$20 million is that mostly GICs, is that what it was in the financial statements yesterday? So they're short-term, they can be cashed in?

MR. RUSSELL: Okay, my question then, Rexanne is probably not the one to answer this, this is more of a, well, Rexanne might be, I guess and she certainly is qualified and knows what she's doing. An amendment was put to this Assembly to this table, and it specified that the money for the proposed increase for the amendment would come from cash reserves. Then why is it the intent of the Department of Finance to come back to this legislature now and I guess, and this is what I'm thinking is going to happen, is that we're going to tell this group of

representatives of the people that we have to snip and cut from the various expenditures in the submitted budgets from each individual department. That, in and of itself, would be contrary to the amendment that was passed if, and as it was just confirmed by the Deputy Minister of Finance that that cash reserves are real and do exist.

MS CRAWFORD: Danny?

MR. POTTLE: I'd just like to remind the Assembly, as well, these are cash figures as of the fiscal year ending March 31st, 2010. We have not done our audited financial statements for the fiscal year 2010-2011. So that figure could very well change.

MR. RUSSELL: Are you insinuating, Mr. Minister, that we may have lost \$13 million between now and then? Have we?

MR. POTTLE: No, I'm not insinuating that at all, Keith. I'm just making a point.

MR. RUSSELL: That's fine.

MR. POTTLE: ...that is the fiscal reality of this government. That is what being fiscally responsible and prudent means.

MR. RUSSELL: No and I can appreciate that. Everybody wants transparency and accountability and we want to know where we are. I certainly, though as a beneficiary and as an elected official would be concerned if a set of financial documents were put to me and, of course, you can understand where I'll be coming from. That \$13 million may not be there to if at a point in time and a group auditors can sit here and say that we have \$13 million cash at the end of the last fiscal year and yet today when we're trying to put, according to Finance, 300,000 from those cash reserves for a raise for non-management civil service employees that may not be there, I'd really have to be concerned.

MADAM SPEAKER: Go ahead, Rexanne.

MS CRAWFORD: And this is outside of this, but the translators are having a hard time keeping up so they've asked for in between everybody speaking if we could just take a 10 to 20 second pause and also for me to slow down. But that's just outside of what we're discussing right here but to be fair to the translators in between responses if we can take a 10 second to 15 second pause, they can catch up with us. The cuts that are proposed in the budget in order to make it balanced, the total salary increase, in effect, was \$314,000. Because once you factor in a 10 percent increase on the salaries, you also have to factor in the mandatory employment, the pension percentage and that all goes on top. So that is why, just to explain where we got to 314 versus the doubling of the number yesterday. What I, and our department, did, looking back at the numbers, was we went back through every department and cut one trip within Nunatsiavut and one trip outside of Upper Lake Melville for every employee to reduce travel costs. Going through and looking at, you know, the number of trips that departments had planned, looking at variance analysis from the current year as to what travel was completed by the department, were they within close to over-budget. The other factor we had looked at was also looking at professional fees, which is always a concern, and the amount of professionals fees as I budgeted. So we went across the departments and analyzed what were the professional fees being allocated for, looking at past historical trends of professional fees and made cuts across the departments based on that. So that's the two areas that we looked at that are always concerning in trying to balance a budget without having to dip into our cash reserves and keeping that. Because, as we all know, the salary increase will be for this year and next year and, and so we always every year will have to generate additional funds. And that was what was proposed. I'm not saying anything against that. I'm just saying that, you know, in being responsible and looking through the departments and looking through what the budgets were proposed, were we able to make additional adjustments under those two categories alone, travel and professional fees, and seeing, internally, without having to dip into cash reserves and keeping them for other types of expenditures that may come up or emergencies that may come up or other types of services that the government may want to do without going into that? And I just wanted to explain

because I know we're talking about cuts without anyone really knowing what the cuts that were being proposed in order for us to balance and, I think, that's also important. I just want to balance it off and make sure all the information is out there.

MADAM SPEAKER: Go ahead, Dan.

MR. POTTLE: In addition to those two areas where we're proposing to cut, Rexanne, we're also proposing if we want to make this a reality and we want to give the public servants a raise that was proposed through this amendment, we're also proposing a five percent decrease in salaries for elected officials.

MADAM SPEAKER: Jennifer.

MS HEFLER-ELSON: Yesterday when you presented the proposed budget for the salaries for employees, management, and employee, the employee division, not every position that is budgeted for is currently filled. Not every position will be filled this year. Not every position was filled last year and not every person in management or in the Employee Service Division will be at the top of the scale. So your budget for the proposed salaries was all budgeted for top of the scale, which is prudent, like you said, you would have to do that, but there will be a savings. In reality, how big, nobody knows right now, but there will be some savings within that salary range.

MS CRAWFORD: You are correct, Jennifer. However, budgeting and in presenting a balanced budget, it's hard for us. I can't budget at step three for everybody you know, so that's why I budgeted it at step five. The other thing is we have, right now, and in the current fiscal year are projecting a \$1.9 million deficit in NIHB. So with cost savings that we are obtaining in this current year relating to positions that are not being filled, or had not been filled currently, are being very carefully watched and monitored on a monetary basis to see how much of the dollars we have, are saving, in particular on salaries, that can offset that deficit. We have a real deficit as of March 8th of 1.2 million and as of today's date; I could get the number from us by a quick call, in projecting 1.9 million. So what we are doing in the current year is very

carefully watching and monitoring the amount of money we can save this year. Until we have an answer from Canada, we don't know if they're going to provide any relief on that program. So, you know, I know that, yes, in the current year we don't have positions filled and, yes, there are definite cost savings related to that in March 31st, 2011, but we also know that there is a deficit in NIHB.

MADAM SPEAKER: Jennifer.

MS HEFLER-ELSON: In a previous work experience, I worked within an agency that had very tight, very tight money. To present a balanced budget to my board, at that time, I had to go down and individually look at everybody's salary and decide and figure out which level they're at, how much benefits they were getting and then I presented the balanced budget to the board and then it was more accurate and it was more of a true picture of what it probably would be. And I know it could fluctuate a little bit but if we are that tight in our money that we can't find us \$330,000 for the extra 5 percent onto the employees then maybe the next time that the budget is presented, you could ask the departments to go through their budgets, there's a hundred and eighty-five employees that this is affected to. Then they could list down the employees because you guys got the list and you know where they sit on the scale and you know what the pay is going to be and you'll know what the increases are and then you can tell us because we're not allowed to see that stuff.

MADAM SPEAKER: Dan.

MR. POTTLE: I just wanted to pick up on your first assumption that Rexanne had responded to, Jennifer. Yes, we do have vacant positions within this government. These are vacant positions that are essential to the smooth and effective operation of this government. These positions were approved and they have been vacant for some time. Some of those vacancies have happened through attrition. Some of those vacancies have happened and are continued to be vacant, as we alluded to yesterday, because we just cannot compete to an on par basis with other counterparts of government and other agencies and entities. And, so we have to ensure that the dollars are there and do we blindly walk into an assumption

assuming that we may have the dollars do this and we may have the dollars to do that? Again, I remind people that that's not fiscally responsible or prudent, in my opinion.

MADAM SPEAKER: Rexanne.

MS CRAWFORD: When we budgeted for all the employee division, we budgeted knowing exactly what level they were at currently and when they were taking their step increase during the year and if it would take in patch, where and budgeted for the step increase. The one division that we did not do that was the Management Division. Because of the proposed four-tier system coming in, we did not feel because the salary increase was not approved by the Assembly, we, in order to determine exactly and accurately where the management, each position would fit on the new proposed scale, we have to undertake a process whereby every manager is assessed based on their education, work experience and experience and placed on the new scale. If and in other years when there was no salary increase proposed, every position was done exactly as Jennifer said and is budgeted looking at what step they are at currently, when their step increase was being implemented and budgeted in that accordance. So when the budget is brought to the Assembly for all employees across the government, the differences this year because of that process of going or placing management on, we did not do that without the salary increase being approved by the Assembly. We did not feel we would do it after the fact.

MADAM SPEAKER: Keith.

MR. RUSSELL: Thank you, Madame Speaker. I've got to say just this. I find this almost comical, at this point, that we put an amendment to the floor, we specified that the amount in question would come from cash reserves. Now, we're being told that the Finance Department has ignored the direction in that amendment and went and, you know, I've really got no problem with examining alternatives, I guess, to cutting, but now as per our Minister of Finance, he said we're going to cut elected officials' salaries in order to make up for the money here. Our Minister just said that the recommendation was there to take five percent from elected officials' salaries.

So we have a legislative process here which says we're going to go to Second Reading where you can propose an amendment but if you propose an amendment, everything is going to go up in flames and we're going to, actually, by the suggestion of our Minister of Finance, contravene our Constitution which sets out that the law, said elected officials' Assembly salaries are set for a certain number of years in order to do that. That is nothing more than a scare tactic to get everybody around this table shook up to let people know that you cannot oppose this Executive Council, you cannot oppose this budget. We're going to jam it down your throat anyway. That's my statement on that. That's what I think is true.

MADAM SPEAKER: Patricia.

MS KEMUKSIGAK: I just wanted to give a real example. Employees in the Employee Division leave for higher positions, too, not just senior management. I was talking to somebody last evening who works for our department. She told me that she applied for a job with the provincial government here in Hopedale because it would be \$5 more an hour. That's real live examples. It's not just the senior management. And I know senior management does wonderful work but so do our front-line workers.

MR. RUSSELL: That's right.

MS KEMUKSIGAK: And I really feel, after five years, people deserve to have a raise. And, I think, everyone do. People are leaving. Even our front-line workers, our community health workers, our secretaries, our home support workers, they're leaving. People are living, and the cost of living is going higher, especially in Nunatsiavut. The gas is high, food is high. We can't expect people to live marginally. That's just my comment. It's not just senior management that's hard to recruit or leaving for other jobs, its front-line workers, as well.

MADAM SPEAKER: Dan.

MR. POTTLE: Thank you, Madame Chair. I just want to pick up, again, on

something that the Ordinary Member for Upper Lake Melville said. He believes that this is comical. If he thinks this is funny, I'd like to ask everybody else in this room if they think this is funny as well. There's nothing funny about finances. There's nothing funny about trying to look at the need to live within our means. Again, that is our fiscal reality that we're living with. The amendment that was proposed yesterday directed the Department of Finance to go back and see where we could find these dollars from and as the controller explained...

MR. RUSSELL: No, no, it did not. It directed the Department of Finance to take the money from cash reserves.

MR. POTTLE: Again, if you let me finish what I'm saying then you might understand what I'm saying. We did that and the Controller has provided very valid answers to your response. Thank you.

MADAM SPEAKER: Keith.

MR. RUSSELL: For clarification, Danny, we did not direct you to go and look and find some money from various departments and do whatever and cut this and suggest taking money from this one or suggest cutting travel or anything like that. And very specifically, the wording in there that we agreed upon was to take the money from cash reserves. We have the cash. That's confirmed. That's it. To me, this is it. We have the cash. This Assembly agreed that we want to send a message to our non-management civil servants that you are valued and that we know you haven't had a raise in a long time and as Minister Kemuksigak said, you've done a lot of good work, and you've worked really hard and that you deserve this money. As the AngajukKâk for Nain said, he sees those people working in his community, knows they haven't had a raise in a long time, and knows they deserve it, as simple as that. We've said, please take some money from our cash reserves that are in the millions and the millions and let these people know that we're going to value their service. And the bottom line is this, by doing that, this is not a danger, this is not a danger to this government. This is an investment in our people. This sends a message to our people to let them know that, yes, you're valued. We like your work.

You do good work and, you know what, that could result in improved efficiency. That could make people really dig in, get their work done and improve the quality of service to our beneficiaries and improve the efficiency and the overall, in some cases, even the revenue generation in some of our departments. That's a good thing. Let's not take a good thing now and scare everybody around this table into thinking that we're endangering the future of our government for wanting to send a five percent message to our non-management civil servants. We sat here yesterday and let Rexanne take a couple of minutes and she put a couple of numbers across to this table. She said that we were looking at an approximation here, around \$680,000 in raises for the upcoming fiscal year that was put together in this budget and they wanted that just pushed on through. And then when I asked us to drill down into these numbers, Rexanne did a great job. She came right back to the table within 20 minutes, a half an hour, and said this. She said \$242,000 of that is going to be spread across almost 200 employees. And then she said we've also earmarked over 400-and something thousand of that for 17 management civil servants, as well. A few of us people have been saying the same things over and over again, that we don't think that the people who are non-management are getting enough a raise to get the message that we value them as employees and that we think they're doing a great job. We proposed an amendment, was said, you know what, that five percent at the beginning there, let's double that. Let's send a message to these people and let them know we value your work, you're doing a good job and we're here in this legislature to recognize that and support you in that and go through a democratic process which is to amend the Budget Bill and give direction to the Finance Department from where to get those funds.

MADAM SPEAKER: Rexanne.

MS CRAWFORD: What I was going to say and there were two things I wanted to address was in going back and looking at trying to obtain the in directing for cash reserves, we went and looked for an alternative to see if we could make a prudent decision within our departmental budgets and look at the amount of travel that was being proposed and the amount of professional fees that are being proposed and that, we felt without having to touch our cash reserves, are we able to, nobody's

against the salary increase and the 10 percent. The fact is where we can find money, cash reserves, or making particular cuts across departments. And from our department, we feel, our recommendation is that under professional fees and under travel and, Keith, you always question professional fees...

MR. RUSSELL: I certainly do.

MS CRAWFORD: ...he always has.

MR. RUSSELL: ...and that, we're not.....

MADAM SPEAKER: Would you wait until she's finished.

MS CRAWFORD: So we looked, very carefully, at every proposal across the government in every department at professional fees. And we looked, very carefully, at every travel. I mean, this wasn't done in a half an hour.

MADAM SPEAKER: Keith.

MR. RUSSELL: Rexanne, I can appreciate that and, you know although I fight hard for my constituency and I fight the issues where I see fit, I'm not a monster who wants to put Rexanne through endless calculations. I'm not that type of person, believe me, but my question, I guess, has to be, we made an amendment yesterday and we approved that. And that amendment included direction to the Finance Department to take that money from cash reserves. And I appreciate the willingness of finance people to examine alternatives and all of that but was that activity undertaken by the Finance Department on their own without an amendment to this Assembly? Because if we gave you direction to go take it from cash, cash that was available, and you stayed up all evening rejigging and taking money from here and here and here, that's contradictory to the amendment. In my opinion and in my understanding of the legislative process, you would have had to amend that amendment, as such, in order to say, you know...

MR. POTTLE: Point of Order, please.

MR. RUSSELL: ...we like your cash reserves.

MADAM SPEAKER: State your Point of Order, please.

MR. POTTLE: We have not come to the process where we will be proposing these amendments. Let the process unfold and those amendments may come forth. And, again, we are doing whatever we can do to be fiscally responsible and, yes, we are trying to live within our current means. Go back to the Ordinary Member's point from Upper Lake Melville that he wants to dip into some reserves that we may have. Again, I bring you to page 2 of the Consolidated Financial Statements. Look at the bottom line from cash that we had in 2009 versus to what we had in 2010. It was \$25 million in 2009; in 2010 we had \$13 million. Again, do we take a chance and jump into the unknown for a next year without knowing what some of those financial implications may be, without having our financially audited statements for the fiscal year 2010, 2011? And I only raise these points as a point of caution. Because if we and I'm making a supposition here, if these amendments go through as proposed in yesterday's amendment and we, for some unknown reasons, in the next year can't live up to those expectations then we, as politicians, have a lot of explaining to do to the people who elected us into this office. And I can see the Ordinary Member from Upper Lake Melville, again, smiling and looking at me like that, but I have to live within our means as a government and this is not a scare tactic. This is not fear-mongering. This is the reality that we're currently living in and these are the assumptions that we should all be concerned about moving forward in this government. And as Rexanne said, the dollars that we have in reserves, the dollars that we have in our investments, in our trust, are meant to support not only this generation of people but future generations from now until eternity. There are no more dollars coming through the Land Claims Agreement for this government and we have to live within those means. This is our reality from now to perpetuity.

MADAM SPEAKER: Jennifer.

MS HEFLER-ELSON: This is going to be my last comment and everybody should be happy about that, I guess, but what I want to say is from the financial statements in a presentation that was given to us yesterday, it was identified that there was, from the cash position, there was movement of millions of dollars from the cash into investments, into GICs. It says this from the auditors that they gave to us yesterday. That's where the cash is gone.

MR. ANDERSEN: Thank you. Poor old Uncle Tony is feeling a little bit lost, Chair, because what I expected to hear and I still haven't heard it. I know the Member from Upper Lake Melville asked this a number of times. I supported the amendment yesterday and I'm not sure what the message is here but is it that the Finance Department is telling us that this is an impossible task, this amendment that you've asked or is it that you said it's not impossible but we really want to let you know that you should rethink what you've put in this amendment? I certainly don't know because I think that we have 54 minutes now, Chair, that we've been here, and I don't think that we moved very far. You know, and if that's an impossible task, I still stand by the words that I stood and spoke to yesterday and that I'd like to see a 10 and 5 and 5 and 5 raise for the front-line staff. I haven't changed my mind on that. But it almost seems to me that perhaps what we asked this message that I'm getting from Finance, is that it's somehow an impossible task. And if that's true that if there are no cash reserves, then I will have to try to think somewhere that maybe there is some other way or some other way to word the amendment. This thing could possibly defer to next budget, that would be a savings, I understand, of 400 and something thousand if we deferred that the new structure for the management to the next budget, that's a possibility. We heard some possibilities also from the Minister of Finance. But, certainly, I think that we should get the answer because we are going to just sit here till 12:00 and we're not going to move anywhere but, is it an impossible task?

MADAM SPEAKER: Dan.

MR. ANDERSEN: Democratic process, Chair, that, you know and, what the Finance Department came here with have budget this is a money Bill. Like any other Bill, this

is a democratic process where we have a right to propose amendments. No, certainly, the amendment was in order and we expect not to just vote to go home every time. Here's the Bill. Rush it through the Assembly, let's vote and get on the plane and go home. I don't come here for that, Chair. I come here to contribute. That's why I sit here, and not always agree with the other side or the Executive Council.

MADAM SPEAKER: Dan.

MR. POTTLE: Two points, Madame Chair. In response to Jennifer Hefler-Elson's proposal in talking about dollars that we have invested, dollars that we could take out and cash in, it will cost us to do that. It will and again, I mean, you know, the Ordinary Member from Lake Melville, I see him shaking his head and grinning again like this is a joke. This is not a joke. This is the financial reality that we're living in. If we cash out GICs or any of our investments, then we lose on that. It comes back to us in forms; we are hit with a tax implication for that like any investment. If I take out investments or whatever, then I lose on that. It's a possibility, I'm making that assumption. And getting back to the AngajukKâk's response, again, there may be a possibility that we can dip into these cash reserves that or so-called cash reserves that you, you say we have and, again, I caution you. What's the implication for that for moving forward? That's the only statement that I want to make Mr. AngajukKâk for Nain. Thank you.

MADAM SPEAKER: Rexanne?

MS CRAWFORD: I do not want say anything.

MADAM SPEAKER: No? Are there any more questions? Johannes.

MR. LAMPE: Nakummek Chairperson. I would like to make a few comments. We are no longer using the Inuit way of life; we are not working closely together. Full blooded Inuit will not do or go against another Inuk. We will help each other out and will try to agree on a certain issue. In 1949 when we joined Canada, we were

relocated, we lost our way of life and we lost control over our lives. We were run and operated by AngajukKâkatiget, our community elders and leaders and we followed the rules made by them. Today, we are talking about so many different things and we are talking about how our workers could have an increase in their salary. We have a responsibility to take care of our resources for the benefit of those who come after us. Maybe they will have nothing for themselves unless we, as leaders made wise decisions about the land and the money of our government. We just can't forget about them. I am in agreement that our workers should have an increase but am saddened just looking at you, the people on the floor today who are just arguing against each other. You are turning away from the ways and teachings of Inuit. We are no longer going by the Inuit way of life and our interpreters here have a very difficult time doing their job because you are talking too fast, arguing too much. You have to respect them. If you're not going to respect the interpreters, in my mind, if you are not showing respect towards this government, if we do not help each other, our government will no longer be respected by the people who elected them. Now we are thinking about how in the past we were treated and now we have people on the table who are only going against each other. We are no longer going by the Inuit way of life and we have to think about that as leaders and as Inuit. Thank you so much.

MADAM SPEAKER: Susan.

MS NOCHASAK: Thank you, Madame Speaker. I would just like to respond to what Minister Pottle had mentioned. It's not that the Finance Department or the Executive Council is opposing a raise to anyone. We value all our employees as well as the rest of everyone else on this table but we have to be financially responsible and we do have to look at the future of this government. I was asked last night, by a parent, who had asked will there be future funds in the Post-Secondary Students Program or the Inuit Pathways for my grandchildren and their children to have education? And I told her that as a self-government that has to be our goal. As a self-government, we have to have secured funds for programs like education and different areas for our grandchildren and their children. So that's all I have to say. We have to be financially responsible and have secured funds until the

end. Thank you.

MADAM SPEAKER: Our last speaker now is going to be Rexanne.

MS CRAWFORD: Just to understand the process, Keith. Is this alternative that the Finance Department has put forward an alternative that we can look at? If we have gone back and looked at the amount of trips that our staff were proposing to take and looking at variance analysis year over year or month or month, year-to-date, in this current fiscal year, are we able to and just because I'm new to the process, amend the amendment to say that we can make cuts under those two particular areas to cover the costs? Nobody is against the salary increase.

MADAM SPEAKER: I'd like to hand over the Chair to the President now to adjourn the Committee of Consensus.

MR. LYALL: Madame Speaker, I think we still should remain in Committee of Consensus.

MADAM SPEAKER: Okay.

MR. LYALL: We haven't resolved anything yet.

MADAM SPEAKER: We're going to recess for 10 minutes.

(Recess)

MR. POTTLE: I move, seconded by the Honourable First Minister, the Ordinary Member for Rigolet, that the amendment to Bill 2011-02 be amended to state that the funds to support the proposed salary increase come from a decrease in professional fees, travel and a five percent decrease in elected officials' salaries. Nakummek, Madame Speaker.

MADAM SPEAKER: The motion it is in order. Would you like to speak to it?

MR. POTTLE: Thank you, Madame Speaker. My rationale for proposing this amendment relates to discussions that we had around this table since yesterday afternoon going into this morning on the proposed amendment by the Ordinary Member for Upper Lake Melville on an increase in salaries for the Employee Casual Division of the Nunatsiavut Civil Service. Madame Speaker, I don't mean to stand here today to put in place fear-mongering or scare tactics related to the amendment to seek the additional dollars from reserve funds or deferred revenue or other sources of funds outside of cutting current line items in this budget for this year. I'm making this amendment based on a precautionary principle in the fact that we are going into a situation where there are a lot of unknown factors, Madame Chair. As the Minister of Education and Economic Development, the Ordinary Member for Hopedale, has reiterated in her commentary to the amendment, there are concerns, Madame Speaker, from our beneficiaries that we have to ensure that we have dollars for future generations of Labrador Inuit. Our investments and other dollars that we set aside are meant to serve that purpose, Madame Speaker. I also would like to inform this Assembly that we have an own source revenue agreement that is now into, I believe, year 4. That agreement is for a 14 to 15 year period. For every dollar that we bring in to this government over the length of that OSR agreement, the federal and provincial government will claw back a percentage of that to the tune of a certain percentage year by year by year and at the end of this own source revenue agreement, for every dollar that we bring into this government, Madame Chair, the federal government at the end of this OSR agreement could claw back their contributions to us by 50 percent. Therefore, Madame Speaker that has implications for the concern raised by the Honourable Minister of Education and Economic Development. In 10, 12 years, we may not have money, Madame Speaker, Madame Chair, to provide for the future education of our children through the Post-Secondary Student Support Program, through the Inuit Pathways Program, through the Non-insured Health Benefits Program. So this is a risk that we're taking, Madame Speaker, and I am not willing to take that risk. That's why I'm proposing this amendment through the amendment that was proposed by the Ordinary Member from Upper Lake Melville yesterday. Nakummek, Madame Chair.

MADAM SPEAKER: Thank you. Does anyone wish to speak to this? The Honourable First Minister.

MR. SHIWAK: Thank you, Madame Chair. I support this amendment as well. I have to make this very clear, though, that the work done by the Department of Finance, the extremely hard work done by the Deputy Minister of Finance, her recommendation to the Assembly was to cut the professional fees and the travel. Whether you agree to cut five percent from our salaries will be your decision. It was not a recommendation, I don't believe, from the Deputy Minister of Finance but it will be a decision of this Assembly if you feel that it is necessary for our employees. We value all of our employees very much. We want to give them raises. And if it is something that this Assembly wants to do, again, I agree with the amendment and I hope that everybody takes it very seriously and considers it as they should. Thank you, Madame Chair.

MADAM SPEAKER: Thank you, Darryl. Mr. Barbour.

MR. BARBOUR: Thank you, Madame Chair. I don't even know where to start this one from. I go back to what I said yesterday that when the Minister of Finance introduced Bill 2011-2012, Budget Bill, in his introductory remarks, in First Reading, I didn't necessarily agree with all of his introductory remarks and I still don't. But as I said yesterday, at the end of the day, I will vote on the overall budget and not parts of it. The other thing that and it seems we have forgotten about in the last 24 hours is this, Madame Chair, is that money Bills are presented by the Minister of Finance, and the Department of Finance, who this Assembly entrusted to do the best job possible. For the last close to a day that we have been debating very specific, specific, and I do mean specific, parts of the budget, one part of the budget being increases for front-line employees. And make it known, make no mistake about it, the Department of Finance has put forward in their budget proposal over a 4 year period a 20 percent increase for those front-line and all employees. That seems to have been forgotten and lost. What the debate has been now for the last 20 hours, 24 hours is the difference of 5 percent, and at the end of the day, we will vote on the overall budget. And they had been nit-picky arguments. I just remind this House

that not only do entrust as Assembly Members, to the Department of Finance to come up with fiscally responsible budget, but we also, as Assembly Members, vote on fiscally responsible budget. In having said all of that, both amendments, both amendments, proposed amendment should be brought to the formal Assembly. It amounts to this. The debate that has taken place is such a small part of the overall budget that it's not funny. I'll leave that at that. Thank you, Madame Chair.

MADAM SPEAKER: Thank you, William. Anyone else like to speak to this? The AngajukKâk for Nain.

MR. ANDERSEN: Thank you, Madame Speaker. And I suppose, I'm still a little bit in the dark. I did support yesterday the amendment that was tabled by the Ordinary Member for Upper Lake Melville and, as I recall, it was supported by a majority, which was, I suppose and as I said earlier I thought that that amendment asked the Finance Department to go away and to come back. I wonder this proposed amendment to the amendment made by the Minister of Finance, does that mean that it was not possible to find, as we directed, to go to the cash reserves and find that approximately 250,000? And you know that is a concern to me. Is that what that means? Is that why the Minister of Finance has proposed that amendment? And, you know, if those reserves were not found then I didn't hear that. I still did not hear that. It was asked, a number of times, by the Ordinary Member from Upper Lake Melville and at least once by me, earlier. That could help me in making a decision on whether or not I would support the Minister of Finance amendment. But, at this point in time, I have to say that I don't support that amendment. I support the amendment that I voted in favour of yesterday. Thank you, Madame Speaker.

MADAM SPEAKER: Keith.

MR. RUSSELL: Nakummek, Madame Speaker. I, too, can't possibly support that amendment. I stick with the amendment we had yesterday, as well. The AngajukKâk for Nain is right. I had to ask three or four times whether or not we even had any cash available and couldn't get a straight, real straight answer. The fact is, is, yes, there is cash there. But, no it's encouraging that the Finance Department

would look at cutting things like professional services. I, for one, have always been critical of that. And travel, a little less travel is always prudent, as well too. We have had accusations, I guess, from the public that we travel around a little bit too much, as well. But in the words of the AngajukKâk from Nain, I'm sticking with or not directly in the words of the AngajukKâk from Nain, I'm standing by the amendment that was made yesterday which directed the Finance Department to take the raises for our civil servants that is much deserving, from cash reserves. It's as simple as that. And I will say this. That one of the main problems I have with the proposed amendments, which is quite shocking to me from the Minister of Finance, is the fact that the amendment includes a five percent cut in elected officials' salaries which is set by the Member Services Committee and is in our Constitution 8.7.2 that salaries are to be set for five years. This amendment would violate our Constitution and also anybody supporting this amendment would be in violation of their oath of office. In all of our oaths of office, Madame Speaker, it says, *I will obey, respect and uphold the Labrador Inuit Constitution*. If an amendment violates the Constitution and you are in support of that amendment, then you are violation of your oath of office and there should be consequences to that, I guess, as well, for this particular amendment. So having said that, I'll just end on saying that we made a great amendment yesterday which lets the non-management civil service employees know that they are valued and that those people that are on the front lines dealing with the beneficiaries who need this government the most are a valued part of our government as a whole. Nakummek, Madame Speaker.

MADAM SPEAKER: Thank you, Mr. Russell. Any more closing comments?

MR. POTTLE: Nakummek, Madame Chair. Thank you to the Members of this House of Assembly who spoke to this amendment. Yes, I understand that the amendment yesterday which was proposed to this Assembly was to ask the Department of Finance to go back and look at those reserve funds, those restricted funds, those deferred revenue funds, those sources. We did take that into consideration, Madame Chair, and again, there are dollars available. Yes, we all know that but we don't know what the implications of these dollars are moving forward from one budget year to another. And that's why I'm taking a precautionary

principle here to ensure that our dollars are protected and the dollars are available for future generations of Labrador Inuit, Madame Chair. The Ordinary Member from Upper Lake Melville in his statement to this amendment made reference to the Labrador Inuit Constitution and the Member Services Committee setting salaries for five years. He's quite right in saying that but, Madame Chair, there's nothing in the Labrador Inuit Constitution, or any other pieces of our legislature, Madame Chair, that says, or precludes, this Nunatsiavut Assembly for revisiting those salaries in the manner that I'm proposing. In the manner and out of respect for financial prudence, financial responsibility, there's nothing, Madame Speaker, to preclude this Assembly for revisiting those salaries for elected officials or salaries for any members of our civil service. That is the right of this Assembly to look at that, from time to time, if we so choose, Madame Chair. And in that again, I'm asking for elected officials to put your money where your mouth is. If this is so concerning of an issue for you and that you have the best interest of our civil servants at heart then I ask you to support this amendment. Take dollars from your own salary to support our civil service. Madame Speaker, I have no problem in doing that and I hope other Members of this Assembly, out of respect for the people that we're serving, would also take that into consideration, Madame Chair. That's my closing remarks. Nakummek.

MADAM SPEAKER: Before we take it to a vote, Honourable Minister, would you read the proposed amendment again.

MR. POTTLE: Yes, Madame Chair, I will. Do you want me to read it in its entirety with the mover and the seconder? Or do you just want the details of the amendment.

MADAM SPEAKER: Just the details of the amendment.

MR. POTTLE: Madame Speaker, my amendment proposes that the dollars to support the proposed additional salary increases as proposed by the Ordinary Member yesterday in his amendment that the dollars to support this salary increase be taken from our current professional fees, travel fees and a five percent decrease in elected officials' salaries. Nakummek, Madame Chair.

MADAM SPEAKER: Thank you, Honourable Minister. So this will now go to a vote. All in favour of this proposed amendment to the amendment raise your hands. All against it? Seven in favour, nine against. Motion is defeated. We're going to have to recess for 10 minutes.

(Recess)

MADAM SPEAKER: Still in Committee of Consensus, are there any other amendments? Mr. Barbour.

MR. BARBOUR: We're in Committee of Consensus anyway, aren't we?

MADAM SPEAKER: Yes.

MR. BARBOUR: I'm not going to stand. Madame Chair, again, as I pointed out in my last statement, so far we've had two amendments to the proposed Bill that are very sticking points and I would like to propose a third amendment. I propose an amendment to the original amendment put forward by the Ordinary Member for Upper Lake Melville, Mr. Keith Russell. I would like to propose that we go back to what is in the original budget with the Employee Division getting a five percent increase this year and a five percent increase for the next three years after that. And I make that motion and seconded by the Ordinary Member and Minister of Lands and Natural Resources, Glen Sheppard.

MADAM SPEAKER: The motion is in order. Would you like to give opening comments?

MR. BARBOUR: Thank you, Madame Chair, I would. First off I'll make it known; I'm no different than those that have supported the original amendment. I'm no different than anybody else that I would like to see increases to our front-line employees. Having said that, though, I point out that the Department of Finance in their not necessarily their argument, but putting forward what they see as prudent fiscal responsibility. And when I take the time to listen to the Department of Finance,

who I entrust as well to make sure that they're bringing forward budgets that are prudent and fiscally responsible, then I have no choice at this time but to agree with them. In this case, I have to agree with them that adding on an additional \$340,000 or \$330,000, I'm sorry, is either found in the existing proposed budget or finding it from cash reserves that we may have. The point in all of this is that I've taken time to listen to the Department of Finance, being the Minister, being the Controller, that this amount, \$340,000 may not seem like a lot but, in the long run, it will start to add up. And those are my opening remarks.

MADAM SPEAKER: Thank you, William. Would anybody like to speak to this?
Mr. Tuttauk.

MR. TUTTAUK: Nakummek, Madame Speaker. I agree that this is a nice step to help our front-line workers but we have to go back to real world example that the Chair for NunaKatiget raised the other day. The person making base salary of \$22,000, a five percent salary increase will equate, roughly, to \$40 bi-weekly increase before taxes. Realistically, the intent of the 10 percent increase in the first year was to make a better impact to the take-home salary of these front-line workers. So I don't support this amendment.

MADAM SPEAKER: Thank you. AngajukKâk from Nain.

MR. ANDERSEN: Thank you, Madame Speaker. The amendment tabled by the Ordinary Member from Nain is somewhat of an amendment. It amends the amendment that was approved by a majority of this Assembly yesterday. What it says is, basically, to go back to what was in the budget before the amendment put forward by the Member from Upper Lake Melville. An amendment that was supported, I forget what the score was, but something like 11 to 5, around those numbers, 11 to 5. Nevertheless, by a majority of Members in this House, the proposed amendment by the Ordinary Member from Nain is asking us to reconsider what we agreed to yesterday. I'm not certain that I've heard anything that changes my mind to make me want to change my mind. There is money and perhaps, you know that it may have impact. Certainly, if it's a dollar or \$2, it's going to have an

impact on the future. We know that. It was by Members who spoke yesterday, was the difference between a 20 percent raise over 4 years and, and 25 percent. The majority of people around this table yesterday felt that the 25 percent was warranted. I'm not changing my mind on that. And it seems to me that the people who lost the vote yesterday, they simply won't let this go and accept that the majority of this Assembly yesterday proposed an amendment to the budget. Nothing more. And that's what democratic process is about. And what have we heard to change our minds? I certainly haven't. It's not going to bankrupt the government. And if there are changes to be made, the Minister of Finance in his proposed amendments, said savings could be made from travel and professional fees. Nothing prevents the Department of Finance from making those savings. This year, can still save the dollars. This amendment is not going to force him to spend those dollars, he can save. He can save even more than that, if he wants to. I don't support the proposed amendment that's on the table, at this time.

MADAM SPEAKER: Any other comments? Minister Pottle?

MR. POTTLE: Thank you, Madame Chair. Given that the Department of Finance have proposed a balanced budget and we had considered what we believe was a fair and equitable salary increase across the board speaking to the comments made by the Chair of Sivunivut Inuit Community Corporation, he alluded to the math that was done by the Chair of NunaKatiget Inuit Community Corporation, I go back to that math again. What you're proposing in a 10 percent increase is another \$42 bi-weekly. Relatively, and in the grand scheme of things, I guess, that would make a difference in the bottom line for peoples pay cheques, no doubt about that. Getting back, again, to comment on the AngajukKâk for Nain with respect to people not able to let go, I don't believe that this is not the mindset where I'm to. This is my right as an Assembly Member to be heard and to propose amendments like everybody else around this table. That being said, I support the amendment proposed by the Ordinary Member for Nain. Thank you, Madame Chair.

MADAM SPEAKER: Mr. Russell?

MR. RUSSELL: Nakummek, Madame Speaker. I'm certainly not supporting that amendment. It's really, in my opinion, I guess, technically it is an amendment but it's nothing more than saying please forget the amendment that was passed in the majority by this House yesterday, as the AngajukKâk for Nain said. I don't know what else to say to this process. I think we're sending a message that if you want to change something, if you want to oppose what's put before you, then you can expect this long, drawn out, difficult process. I'm standing by the original amendment. It may not be much but at least in the first year of the raises, it says to the civil servants that we'd like to give you twice as much as originally proposed and that amount will be compounded the next year and the next year and the next and it will make a difference to your cheque over time. And, I guess, as to the AngajukKâk from Nain's comments and the Minister of Finance's comments about whether or not people are willing to let this go, well, I guess we'll know shortly, if this amendment is defeated, we'll see right away if another one automatically springs to the table. Nakummek, Madame Speaker.

MADAM SPEAKER: Any more comments? Mr. Sheppard?

MR. SHEPPARD: Thank you, Madame Chair. I think my comments have been taken away from me by the Ordinary Member from Nain and Minister of Finance, Danny Pottle. However, we are still sitting as a Committee on Consensus. I would like to share something with you that I've personally heard talking to one particular elder in this community and it's related to our government, and I hope nobody cut me off. And it sunk into my heart. It was said to me last evening. The question was how do you find everything in government? I said I'm coming along fine. And the comment was made; I hear there's a lot of bickering and fighting going on within the Nunatsiavut Government. I've heard late yesterday afternoon, I've heard this morning of comments around this table how we can send the message to our civil servants by increasing salaries of 10 percent. We cannot send a better message to our civil servants and our constituents, in our beneficiaries, in our constituencies, other than repeating what Johannes has said this morning in his own language that we has to start to work together. I've been growing up in an age of most of you around this table. I've been always taught, when there's difficulty, when there's

trouble, there's a way to get around the bend without slashing each other's throats. I would like these comments for you around this table today to be taken seriously. We are Members representing our constituencies. I heard very little around this table from representatives from Nunatsiavut. I'm guilty of it until this morning concerning the salary increase. Thank you, Madame Chair.

MADAM SPEAKER: Thank you, Glen. Any more comments? Mr. Barbour, would you like to give closing comments?

MR. BARBOUR: Yes, I would. Thank you, Madame Chair. Just going back to a couple of things there, and I just want to be clear on this, and let me be clear. I am not opposing our front-line workers getting increases. And that's exactly what I had proposed by going back to the original budget proposed by the Minister of Finance. And that's exactly what it means. It's not much of a motion, it's not much of an amendment and I say that to AngajukKâk for Nain, just really there's no amendment. It's just going back to the original budget as proposed. That's what I'm proposing; in fact that's what I'm proposing. I also take time to say this much, just like my colleague, AngajukKâk for Nain, my colleague, the Ordinary Member for Nain, the Minister of Culture, Recreation and Tourism. We live in the same community and many times all three of us say no to the exact same person who's asking for something. We say no because we can't do it. In this case, it's another one of those cases where I say no to that amendment because it's not fiscally responsible and that's the only place that I'm coming from. It has been pointed out to us by the Department of Finance; either we cut in the areas, in the proposed budget, or take money that I'm not being told where it is coming from. Where is it coming from? And it's not been pointed out to me and the last thing that I want to say in all of this, the Department of Finance has put forward increases for employees. The difference is five percent for one year. That is the difference. And we've taken the last day to make those cases and I point it out now. For the most part, the arguments have been coming from the Member from Upper Lake Melville and the Chair of NunaKatiget Corporation. Nobody else around the table seemed to be having made that argument. I think the majority around the table recognize that the Executive Council is recommending increases which is being made to sound like that there is

no increases put forward. And with that, I rest my case.

MADAM SPEAKER: Okay. Before we go on a vote here, would you read your amendment one more time, please?

MR. BARBOUR: Thank you. Without the detail, but the content of the amendment is this. I propose an amendment to the original amendment put forward by the Ordinary Member for Upper Lake Melville, Mr. Keith Russell. I would like to propose we go back to what was in the original budget with the Employee Division getting a five percent increase this year and a five percent increase for the following three years after that. I make the motion, seconded by the Ordinary Member from Postville, Minister of Land and Natural Resources.

MADAM SPEAKER: Thank you for that, Mr. Barbour. We'll now take a vote on this. All in favour please raise your hands high. Against. Seven for, nine against. This motion has been defeated. The Honourable President.

MR. LYALL: Madame Chair, I don't think we've reached any consensus at the Committee of Consensus. I suggest we go back as the Assembly. Thank you.

MADAM SPEAKER: We're going to adjourn now until 1:30.

(Recess)

MR. POTTLE: Nakummek, Madame Speaker. I move, seconded by the Honourable First Minister, the Ordinary Member for Rigolet, Darryl Shiwak, that Bill 2001-02, an Inuit law to implement the Consolidated Financial Plan of the Nunatsiavut Government for the fiscal year beginning April 1st, 2011 and ending March 31st, 2012, be read, as amended, for the second time. Nakummek, Madame Speaker.

MADAM SPEAKER: The Motion is in order. The procedure for Second Reading debate will be a page-by-page review of the detail of the Bill as amended. Each

Member may speak on each page as we go through. We'll start off, again, with Annex, Annex A, the Consolidated Financial Plan, page 1. Is everyone in agreement of page 1 of the Annex?

ASSEMBLY: Aye.

MADAM SPEAKER: Any nays? We look at the second page of the Annex, Projected Revenue and Expenditure. Is everyone in agreement with this page?

ASSEMBLY: Aye.

MADAM SPEAKER: The next page, Projected Revenues, Sources of Revenue. Is everyone in agreement with this page?

ASSEMBLY: Aye.

MADAM SPEAKER: The next page, Projected Budget. Is everyone in agreement of this page?

ASSEMBLY: Aye.

MADAM SPEAKER: The next page, Projected Budget Five Year Plan. Is everyone in agreement of this page?

ASSEMBLY: Aye.

MADAM SPEAKER: The next page, Total Department. Is everyone in agreement with this page?

ASSEMBLY: Aye.

MADAM SPEAKER: The next page, Nunatsiavut Budget. Is everyone in agreement with this page?

ASSEMBLY: Aye.

MADAM SPEAKER: The next page, Labrador Inuit Land Claims Agreement Implementation Plan. Is everyone in agreement with this page?

ASSEMBLY: Aye.

MADAM SPEAKER: The next page, section 2. Is everyone in agreement with this page?

ASSEMBLY: Aye.

MADAM SPEAKER: That includes the Annex. Now, we'll go to the body of the Bill, page 2. Is everyone in agreement with this page?

ASSEMBLY: Aye.

MADAM SPEAKER: Page 3. Is everyone in agreement with this page?

ASSEMBLY: Aye.

MADAM SPEAKER: Page 4. Is everyone in agreement with this page?

ASSEMBLY: Aye.

MADAM SPEAKER: Page 5. Everyone in agreement?

ASSEMBLY: Aye.

MADAM SPEAKER: Page 6. Is everyone in agreement?

ASSEMBLY: Aye.

MADAM SPEAKER: Page 7. Is everyone in agreement with this page?

ASSEMBLY: Aye.

MADAM SPEAKER: Page 8?

ASSEMBLY: Aye.

MADAM SPEAKER: That concludes the page-by-page review of the Bill as amended. Does the Minister of Finance, Human Resources and Information Technology wish to conclude the debate?

MR. POTTLE: Madame Speaker, I wish to conclude the debate. Nakummek

MADAM SPEAKER: Thank you. That concludes the debate. Is the Assembly in favour of approving Bill 2011-02 as amended?

ASSEMBLY: Aye.

MADAM SPEAKER: Any nays? Accordingly, with unanimous consent of the Assembly, Bill 2011-02, as amended, An Inuit law to implement the Consolidated Financial Plan of the Nunatsiavut Government for the fiscal year beginning April 1, 2011 and ending March 31, 2012, as amended, has had Second Reading. We'll now move on to the Second Reading of Bill number 2011-03, A Bill for an Inuit law to authorize the Nunatsiavut Government to issue loan guarantees to support commercial borrowing by Torngat Fish Producers Cooperative Society Limited for the period from April 1, 2011 to March 31, 2012. So I'll call on the Honourable Minister of Finance, Human Resources and Information Technology.

MR. POTTLE: Nakummek, Madame Speaker. I move, seconded by the Honourable First Minister, the Ordinary Member for Rigolet, Darryl Shiwak, that Bill 2011-03, An Inuit law to authorize the Nunatsiavut Government to issue loan

guarantees to support commercial borrowing by Torngat Fisheries Producers Cooperative Society Limited for the period from April 1st, 2011 to March 31st, 2012. Excuse me, Madame Speaker. If I may begin again?

MADAM SPEAKER: Yes, go ahead.

MR. POTTLE: Nakummek, Madame Speaker. I move, seconded by the Honourable First Minister, the Ordinary Member for Rigolet, Darryl Shiwak, that Bill 2011-03, An Inuit law to authorize the Nunatsiavut Government to issue loan guarantees to support commercial borrowing by Torngat Fisheries Producers Cooperative Society Limited for the period from April 1st, 2011 to March 31st, 2012 be read for the second time. Nakummek, Madame Speaker. Nakummek, Madame Speaker. Please accept my apologies for my error, and the Assembly as well. Given that we've had a lot of detailed discussion here over the last couple of days, I automatically made the assumption that we waived the Standing Orders yesterday for Bills to proceed to Second Reading, so I stand to be corrected on that and, once again, my apologies. Madame Speaker, I move, seconded by the Honourable First Minister, the Ordinary Member for Rigolet, that the Assembly proceed directly to Second Reading under Standing Order 118 and I seek unanimous consent to waive Standing Order 120 in order to proceed with Second Reading of Bill 2011-03 today. Nakummek, Madame Speaker.

MADAM SPEAKER: The Minister of Finance, Human Resources and Information Technology is seeking unanimous consent to waive Standing Order 120 and proceed immediately to Second Reading of Bill 2011-03. Does the Minister of Finance, Human Resources and Information Technology have unanimous consent?

ASSEMBLY: Aye.

MADAM SPEAKER: Proceed, Minister.

MR. POTTLE: Nakummek, Madame Speaker. I move, seconded by the Honourable First Minister, the Ordinary Member for Rigolet, Darryl Shiwak, that Bill

2011-03, An Inuit law to authorize the Nunatsiavut Government to issue loan guarantees to support commercial borrowing by Torngat Fish Producers Cooperative Society Limited for the period from April 1st, 2011 to March 31st, 2012 be read for the second time. Nakummek, Madame Speaker.

MADAM SPEAKER: The motion is in order. The procedure for Second Reading debate will be a page-by-page review of the detail of the Bill. So we'll start on page 2 of this Bill. Torngat Co-op Loan Guarantees at 2011. Is everyone in agreement with this page?

ASSEMBLY: Aye.

MADAM SPEAKER: Page 3. Is everyone in agreement with this page?

ASSEMBLY: Aye.

MADAM SPEAKER: Page 4. Is everyone in agreement with this page?

ASSEMBLY: Aye.

MADAM SPEAKER: Page 5. Is everyone in agreement?

ASSEMBLY: Aye.

MADAM SPEAKER: Page 6. Is everyone in agreement with this page?

ASSEMBLY: Aye.

MADAM SPEAKER: That concludes the page-by-page review of the Bill. Does the Minister of Finance, Human Resources and Information Technology wish to conclude the debate?

MR. POTTLE: Yes, Madame Speaker. I wish to conclude debate. Nakummek.

MADAM SPEAKER: Thank you. That concludes debate. Is the Assembly in favour of approving Bill 2011-03?

ASSEMBLY: Aye.

MADAM SPEAKER: Accordingly, with unanimous consent of the Assembly, Bill 2011-03, An Inuit law to authorize Nunatsiavut Government to issue loan guarantees to support commercial borrowing by Torngat Fish Producers Cooperative Society Limited for the period from April 1, 2011 to March 31, 2012 has had Second Reading. We will now move to the Second Reading for Bill 2011-04 and I'll call upon the Honourable Minister of Finance, Human Resources and Information Technology.

MR. POTTLE: Nakummek, Madame Speaker. Madame Speaker, I move, seconded by the Honourable First Minister, the Ordinary Member for Rigolet, Darryl Shiwak, that the Assembly proceed directly to Second Reading under Standing Order 118 and I seek unanimous consent to waive Standing Order 120 in order to proceed with Second Reading of Bill 2011-04 today. Nakummek, Madame Speaker.

MADAM SPEAKER: The Minister of Finance, Human Resources and Information Technology is seeking unanimous consent to waive Standing Order 120 and proceed immediately to Second Reading of Bill 2011-04. Does the Minister of Finance, Human Resources and Information Technology have unanimous consent?

ASSEMBLY: Aye.

MADAM SPEAKER: Proceed, Minister.

MR. POTTLE: Nakummek, Madame Speaker. I move, seconded by the Honourable First Minister, the Ordinary Member for Rigolet, Darryl Shiwak, that Bill 2011-04, An Inuit law to establish procedures to be followed by the Nunatsiavut Government, the Inuit Community Governments and their agencies in the procurement of goods and services be read for the second time. Nakummek,

Madame Speaker.

MADAM SPEAKER: The motion is in order. The procedure for Second Reading debate will be a page-by-page review of the detail of the Bill. We'll start with page 2. Is everyone in agreement with page 2?

ASSEMBLY: Aye.

MADAM SPEAKER: Page 3. Is everyone in agreement?

ASSEMBLY: Aye.

MADAM SPEAKER: Page 4. Is everyone in agreement?

ASSEMBLY: Aye.

MADAM SPEAKER: Page 5. Is everyone in agreement?

ASSEMBLY: Aye.

MADAM SPEAKER: Page 6. Is everyone in agreement?

ASSEMBLY: Aye.

MADAM SPEAKER: Page 7. Is everyone in agreement?

ASSEMBLY: Aye.

MADAM SPEAKER: Page 8. Is everyone in agreement?

ASSEMBLY: Aye.

MADAM SPEAKER: Page 9. All in agreement?

ASSEMBLY: Aye.

MADAM SPEAKER: Page 10. All in agreement?

ASSEMBLY: Aye.

MADAM SPEAKER: Let me know if I'm going too fast. Page 11. Is everyone in agreement?

ASSEMBLY: Aye.

MADAM SPEAKER: Page 12. Is everyone in agreement?

ASSEMBLY: Aye.

MADAM SPEAKER: Page 13. Is everyone in agreement?

ASSEMBLY: Aye.

MADAM SPEAKER: Page 14. Is everyone in agreement?

ASSEMBLY: Aye.

MADAM SPEAKER: Page 15. Is everyone in agreement?

ASSEMBLY: Aye.

MADAM SPEAKER: Page 16. Is everyone in agreement?

ASSEMBLY: Aye.

MADAM SPEAKER: Page 17. Is everyone in agreement?

ASSEMBLY: Aye.

MADAM SPEAKER: Page 18. Is everyone in agreement?

ASSEMBLY: Aye.

MADAM SPEAKER: Page 19. Is everyone in agreement?

ASSEMBLY: Aye.

MADAM SPEAKER: Page 20. Is everyone in agreement?

ASSEMBLY: Aye.

MADAM SPEAKER: Page 21. Is everyone in agreement?

ASSEMBLY: Aye.

MADAM SPEAKER: Page 22. Is everyone in agreement?

ASSEMBLY: Aye.

MADAM SPEAKER: That concludes the page-by-page review of the Bill. Does the Minister of Finance, Human Resources and Information Technology wish to conclude the debate?

MR. POTTLE: Yes, Madame Speaker, I wish to conclude debate. Nakummek.

MADAM SPEAKER: Thank you. That concludes the debate. Is the Assembly in favour of approving Bill 2011-04?

ASSEMBLY: Aye.

MADAM SPEAKER: Accordingly, with unanimous consent of the Assembly, Bill 2011-04, An Inuit law to establish procedures to be followed by the Nunatsiavut Government, the Inuit Community Governments and their agencies in the procurement of goods and services has had Second Reading. We'll now move to Bill number 2011-05 and I'll call upon the Honourable First Minister.

MR. SHIWAK: Thank you, Madame Speaker. I move, seconded by the Honourable Minister of Finance, Human Resources and Information Technology, Ordinary Member for Canada, Dan Pottle, that the Assembly proceed directly to Second Reading under Standing Order 118 and I seek unanimous consent to waive Standing Order 120 in order to proceed with Second Reading of Bill 2011-05 today. Thank you.

MADAM SPEAKER: The First Minister is seeking unanimous consent to waive Standing Order 120 and proceed immediately to Second Reading of Bill 2011-05. Does the First Minister have unanimous consent?

ASSEMBLY: Aye.

MADAM SPEAKER: Proceed, Minister.

MR. SHIWAK: Thank you, Madame Speaker. I move, seconded by the Honourable Minister of Finance, Human Resources and Information Technology Ordinary Member for Canada, Dan Pottle, that Bill 2011-05, An Inuit law to amend the *Beneficiaries Enrolment Act* be read for the second time. Nakummek.

MADAM SPEAKER: We'll start with page 2. Is everyone in agreement with page 2?

ASSEMBLY: Aye.

MADAM SPEAKER: Any nays? Page 3. All in agreement?

ASSEMBLY: Aye.

MR. RUSSELL: Question of Privilege, Madame Speaker.

MADAM SPEAKER: State your Question of Privilege please.

MR. RUSSELL: Well, you know me, my question here, but I always prefer the Committee of Consensus which is much more informal and we have lots of time for dialogue. I'm just wondering if there's any avenue for the elected officials in the constituencies to become involved in the notification process in order to aid young beneficiaries in being aware of the potential of their name being removed from the register without an amendment to this Bill. Nakummek, Madame Speaker.

MADAM SPEAKER: The Honourable First Minister.

MR. SHIWAK: Thank you, Madame Speaker. Without putting an amendment in place to directly take care of that, what I suggest is that you have to engage your constituents directly to inform that this is the law that they have to follow. There's nothing in place with the Registrar's Office that says the registrar has to contact the Assembly Members directly regarding this law, regarding the fact that they have to notify the Registrar. The Registrar, what this does, it sends out notice twice to newspapers stating the name and the address, last known address of the person who should change their address and give them time to change their address and comply with the criteria in the Land Claims Agreement. Thank you, Madame Speaker. I don't know if this answers your question.

MADAM SPEAKER: Did you want to speak?

MR. POTTLE: Point of Order, Madame Speaker. I'm just wondering is it acceptable to the Assembly that other Members respond to compliment the answer from the Honourable First Minister to help the Ordinary Member from Upper Lake Melville with his question and providing an answer to his question.

MADAM SPEAKER: Yes, go ahead.

MR. POTTLE: Nakummek, Madame Speaker, further to what the First Minister has said, it is incumbent on each elected official as part of your duties and responsibilities to keep your constituents informed. Whichever way you choose to do that, whether that's through a letter campaign, through your newsletters, if you produce that, asking for a notice on our government website, public meetings, etcetera, the choice is clearly yours. But it is incumbent upon you, and it is a part of your duties and obligations as an elected representative of your constituency to keep them informed, Nakummek, Madame Speaker.

MADAM SPEAKER: Is everyone in agreement of page 3?

ASSEMBLY: Aye.

MADAM SPEAKER: Page 4. All in agreement?

ASSEMBLY: Aye.

MADAM SPEAKER: Page 5. All in agreement?

ASSEMBLY: Aye.

MADAM SPEAKER: Page 6, all in agreement?

ASSEMBLY: Aye.

MADAM SPEAKER: That concludes the page-by-page review of the Bill. Does the First Minister wish to conclude the debate?

MR. SHIWAK: Yes, Madame Speaker, I wish to conclude debate.

MADAM SPEAKER: Thank you. That concludes debate. Is the Assembly in favour of approving Bill 2011-05?

ASSEMBLY: Aye.

MADAM SPEAKER: Accordingly, with unanimous consent of the Assembly, Bill 2011-05, An Inuit law to amend the *Beneficiaries Enrolment Act* has had Second Reading. We'll come down to orders of the day, number 4, Assents. Mr. President, the Assembly has given Second Reading to Bill 2011-02, Bill 2011-03, Bill 2011-04 and Bill 2011-05 and wish to present them for assent.

MR. LYALL: Madame Speaker and Members, as President of Nunatsiavut, I wish to assent to Bill 2011-02, An Inuit law to implement a Consolidated Financial Plan of the Nunatsiavut Government for the fiscal year beginning April 1, 2011 and ending March 31st, 2012 as amended. Bill 2011-03, An Inuit law to authorize the Nunatsiavut Government to issue a loan guarantee to support commercial borrowing by Torngat Fish Producers Cooperative Society Limited for the period from April 1st, 2011 to March 31st, 2012. Bill 2011-04, An Inuit law to establish procedures to be followed by the Nunatsiavut Government, the Inuit Community Governments and their agencies in the procurement of goods and services and Bill 2011-05, An Inuit law to amend the *Beneficiaries Enrolment Act* and hereby sign them into law. Thank you, Madame Speaker.

MADAM SPEAKER: We're now going to take a 10 minute break.

(Recess)

MADAM SPEAKER: I'd like to call the Assembly back to order. We'll continue through our Orders of the Day. We're on number 5, Tabling of Documents and Petitions. Does anyone have any Tabling of Documents or Petitions? Then we'll move on to number 6. Do we have any Minister's statements or announcements? I'd like to call on the Honourable Minister of Finance.

MR. POTTLE: Nakummek, Madame Speaker. First of all, I'd like to begin by saying Nakummek to everybody here for keeping our cool, maintaining our heads during this very trying session of this Assembly. No doubt, Madame Speaker, it was hard on everyone but I would like to remind people once this Assembly is over, we leave this building and it's expected of you that each and every one of us go away from this building and we uphold the will of the Assembly. That means, Madame Speaker, that I, or any one of us, when we're going back to our constituencies, talking to our constituents, talking to the media and whoever we engage that we talk in a positive manner and we support the will of the Assembly in every way, shape or form. In keeping with the concept of Inuit Kaujummikatangit, which is a concept that, I believe some of us may not be familiar with, but the whole concept of Inuit Kaujummikatangit, looks at our belief, our world vision as Inuit, our value base, our traditions, our customs, everything that guides us and directs us in everything we do. I think we should all, Madame Speaker, do our best to strive to keep in memory, especially for those who have come before us and laid the foundation and gave us our value base, gave us our beliefs, gave us our traditions, that we honour those who came before us and we make sure that we move forward in keeping with those traditions so that our children and our grandchildren, our nephews, our nieces, our brothers, our sisters are educated and they are reminded of what our value base is, what our traditions are, what our beliefs are, and that each and everyone of us as Inuit have a right and an obligation, I believe, Madame Speaker, to uphold those traditions. Madame Speaker, the tenants of Inuit Kaujummikatangit, looks at the fact that we treat each other with respect, that we treat individuals with dignity. We share in a manner of cooperation what we have, not for the good of the individual, Madame Speaker, but for the collective, the good of the whole of Labrador Inuit Society. So I just ask that people keep that in mind, do a little bit of thinking about that and try to strive and do your utmost to integrate those concepts, those values and those beliefs in everything that we do. Let us be our guiding principle and let us do our utmost to uphold those traditions that our forefathers and our foremothers, our grandmothers and our grandfathers have given us. It is a gift, Madame Speaker, and it is a gift that, I think, we must all honour and uphold, and I thank you, from the bottom of my heart, for keeping those traditions alive and treating each other with respect and dignity and honour the work that we do collectively as a group of people as we move

forward to strive to create a better world for our children and our future generations of Labrador Inuit. Nakummek, Madame Speaker.

MADAM SPEAKER: Nakummek, Honourable Minister. Very well said. Any more Minister's statements or announcements? The Honourable Susan Nochasak.

MS NOCHASAK: Thank you, Madame Speaker, for this opportunity, once again, just to highlight some activities that have been taken place in regards of education through the Memorial Education University. As yesterday, I had mentioned that there is an Aboriginal Initiatives Task Force that had been assembled. I won't go into the full report but I'd like to highlight some of the things that they had completed or they are working on. They are working on an Aboriginal Health Initiative. The task force is also working on a transition program to assist helping to bridge between the gap of high school students and the university. There is an ambassador program that has started. There's also a special advisor for the Aboriginal Affairs in Memorial University. They're working on Aboriginal Scholarships. The Aboriginal Task Force is also looking at Aboriginal seats in regards of a representative from the Faculty of Medicine, is working with a Coordinator of the Aboriginal Health Initiative to work with other faculties towards an institution approach to reserving seats for Aboriginal students. Some facilities already have the process in place. Medicine has two seats assigned for the Aboriginal students. Also, Madame Speaker, the Aboriginal Task Force is also looking at Aboriginal studies programs in regards of a team that has been assembled to develop a BA in Aboriginal Studies which will be available at both the Corner Brook and St. John's campus. The report on this activity is expected by April, Madame Speaker. Before closing, I'd like to also say that during the week of March 7th, I had travelled to Goose Bay and sat on the presenter's table with Tom Sheldon, Director of Environment. We both had presented economics impacts on Inuit and the presentation went really well, Madame Speaker, and, I believe, that the panel were very interested in our presentation. On a last note, the National Inuit Education Strategies is nearly ready to be launched by Mary Simon, President of ITK. She's currently meeting with all relevant provinces and territories, Madame Speaker. My Deputy Minister will be joining Mary Simon to meet with Premier Dunderdale; Minister of Education, Joan Burke; and Minister Patty Pottle in St John's

today. President Lyall or I would have liked to join Mary for her for support or these scheduled meetings clash with the meeting in St. John's. Madame Speaker that concludes my report. Thank you.

MADAM SPEAKER: Thank you, Honourable Minister. Any more Ministers' statements? I'd like to call on the Honourable First Minister.

MR. SHIWAK: Thank you, Madame Speaker. Give an update on a meeting I had with the Minister of Transportation with the province that I had last week, Mr. Tom Hedderson. We had tried to schedule this meeting for some time but we kept missing each other. We managed to get together last week and brought up a number of issues, including marine transportation, the ferry service and the shipping service for this upcoming season. Some of the issues and concerns that were brought to us from members in our communities around scheduling, around the quality of service, the engines not running, all of these issues we brought up to the Minister and he was aware of them and he is committed to looking at those issues. As well, we talked about how we can work together to move the Nain air strip forward to working together to meet with the Feds to move that forward, have better be able to predict better weather patterns for the aircraft landing in our communities. So that's some of the issues that we talked about. I will be sending out a report to the Assembly Members on our meeting, and know that it's something very important that affects us all in our ferry service. So, hopefully very soon, you'll have a report from me. Thank you, Madame Speaker.

MADAM SPEAKER: Thank you, Honourable Minister. I'd now like to recognize the Honourable Minister of Lands and Natural Resources.

MR. SHEPPARD: Thank you, Madame Speaker. I'll be very brief, not like the previous Minister.

MR. SHIWAK: Okay.

MR. SHEPPARD: Thank you, Madame Speaker. I'll be very brief. I haven't been

briefed in my department with any of my departmental staff. I'd just like to say a thank you to our President and the First Minister for putting their confidence in me and appointing me as a Minister. No doubt, there's going to be hard times, there's going to be struggles. I will need all of your support around the table, at times, at most times, especially the Ministers. I look around the table and I see so many faces around the table that when I sat on the LIA Board of Directors in the late '80s and early '90s, you know, some of those people are still around and today, in 2011, we're still discussing some of the same issues. But I'm sure together we can haul our way through this and we can make betterment in our communities, in our constituencies for our people. In closing, I guess, a bit of information from the department. Madame Speaker, recently the Torngat Wildlife Plants Co-management Board and we recommended to the province that the allocation for the Nunatsiavut Polar Bear Harvest be increased from 6 bears to 12 bears. The province did not agree to a request for a quarterly increase but did agree to carry over the unused allocation of bears from last year. This resulted in a quota of 11 polar bears for this year. However, we will continue and recommend to the province for the future years, the allocation or the increase of 12 bears in total. Thank you, Madame Speaker.

MADAM SPEAKER: Thank you, Honourable Minister. Do we have any more Ministers' statements? I'd like to recognize the Honourable Minister of Health and Social Development.

MS KEMUKSIGAK: Thank you, Madame Speaker. I'd also like to reiterate and thank the President and the First Minister for their faith in me becoming the new Minister of Health and I will do my very best to represent our beneficiaries in health-related matters. My heart has always been in bettering and improving the health of our people. When I went to the open house last night, it was really good, I had got some concerns from people and I really appreciated that and I'm going to look into them and give them an answer. Thank you, Madame Speaker.

MADAM SPEAKER: Thank you, Honourable Minister. Do we have any more Minister's statements or announcements? The Honourable Johannes Lampe.

MR. LAMPE: Nakummek. Madam Speaker. I, myself would also like to thank that I was invited to this assembly meeting. Sometimes in the years to come the obstacles that we will run into will always be different. Some will be easy and some will be very, very hard but what we are heading towards in the future we have to look at it in the same way and the same thinking our forefathers in the past always helped each other out and today we would have to help each other out and we were taught that way to respect each other which was taught to us by our elders, our parents in the past and we have our Kâllunângajuit, our members in the beginning our people told us that the Kâllunângajuit have to be included because they were intermarried with Inuit. We have to respect that decision of our people from the past so we have to believe in each other, help each other to move forward. Whoever gives us our children, grandchildren, we have to love them and we have to teach them in a proper manner and make them understand how in the past, how the Inuit lived and they lived only by helping each other and even up to today we are living by helping each other. Thank you.

MADAM SPEAKER: Nakummek, Honourable Minister. We will now move on to number 7 on our orders of the day, Member's Statements. Do we have any Member's statements? I'd like to call on the AngajukKâk from Makkovik.

MR. JACQUE: Thank you, Madame Speaker. Just out of respect, I'd like to extend sincere condolences to the family of the late Emma Broomfield. She has been a true, traditional Labrador woman and she's been laid to rest today. On behalf of myself and the Ordinary Member from Makkovik, Denise Lane, thank you, Madame Speaker.

MADAM SPEAKER: Thank you, Mr. Jacque. Do we have any more Members' statements? The AngajukKâk for Nain, please.

MR. ANDERSEN: Thank you, Madame Speaker. I'd just like to say that I went last night to the Meet and Greet, the open house, and I would like to commend the Cabinet for finally showing up in a community and hosting a Meet and Greet. It's an important part of government in each and every community and I hope that what

happened last night will continue on a more regular basis in all of our communities. It's not quite the same when I bring back messages to my community from Ministers, but even if there is not a good turnout. If there are 20 or so people, there are people in each and every community that are interested in meeting those very fine and smart people on this side, and they are. And as given that opportunity, I think that it makes for more trust and I certainly commend the President and his Cabinet for doing it last night here in Hopedale and I hope that the response they got will encourage them to do it on a more frequent basis in each and every community in the upcoming months. Thank you, Madame Speaker.

MADAM SPEAKER: Thank you, Mr. Andersen. Do we have any more Members' statements? The AngajukKâk for Hopedale.

MR. PIERCY: Thank you, Madame Speaker. I'd just like to say thank you to all that was involved. There's three new houses going up now in the new subdivision. One of the old dump sites where the Americans when they cleared out the material that was left from off the base was buried over in our last subdivision and there used to be five houses there, but there's three left, and I'd like to thank all who was involved for coming up with the funds from the provincial government will be flowing through us to help them out. So I'd just like to say thank you and very good job.

MADAM SPEAKER: Thank you, Mr. Piercy. Any more Members' statements? Then we'll move on to the next item on our agenda which is Oral Question Period. Any questions? The Ordinary Member for Upper Lake Melville, Mr. Russell.

MR. RUSSELL: Nakummek, Madame Speaker. My question's going to be directed at the First Minister, with no disrespect to the new Minister of Lands and Natural Resources, but as indicated, he hasn't been briefed up to this point. I'd just like to get it on record and confirm, Mr. First Minister, that even though the Land Use Plan is delayed that the moratorium on uranium mining can be addressed before September when the Land Use Plan is anticipated to be finished. Nakummek, Madame Speaker.

MADAM SPEAKER: Thank you, Mr. Russell. Honourable First Minister.

MR. SHIWAK: Thank you, Madame Speaker. The Ordinary Member for Upper Lake Melville for his question. The legislation around the moratorium for the date for March 31st, 2011 does not reference the Land Use Plan. But having said that, major projects cannot happen until the Land Use Plan is completed. But there is no reference to the Inuit legislation to the Land Use Plan and it is going to be up to the Assembly, again, as I said in my statement the other day, for the Assembly to look at reviewing the moratorium after March 31st, 2011. Thank you, Madame Speaker.

MADAM SPEAKER: Any more questions? The Chair of NunaKatiget.

MS HEFLER-ELSON: Thank you, Madame Speaker. My question is to the First Minister, as well. I was wondering if you would be able to direct your staff, at the Registry's Office, to forward me an electronic copy of the membership list that you currently have. I've requested it on a number of occasions now and I have not received it electronically. And if they could include addresses and any other information that is included on the list, I would really appreciate that as well. Thank you.

MADAM SPEAKER: Honourable First Minister.

MR. SHIWAK: Thank you, Madame Speaker. Yes, I will bring your request to the Registrar's Office. Thank you.

MADAM SPEAKER: And the AngajukKâk for Postville?

MS GEAR: Thank you, Madame Speaker. I'm not sure who to address this to, if it's the First Minister or the Minister of Finance, but I was asked before I left home if I would bring this question up in the Assembly, although I've spoken to a few of you outside. Given that there is money negotiated in the Land Claims Agreement called Turbot in the Water, can you tell me where, or if that money has been spent?

MR. POTTLE: Nakummek, AngajukKâk for Postville for your question. We have all heard, from time to time, of a concept of Turbot in the Water. Madame Speaker, there is no such fund. There is no provision in the Land Claims Agreement that speaks to a requirement for the Nunatsiavut Government to provide funds for a so-called concept of Turbot in the Water. Madame Speaker, I believe, that this concept may have been bantered around during the negotiation of the Labrador Inuit Land Claim Agreement but, to the best of my knowledge, Madame Speaker, this concept does not exist and each and everyone of us, I believe, have an obligation to inform our constituents that there is no such fund and there is no provision in the Land Claims Agreement that speaks to that. The dollars that we have from the Implementation Fund, Madame Speaker, goes to implement the provisions of the Land Claim Agreement. For those who don't totally understand the provisions in the Land Claim Agreement, Madame Speaker, there are two types of, I guess, what I would refer to two types of provisions in the Land Claim Agreement. One is known as discretionary provisions. The implementation plan, Madame Speaker, has been negotiated and signed off as part of the Labrador Inuit Land Claims Agreement. That implementation plan looks at the, let me explain that again. There are two types, one is discretionary, and one is time-limited. Discretionary obligations in the Land Claims Agreement are those when you read the provisions that say the Nunatsiavut Government may, the province may, the federal government may, or a combination of the three parties to the Land Claims Agreement may. Those provisions were negotiated to be discretionary, in particular, to the Nunatsiavut Government to give us time to build our capacity, to have the resources necessary, human resources necessary, to implement those provisions, Madame Speaker. When we go back to the provincial and federal government and say we're now ready to have those discretionary obligations deemed to be time-limited obligations, which is the other type of provision in the Land Claims Agreement, which the implementation plan speaks to when you read the provisions of the Land Claim Agreement that says Nunatsiavut Government, the province, Canada or a combination of, must or shall do something, they have to do it within the time frames that's either identified in the Land Claims Agreement or set out in the implementation plan. The implementation plan is meant to ensure that we had the dollars moving forward and in the future to implement the time-limited and discretionary obligations

to the Labrador Inuit Land Claim Agreement and, again, in conclusion, Madame Speaker, and in answering the AngajukKâk question, there is no such provision and there are no funds for the concept of Turbot in the Water. Nakummek, Madame Speaker.

MADAM SPEAKER: Thank you, Honourable Minister. Any more questions? The AngajukKâk for Nain.

MR. ANDERSEN: Thank you, Madame Speaker. My question is directed to the First Minister, the Minister responsible for housing. And there is as the Minister is aware, Madame Speaker, substantial cutback in funds for Torngat, they don't enjoy the amount that they had over the past two years from the Off-Reserve Housing Trust. It was interesting that upon our arrival here that we know that the Minister was in talks with his provincial counterpart, not his provincial counterpart, but the Minister of Aboriginal Affairs, and I wonder can the Minister tell us whether or not there will be some extra housing funds made available to Torngat Housing prior to the construction season after shipping starts later on this spring or summer?

MADAM SPEAKER: The Honourable First Minister.

MR. SHIWAK: Thank you, Madame Speaker. To answer the Member's questions, up unto this point I am not aware of any other funds other than the funds that the AngajukKâk for Hopedale identified for the three new houses to be relocated that is coming from the province through us. Other than that, I have not heard of any other funds that will be allocated to Torngat Housing for this upcoming construction season. Thank you, Madame Speaker.

MADAM SPEAKER: Thank you, Honourable First Minister. Any more questions? The AngajukKâk for Makkovik.

MR. JACQUE: Thank you, Madame Speaker. I guess my question is directed to the Minister of Health, but I'm not going to direct it. I'm going to direct to the previous, Minister of Health, Mr. Pottle. I was asked to bring this forward by the Department of

Health, Social Development, that there's going to be a new daycare centre being built in Makkovik. Can you tell me the status on that, please? Thank you, Madame Speaker.

MADAM SPEAKER: The Honourable Minister of Finance.

MR. POTTLE: Nakummek, AngajukKâk for Makkovik, for your question. I stand to be corrected on this, but I'm 99.9 percent certain that we have not budgeted and there is no money in this upcoming budget for a new daycare centre for the Community of Makkovik. Nakummek, Madame Speaker.

MADAM SPEAKER: A supplementary question?

MR. JACQUE: Yes. To my understanding, that the contract was granted a couple of years ago. Am I correct in saying that? Thank you, Madame Speaker.

MR. POTTLE: Nakummek, again, AngajukKâk for Makkovik. There was no contract awarded for that that I'm aware of but I certainly will follow up on your question to get you a hundred percent confirmation on that. But, again, I'm almost certain that there are no contracts in place to put in place a daycare centre in the Community of Makkovik. Nakummek, Madame Speaker.

MADAM SPEAKER: Any more questions? AngajukKâk for Nain.

MR. ANDERSEN: Thank you, Madame Speaker. My question is directed to the Minister, I believe its Culture Youth Recreation. Madame Speaker, in December, my community government was not part of a group that travelled to St. John's to look at different recreation infrastructure but we did receive information that the Minister would, and with participation from Aboriginal Affairs, and that Minister would, or would be a meeting convened in Nain to address, not only for my own community, but for the other Nunatsiavut Community Governments, as well, recreation infrastructure needs. Some time has passed since December and my government has not been given in any way, shape or form concrete information as to when that

meeting might happen. I wonder if the Minister would enlighten us a bit as to when that meeting may happen.

MADAM SPEAKER: The Honourable Minister of Culture, Recreation and Youth.

MR. LAMPE: Nakummek, Madam Speaker. Yes, the question coming from the AngajukKâk for Nain is well received and we did go to St. John's with different community AngajukKaat. I know that the Community of Nain, Inuit Community of Nain was asked to participate at this meeting. But at that time, we were told that your community could not participate because of not having any funds for travel. But to answer your question, we are trying to put together exactly how best we can proceed in getting the different communities, Inuit Community Governments together and also Minister of Aboriginal Affairs, Patty Pottle and Donna Stokes, who is also involved on this issue. And that issue is not forgotten. We are, right now, working on how we can get the different communities together and to best proceed in looking at the different infrastructure that is needed in the different communities. And also the \$4 million that each community has received, how best that that money can be used. And even to look at it the other way, I don't know if I could say this, but if the other smaller communities' needs may not be as great as the other communities, if they could share. For example, the bigger communities. But, but I may not have that privilege in saying that, but we will be looking at different ideas and we want to involve everyone that is concerned on this issue. So we are working on that and Minister of Aboriginal Affairs, he's also pushing us to move forward on this. Nakummek, Madame Speaker.

MADAM SPEAKER: Any more questions? The AngajukKâk for Hopedale.

MR. PIERCY: Thank you, Madame Speaker. My question is directed to the First Minister. You said you had talks with Minister Tom Hedderson for Marine Services. I was just wondering if there is any guarantees that if we were able to get firewood, again, for the communities on the coast that would need it. I was wondering if there was anything brought up that instead of getting all the wood towards the fall when everything's starting to get tied up on deck, I was wondering if there was anything

straightened out that there may be a load here and there that could come up throughout the summer. You said always towards later in the fall that each community would be guaranteed enough firewood to sustain each community that's in need of it throughout the year. Thank you.

MADAM SPEAKER: Okay, Honourable First Minister.

MR. SHIWAK: Thank you, Madame Speaker. Thank you for the question. We did meet with the Minister. That is not a topic that we discussed. As you may or may not be aware, that the contract for the Green Services is up this year. He'll be awarding a new contract sometime in the near future. So when that contract is awarded, then we know who had that shipping contract or the ranger contract, we will bring that to the Minister's attention to ensure that he brings that to the service provider's attention that's something that needs to be done earlier in the season rather than later so we don't fall into the same problems that we had last year. Thank you, Madame Speaker.

MADAM SPEAKER: Any more questions? Then we'll move on to the next item on our Orders of the Day, which is Written Questions. Do we have any written questions? If not, then we'll move down to item number 10, Reports of Standing and Special Committees. Any reports of Standing and Special Committees? I'd like to acknowledge the Honourable Minister of Finance.

MR. POTTLE: Nakummek, Madame Speaker. As I reported to the Assembly in February, the Special Committee of the Nunatsiavut Assembly on the Nunatsiavut Business Centre Incorporated were nearly completing their final report as directed by the Assembly to undertake this initiative as per a resolution that was presented to this Assembly last year, Madame Speaker. I'm happy to report, Madame Speaker that the Special Committee on the Nunatsiavut Business has concluded our work and I have a report to present to the Assembly today on that. Our final report, Madame Speaker, is very brief and to the point, I believe, Madame Speaker. I will present the Assembly with a copy of the final report. In that report, Madame Speaker, there is an appendix to this report that is quite detailed. It was requested

by the Special Committee of the Directors of NBCI, Teresa Hollett, Brent Denniston and Wyman Jacque to produce a document for the Special Committee on the activities of NBCI. In this Annex or appendix, Madame Speaker, you'll find minutes of meetings, the by-laws of NBCI, registration documents and so forth, Madame Speaker, but, I guess, to get to my report or to get to the report, and to be very brief, the Special Committee comprised of myself, the Chair of Sivunivut Inuit Community Corporation, Mr. Ed Tuttauq, and the Controller of the Nunatsiavut Government, Ms Rexanne Crawford, have produced, again, the final report and, again, it's very brief. We have in this, Madame Speaker, two final recommendations in this report to the Assembly which will, I believe, be presented in resolution form as we move through our orders of the day. But just briefly, I want to give you just the two recommendations coming out of this report and the Special Committee is recommending that the current position within the NBCI be moved under the Department of Education and Economic Development and that the job duties include the provision of assistance, information, facilities and support to Inuit as to encourage an aid in the creation and development of Inuit businesses subject to the government's ability to obtain funding. And our final recommendation, Madame Speaker, is that we're asking the Assembly to dissolve the Nunatsiavut Business Centre. Thank you, Madame Speaker.

MADAM SPEAKER: Any more reports of committees? Then we move to Order of the Day, number 11, Notices of Motions. Mr. Tuttauq.

MR. TUTTAUK: Nakummek, Madame Speaker. I'd like to give notice that I move, seconded by Minister Pottle, that the Assembly adopt the recommendations of the Special Committee of the Nunatsiavut Assembly, known as the Nunatsiavut Special Committee on NBCI. Nakummek.

MADAM SPEAKER: Any more Notices of Motions? Then we'll move to number 12, the Motions. So I'd like to call on Mr. Ed Tuttauq.

MR. TUTTAUK: Nakummek, Madame Speaker. I move, seconded by Minister Pottle, the Assembly adopt the recommendation of the Special Committee of the

Nunatsiavut Assembly, known as the Nunatsiavut Special Committee on NBCI. Whereas, the Nunatsiavut Assembly establish a Special Committee to examine and inquire into the management, finances and operations of NBCI and to report back to the Assembly with its findings and recommendations about the future of NBCI. And, whereas, the Special Committee has completed its work and has provided a written report in writing to the Assembly. Now, therefore, be resolved that the Nunatsiavut Assembly hereby adopt the following recommendations of the Special Committee. One, the current position with the NBCI be moved under the Department of Education and Economic Development and that their job duties include provision of assistance, information, facilities and support to Inuit so as to encourage and aid in the creation and development of Inuit businesses subject to the government's ability to obtain funding and, number 2, the dissolution of the Nunatsiavut Business Centre Incorporated. Nakummek.

MADAM SPEAKER: Thank you. The motion is in order. Would you like to speak to the motion?

MR. TUTTAUK: Yes, I would. Thank you. Nakummek, Madame Speaker. This motion, we feel we have completed the task assigned to us by the Assembly. We have give it a thorough due diligence, we feel, and we had some concerns with the Nunatsiavut Business Centre as it was and feel that these recommendations are appropriate at this time. Nakummek

MADAM SPEAKER: The Honourable Minister of Finance?

MR. POTTLE: Nakummek, Madame Speaker. In my report, I should have, I guess, given a little bit more detailed explanation but the report is there. The Nunatsiavut Business Centre was created as a result of the Impacts and Benefits Agreement with the Voisey Bay Nickel Company, now, known as Valley Inco, Madame Speaker, provided a revolving loan to the Nunatsiavut Government that expired at the end of July, this year. The Nunatsiavut Business Centre, Madame Speaker, over the course of its existence provided eight loans to businesses, four of those loans have been repaid. The Torngat Fisheries Producers Cooperative is still repaying a loan

that was provided. They have provided us with a promissory note that guarantees that they will be providing and they will honour and pay back the loan to us. Two loans, Madame Speaker, where two of the businesses have declared bankruptcy. The law firm of White, Ottenheimer and Baker is now looking at this bankruptcy application by the two businesses that are delinquent on their loans. That is in the hands of legal people and we don't expect, Madame Speaker, to recover any of the funds, or very little of the funds, that was granted to these two companies that went bankrupt, Madame Speaker. And one loan, Madame Speaker, has been paid in its entirety. So do you have the report? Thank you, Madame Speaker. Again, four of eight loans have been repaid in full. I spoke to the Torngat Fisheries Producers Cooperative. One loan is current with its repayments and the NBCI, as I alluded to, Madame Speaker, has engaged Ottenheimer and Baker to proceed with collections on two outstanding loans. In regards to these loans, again, Madame Speaker, the beneficiaries have declared bankruptcy and we have minimal security on these loans. The reason why, Madame Speaker, that we're recommending that the Nunatsiavut Business Centre be dissolved is that the Nunatsiavut Government is not in a financial position to provide further loans to any businesses, at this point in time, because of the high risk associated with those loans and the repayment of those loans. We have very limited funding, Madame Speaker, and we believe it's not in the best interest of the Nunatsiavut Government to be giving loans to people to establish and operate businesses. Nakummek, Madame Speaker.

MADAM SPEAKER: Would anyone else like to speak to this motion? The Chair of Sivunivut Corporation, would you like to conclude. The Ordinary Member for Upper Lake, Upper Lake Melville.

MR. RUSSELL: Nakummek, Madame Speaker. Sorry, yet to be another thorn in the side, but I certainly can't support a resolution where I haven't had any time to review this report and an Annex to a report that is very detailed and that has been described as being very detailed. There were financial implications to this government, loans secured, monies distributed and companies declaring bankruptcy and such, and without the details required in the Annex and the review of that, I certainly couldn't support the dissolution of a corporation, an incorporated body that,

basically, was involved in that. Nakummek, Madame Speaker.

MADAM SPEAKER: Would anyone else like to speak to this motion? Chair of Sivunivut Corporation, would you like to conclude this debate?

MR. TUTTAUK: Nakummek, Madame Speaker. Yes, I wish to conclude debate.

MADAM SPEAKER: All in favour of this resolution please raise your hand. All against? Fifteen to one, sorry. Would you please let Hilda Hunter know where you're going when you get on the flight and we'll adjourn-, excuse me, Mr. President?

MR. LYALL: I don't know if you've been briefed by Hilda in the last 15 minutes. I was speaking to her a few minutes ago. She's trying to arrange a flight to come up, the weather is not good in Nain but she's going to come here, pick us up for Nain. If she can't get in Nain, she come back here and take the rest of the people back to their communities and, hopefully, with any luck the Nain crowd will get back home some day.

MADAM SPEAKER: Thanks, we are now adjourned.