



Nunatsiavut kavamanga  
Nunatsiavut Government

FIRST ASSEMBLY  
OF  
NUNATSIAVUT

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FIFTH SESSION

ELEVENTH SITTING

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**KAVAMALIGIJET  
KAJITITSIUTINGA**

**PARLIAMENTARY  
REPORT**

*November 25-26, 2008*  
Speaker: Honorable Todd Broomfield  
Deputy Speaker: Daniel G. Pottle

**In Attendance:**

Speaker of the Nunatsiavut Assembly, Honorable **Todd Broomfield**

Deputy Speaker of the Nunatsiavut Assembly and Ordinary Members for the Canadian Constituency, **Daniel G. Pottle**

President and Acting Minister of Lands and Natural Resources, Honorable **Jim Lyall**  
First Minister of Nunatsiavut Affairs, Ordinary Members for Nain, Honorable **Anthony Andersen**

Minister of Health and Social Development, Honorable **Gregory Flowers**

Minister of Finance, Human Resources, Information Technology and the Status of Women, Honorable **Diane Gear**

Minister of Culture, Recreation and Tourism, Honorable **Ben Ponniuk (He arrived on the morning of November 25, 2008)**

Ordinary Members for Nain, **William Barbour**

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

Chair Person for the Sivunivut Inuit Communities Corporation, Inc., **Edward Tuttauk**

Chair Person for NunaKatiget Inuit Communities Corporation, Inc., **Malcolm Winters**

AngajukKâk for Postville, **Keith Decker**

AngajukKâk for Hopedale, **Judy Dicker**

AngajukKâk for Nain, **Sarah Erickson**

AngajukKâk for Makkovik, **Herb Jacque**

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

Deputy Minister of Culture, Recreation and Tourism, **Sheldon Baikie**

Deputy Minister of Lands and Natural Resources, **Douglas Blake**

Deputy Minister of Finance and Human Resources, **Wyman Jacque**

Deputy Minister of Health and Social Development, **Michelle Kinney**

Deputy Minister of Education and Economic Development, **Tim McNeill (He arrived in Hopedale but departed on the afternoon of November 25<sup>th</sup>, 2008).**

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

Director of Legal Services, **Loretta Michelin**

Acting Director of Communications, **Bert Pomeroy**

Clerk of the Assembly, **Mary J. Sillett**

**Absent:**

AngajukKâk for Rigolet, **Daniel Michelin**

Minister of Education, Training and Economic Development, **Darryl Shiwak (He arrived into Hopedale but left on the afternoon of November 25<sup>th</sup>, 2008).**

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

*November 25,, 2008*

*Assembly commences at 9:00 a.m.*

**Mr. Broomfield:** Good morning, everybody. At this time I would like to open our first sitting for the fall. We have three Members of the Assembly who are absent this morning. Ben Ponniuk, the Minister of Culture will be here later today. Darryl Shiwak, the Minister of Education and Economic Development is in town, but he won't be attending the sitting this morning for health reasons. The AngajukKak for Rigolet is also absent. Dan Michelin has informed me that he will not be attending the sitting; again it's for health reasons. We have two pages, Jarvis Abel and Hilda Pijogge. They will assist the Members as the sitting goes by. We have two interpreters, Boas Kairtok and Wilson Jararuse. At this time I would like to recognize Reverend Brian Burrows to do the opening prayer.

**Reverend Brian Burrows** delivers the opening prayer.

**Mr. Broomfield:** Thank you, Reverend Burrows. At this time, I would also like to recognize the visitors in the gallery and welcome you to this sitting. Moving on in our agenda. At this time, we will have a presentation from Mike Flatters and Harvey Sands on the Labrador Inuit Trusts. So this time, I'll hand the floor over to Mike and Harvey.

**Mr. Flatters:** I don't know if you would prefer that we start out I guess by sitting but if you have difficulty hearing us, we are more than happy to stand up. First of all, let me express on behalf of my

colleague Harvey Sands and me that we are honored to address your Assembly, to try and inform you of things that we have learned and we have tried to help create for the benefit of the Inuit of Labrador. The purpose of this presentation is to try and inform the Members of this Assembly and those who might be able to hear or listen to it, of the background to the creation of what we describe collectively as the Labrador Inuit Trusts. You will find and you will understand that each of the Trusts has a unique role to perform. Each of the Trusts, in turn, comes from what I'll call a heritage or a legacy of having two to three principal reasons as to the reason for the creation. If there's nothing else that we accomplish today it would, I hope be that the reasons behind the creation is clear, as are the Trusts opportunity or the responsibilities that go with the concept of a Trust. I think you have materials in your binders that will be the outline of our presentation. We will project it here on the screen to give you an easier view than looking down at your binders if you feel like it. At this time I'd like to make it very clear to you that we're here to try and inform and so to that extent if there are questions that arise as we go along we are happy to deal with those questions. We may find that in the interests of making the presentation complete, we may want to move on and not take all of or finish chasing down a particular path that a question of prompts that doesn't mean we're not interested but we would like to make sure we at least cover the territory that we hoped we would cover. If time permits, Mr. Speaker, we're more than happy to deal with questions that come up again following the conclusion of what I'll call the designed or planned presentation. We're here to help and as I

say we've had the privilege of working with many of the distinguished Members of your communities. We hope that we can give back something to you right now in terms of bringing you up to speed as to why some of these creatures (for lack of a better word) exist. Harvey, is there anything else that you want to cover by way preliminary comment?

**Mr. Sands:** Mike and I would as much as possible, subject to the Speaker and his need to consider the timing, to keep this as interactive and informal as possible so at any time as Mike started to say before, please feel free to interrupt us when we get to a point that you want greater detail on or need little bit more discussion. If time allows and we end up having to jump ahead at that time or revisit it at the end but we like to keep it interactive and we think would be most informative from your point of view. I want to share with Mike's comments that it is truly a great honor and privilege to be here.

**Mr. Broomfield:** I'll intercept there for a second Mike. If Members do have questions for Mike or Harvey just raise their hands and I'll recognize you.

**Mr. Flatters:** Thank you. Brief background. The reason the two of us came to Hopedale to try and explain the concept of the Trusts is that whether our children or our families will recognize it, our fingerprints are all over this work, and it's the product of our having been invited to assist the negotiating team that was negotiating a Labrador Inuit Land Claims Agreement that we became involved principally in the fiscal tax chapters matters and fiscal and tax matters of the Land Claims Agreement. We came to the role with no set agenda.

We both bring to the table the experience of our own respective practices. I am a Lawyer. I work principally out of Calgary and I work principally in the area of taxation and to a certain extent matters involving business and small public and private corporations. Harvey is a chartered accountant operating out of a National Firm and his office is in Montreal. Harvey's experience again is largely matters of taxation but his background is much more broadly based in financial matters than mine is. The negotiating team engaged us principally to advise with respect to matters of taxation and financial capacity. We came to the negotiating meetings with probably one goal in mind and that was to maximize the capital that would be delivered to Nunatsiavut Government under the Lands Claims Agreement. When we speak of capital, unfortunately we're speaking principally of monetary capital. I appreciate that there's much more to the Land Claims Agreement than simply the financial parts of it, but our focus and our instructions were with respect to the financial aspects of the Land Claims Agreement and our principle bias was towards how to maximize and preserve the Land Claims Capital. As we moved on through the negotiating process, two things became apparent. As we would have expected, the Nunatsiavut Government was going to enjoy a unique status for Canadian Income tax purposes. What was not clear and was becoming clearer as we moved along, was that there was another scope, another means for Canada's other levels of Government (and principally the Federal Government and the Provincial Government) to seek compensation that would be like taxation of Nunatsiavut Government. That was something called the Own Source

Revenue (OSR) Agreement. So as we moved along in the negotiations, we were frankly playing two or three dimensional chess, trying to ensure that the income tax benefits that we thought were intended to be delivered would be secured for your Nunatsiavut Government. But we also attempted to try and minimize the effect of this Own Source Revenue, the regime we'll go into with you for a few minutes because I think it's critical for you to understand how that regime works. What evolved very clearly and quickly in our minds was that the concept of a Trust which we're both familiar with, having worked in various areas in both domestically and internationally were becoming clearer and clearer as being a vehicle of choice. So we should turn to page four of your materials under Background.

**Mr. Sands:** Mike referred to the Capital Settlement under the Land Claims Agreement. What we also worked on at the exact same time was the funds to be made available under the Voisey Bay Trust, the Voisey Bay Impact and Benefit Agreement. We actually worked on both concurrently. They were both addressed concurrently. The same comments Mike has made about the Capital Transfer under the Land Claims Agreement apply equally to the Voisey Bay Trust. Both have a similar nature. They're one time in coming. There's a one time Capital Settlement with Canada. There's a one time in contract, one resource stream of payments due in from Voisey Bay and so both were dealt with respecting their genealogy respecting where they come from, respecting that they may not and probably will not be repeatable and that they also have separate destinies. So if you jump to page three on page three, in

the presentation we talk about the development of structures to protect the Capital Transfer payments received under the Lands Claims Agreement and in the second bullet the Capital payments received from Vale Inco receiving the Impact and Benefits Agreement.

**Mr. Broomfield:** The Chair recognizes the Members for Canada.

**Mr. Pottle:** Nakummek Harvey. I guess I'm making the assumption when you speak of Capital Transfer payment; you're talking about the Chapter Nineteen dollars and the Chapter Twenty-Three dollars for implementation of the Final Agreement?

**Mr. Sands:** I focused first on Chapter Nineteen. The Chapter Twenty-Three was a work in progress that is not equal to the Implementation Fund. Thank You.

**Mr. Flatters:** If you turn to page four of our materials, you'll see that there's a brief description of the skeleton of what is a Trust. This is much like some of the most critical, teaching portions that a professor at a university will come across. It's trying to get a point across that is difficult for most of us to appreciate. What I'm going to start with is try to explain to you what the concept of a Trust is. Understand that a Trust is not generally speaking an entity that's respected in law. When I say that we tend to think of a world where people are capable of suing or being sued. Now that's an awful negative way of looking at life but nonetheless, it's a place to start from. What you will appreciate is that like each of us in this room we are all individuals, we have bundles of rights and we have obligations. One of those rights is the ability to sue and one of the

obligations is frankly the capacity to be sued. We have that capacity in a common law system of which Labrador is a Member. Common law recognizes a number of what I'll call artificial relationships or entities and so the principal one you would have come across perhaps in your travels is the corporation. We're entitled under local law to create a fictional entity called the corporation that common law recognizes having the capacity to sue or be sued. It has the capacity to own property. It has the capacity to dispose property. So the classic alternative to a human being is a corporation when you're speaking in terms of commercial matters. You will also find that there are relationships described as partnerships. Partnerships typically are not regarded as legal entities. They are defined as relationships. I'm going to come back to that term "relationships" again, but understand that a partnership is a relationship among persons having the capacity to sue or be sued. A partnership is a relationship among persons carried on with a view to profit. There are different kinds of partnerships that can be created. The fourth species that we tend to think of when we think of persons, is a Trust. There are as many versions of Trust walking the street as there are people walking out on your streets. A Trust is capable of being molded, created, to meet the needs of specific purposes. I would like to briefly cover with you on page four, what is a Trust? A Trust like a partnership, is a relationship. It's a relationship between three topics, two of those topics being people. One group of people is called the Trustees. The next group of people or persons that are relevant to a Trust are the beneficiaries. Finally, the subject matter of a Trust is the Trust property.

So I could, for example, create a Trust in respect of this red pen today. If I settled it upon your Speaker and instructed that he hold this in Trust for the next graduate of your local elementary school with the highest marks and if your Speaker accepted the terms of that Trust, then this pen would be the subject matter of the Trust. Your Speaker would be the Trustee of that Trust and the child that graduated with the highest marks from the elementary school, who ever that is, would be the beneficiaries of the Trust for this property, the pen. It may be that we don't know who that beneficiaries is by name at this point in time but we can define that beneficiaries as the person who graduates from your local elementary school with the highest average in grades or marks. So I don't even need a piece of paper to create that Trust. If your Speaker accepts the pen upon those terms, a Trust is created. Now we wanted something much more formal than the red pen with your Speaker to deal with. As the Members for Canada pointed out, that was the Chapter Twenty-Three Land Claims Capital, the Chapter Nineteen Land Claims Capital and coincidental with that Vale Inco Impact and Benefits Capital.

**Mr. Sands:** If I could just revisit, because I think it's essential we try and we all have one common understanding, Mike touched on, to me one of the most important points of the meeting. In discussing a Trust versus a corporation versus a partnership, each one has a specific purpose. What makes the Trust most appropriate and most interesting and actually the best fit for the type of needs governments and emerging communities have to deal with is that when you deal with a corporation, the

only person who has rights to the corporation, rights to the corporation property, rights to corporation activity are those people who are named and specified as a shareholder similarly, in a partnership, which is a relationship that Mike talked about, only those people who are listed as partners, whose specific names appear as being a partner have an interest in it. Like public corporations, even though they may have hundreds or thousands of shareholders and identified stakeholders, a Trust can identify a class of people, a community of people, and a group of people, the nature of the people who are the beneficiaries. Therefore, it becomes very intergenerational automatically in the context of people who are stakeholders and who have interests in it. So, that is one of the things that really typifies, makes a Trust a very valuable and efficient structure. In many circumstances in fact it can deal with a whole class of people.

**Mr. Flatters:** One of the other elements that is important to understand is that whereas I suggested that this red pen for the graduate of the local elementary school be held by your Speaker, it could be that I have a black pen and next year I'd like to settle it upon the same Trust. So, that the concept of being able to receive more than one country to the Trust is important for you to appreciate. If a Trust is created with the ability to receive more contributions, then the person who is the Trustee or the group of persons who are Trustees, will by virtue of accepting the role of Trustee take upon themselves the duty to deal with the next country that comes to it. So typically in that arrangement, we will reduce it to writing and so there will be something called a Trust Deed and the

Trust Deed is, for lack of a better word, the contract between the person who created the Trust, (the settler) who is the person who had property that the person wanted to settle upon terms of a Trust and the Trustees. So at this point, it's probably worthwhile, before we jump into the next phase, to slow it down right here and just ask you if you have any questions that you'd like to take on at this point in relation to where we're headed and in particular about a Trust at the 30,000 foot level. We're going to get into some detail here that might sometimes feel punishing in terms of it's level of detail but it's probably important at this point to test with you if there are any questions that are starting to bubble in your mind about either what you've heard or what you want to compare it to that you've heard about before. Nobody is chomping yet, so let's move on to what I think is probably the most important part of this presentation. It is if somebody asks me either in my office or in this community of Hopedale this afternoon or this morning, "What is the point or why are these Trusts relevant to Nunatsiavut Government and the Inuit of Labrador?" My answer, I guess is two-fold bordering on three-fold. First and foremost our vision for Trusts was that the Trusts would be vehicles that would enable Nunatsiavut Government to creditor proof itself in respect of the Land Claims Capital. Under the Lands Claims Agreement you have a covenant and promise from Canada to make payments under Chapter Nineteen and under Chapter Twenty-Three over a number of years. That promise is set forth in the Land Claims Agreement and the Land Claims Agreement is available to anybody who wants to be able to see it. Typically, one of the principal reasons why you create a Trust and one of the

reasons why we thought a Trust was relevant in the context of the Land Claims Agreement and the new Nunatsiavut Government was that we felt that it was important that the Land Claims Capital not be able to be seized by any creditor of the Nunatsiavut Government, in whatever shape or form. To take an extreme case, suppose that the Government of Canada felt as though there was something very wrong and that they had been, they had lost a lot of money on the basis of some misrepresentation by Nunatsiavut Government and the Government of Canada turned around and tried to sue Nunatsiavut Government. One of the reasons we are suing you frankly (and unfortunately this is an all too common phenomena) is that we thought that you had “deep pockets.” We thought you had lots of money, frankly, as much as a nuisance as anything else, we’re coming after you, we’re suing you. The unfortunate fact of the matter is that this is how the world works in many ways. People with the deepest pockets attract a lot of attention. So our mission was to try and insulate that Land Claims Capital from potential claims by creditors of Nunatsiavut Government in order to discourage people from taking shots at Nunatsiavut Government because Nunatsiavut Government had deep pockets. We’ll come around to explaining to you why that works in a context of a Trust but I just want you to understand that one of the key reasons was what we call creditor proofing. That happens, frankly, in our practices day after gloomy day in Calgary or Montreal. It’s the nature of the world that people who have accumulated wealth and accumulated capital will take defensive measures to preserve or to

protect that capital from potential creditors.

**Mr. Sands:** To summarize what Mike is saying. It is a well known principal of life unfortunately, that if you have assets, you become a target. You become a target to invalid claims as much as you, claims by people who may have valid claims against you. Your ability to deal with valid claims once you’re credit proofed is much stronger because yes, you may admit, yes we’ve wronged you, and we owe you something. There is a remedy that we have to put forth but we can limit it because you can’t have unlimited access to the resources of the Government or to the people of Nunatsiavut. That, I think puts you in a better position in either category. Whether it is a valid claim or an invalid claim, you’re not absolutely at the mercy of the courts or you’re not at the mercy of having had made a mistake and can be overly punished.

**Mr. Flatters:** Thank you. The next part of the presentation goes into detail about point number two. I’ll just stop here and try explain to you the concept of creditor proofing in relation to Trust. Let’s take my red pen for example. Suppose that somebody knew that this pen was worth, One Hundred Thousand Dollars and somebody found out who the child was that who won the prize and said “I’m going to sue that child” for whatever it was that he allegedly did to me one week ago. So, if they came to that child they would say “I’m going to try and enforce my claim and my judgment against you.” So now imagine Nunatsiavut Government. Somebody sues the Nunatsiavut Government and wins the judgment. They say, in respect of the child, I want the pen or, in case of

Nunatsiavut Government, I want the Chapter Twenty-Three money, or the Chapter Nineteen money. The answer is that your Speaker (the Trustee) would give is that the child has no claim against this pen until I perform the role of delivering the pen to the child. Much like as beneficiaries of the Chapter Twenty-Three or Chapter Nineteen Trust, the Trustees of that Trust could look at a creditor and say Nunatsiavut Government is not entitled to that money until the Trustees distribute the money to them. The right of beneficiaries to receive money in the future or to receive property in the future is not something that a creditor can seize and try and enforce. It's the idea that the Trustees have the discretion about when to release the pen or to release the money that's critical in understanding this point about creditor proofing. If instead that pen was delivered to a corporation and let's say that Nunatsiavut Government owns the share of the corporation, then a creditor can come and seize the shares of the corporation that has all of the valuable money or pens or whatever else you put into the corporation. So it comes down to this, in a legal context the beneficiary has no property in the underlying assets of the Trust. What they have is a right, that's set forth in a Trust Deed, to be considered for distributions of the Trust property, to receive some of the Trust's property in the future on the fulfillment of certain conditions that are set forth in the Trust Deed. The protectors or custodians of that property are the Trustees. If somebody had a judgment against Nunatsiavut Government, they're out of luck, if they tried to sue the Trustees. Because the Trustees say your problem was with Nunatsiavut Government, it was not with the person who is the Trustee. So, that's an attempt

to try and explain to you in a few minutes the function and the importance of creditor proofing.

**Mr. Sands:** Before Mike goes on to Own Source Revenue (OSR), which is a real switch in gears, I just wanted to go through a couple of small examples and just to summarize what's going on so far. The Trust is conservatory in nature, to conserve the assets that you have received, that have duly come to you, custodial, to hold them in a place pending, putting them to use, but you take those two words together. The Trust is meant to be protective, to protect the assets for its beneficiaries, for the people. It's not meant to separate them from it; it's just to protect those assets from the outside world. It also goes on that the Trust will complete, enables a system, whereby the assets that may be subject to competing claims and very often valid competing needs, social need versus business needs, versus health education, welfare needs, all of these needs are competing for the use of those assets, to create a mechanism where all those needs are properly addressed. They're married to what they call the objects and spirits of the Trust because when Mike creates this spirit, when Mike gave the red pen which is the asset to the Speaker, who is the Trustee and he created it with an object and a spirit, the object is to make an award to the student who graduates with the highest marks in his example. That was the object and spirit of that Trust. Each of your Trusts have their objects and spirits based on where their money came from, where it's supposed to go but always for the benefit of the Nunatsiavut people. Compare these with these alternative forms of legal entities, partnerships, and corporation again. Just to summarize,

they don't work to do what a Trust is specifically designed to do. Are there any questions at this time?

**Mr. Broomfield:** I'd like to recognize the Member for Canada.

**Mr. Pottle:** This is not a question, I'd say but a clarification I guess. Back to the essence of the Trust and the recipients of the Chapter Twenty-Three and nineteen dollars are Labrador Inuit. By putting this into a Trust the recipients lose control of that and it is entrusted to the Trustee if I'm making my point, because I think it's important that people on the ground understand that concept. Am I right in making that assumption?

**Mr. Flatters:** The assumption is fair in terms of saying who has control to those assets. It is the Trustees. With control comes responsibility and accountability. The measure of control and the form of their responsibility and accountability hopefully is set forth in the terms and conditions of the Trust Deeds. Otherwise, that's exactly right.

**Mr. Sands:** Trust law is one of the oldest lineages of common law and goes back hundreds of years. It's very well developed. Probably the most important principal. In Trust Law is that the Trustees are charged to the protection of the assets for the exclusive benefit of the beneficiaries. It is not separated and removed from the beneficiaries. They act as a funnel on behalf of the beneficiaries and they are forbidden., formally by virtue of the Trust document and formerly by operation of law, to allow self interests to intervene. Suppose that a Trustee says "One of the things that we're going to do with some of the money is to pay for my street." He

basically is forbidden to vote on that because he has a degree of self interest. His highest and best motive and the principle supporting him must be that he has no self interest, he must be entirely for the interests in the beneficiaries.

**Mr. Flatters:** Ok, now we're going to turn to page six, and this is the other corner stone into "why the Trusts" It evolved out of the course of negotiating the Own Source Revenue Agreement with Canada and the Province. I could put you to sleep here in a few minutes by trying to go through some of the gruesome detail involved in the calculation and negotiation of Own Source Revenues. At this point, let me just suggest to you the overview and I think you'll appreciate where we're coming from. By all means we are prepared to go into any level of detail on this stuff because this is the frankly the stuff that gets tax geeks blood flowing. If I'm boring you and telling you stuff you already know I apologize in advance. In a simple story, the Own Source Revenue agreement is the means by which the Province of Newfoundland and the Government of Canada insure that Nunatsiavut Government puts it's fair share of its wealth into the funding of Nunatsiavut Government programs and services. So if you think about it from a purely dollar perspective (which unfortunately Harvey and I are warped in the lineage of) you would see that your arrangements each year for the budgeting for the delivery of programs and services by your Nunatsiavut Government are laid out ultimately in something called your Fiscal Financing Agreement with Canada and the Province. At that point in time; you agree with the Province and Canada what programs and services are going to

be delivered in your communities for the year and what the budget or cost of those is going to be. What the Own Source Revenue agreement does is to say “stop right at first base”. We’ve got a budget for the year for Nunatsiavut Government programs and services. What we would like you to do. Nunatsiavut Government, is put your fair share of your wealth into the funding into those programs and services. We’ll figure out a way of measuring your fair share but first and foremost it’s your dollars, your wealth, that goes to the deliver of these programs and services. Anything that your fair share does not cover (so any short full or gap in the cost of delivering the agreed upon programs and services) is then taken over by Canada and by the Province. They’ve agreed and they committed to stepping and filling the hole that’s left in the budget after you take the Nunatsiavut Government fair share of contribution off the table. So to take an example, on page seven in your materials, let’s assume that they agreed upon programs and services budget year for the 2012 was two million dollars, and let’s say for that year they determine that the Nunatsiavut Government Own Source Revenue inclusion was five hundred thousand dollars. Then what that tells us is that the unfunded portion is one point five million dollars. The difference between the two million and the half million. That’s what in this arrangement the Federal Government would pitch in. So you can imagine that if those five hundred thousand dollars instead was one hundred thousand dollars, that number that the Federal Government would contribute to your programs and services would be one point nine million dollars. So it doesn’t take you long to figure out that where Harvey and I were headed when we got

into the negotiation was that the method for calculating Nunatsiavut Government Own Source Revenue was a formula method. Frankly, if you stand back from it, you would appreciate that it is supposed to be a measure of Nunatsiavut Government’s monetary or fiscal capacity. So how do you measure that? You walk into a room with a Federal negotiator and you say we’re imagining this body; Nunatsiavut Government is going to exist in the future. How do you know what it’s capacity is going to be? We’ve never had one before and so, through the process of negotiation, we arrive at a formula for determining what Nunatsiavut Government’s fiscal capacity is. And what you find on page eight is a very brief summary of Nunatsiavut Government’s fiscal capacity. It’s the sum of four components and those components are firstly, its Tax Capacity. The second is something called its Business Income Capacity. The third is called its Property Income Capacity. Finally, there’s another capacity that was described generically as Fees and Other Charges. In the agreement, Canada principally and the Province to a certain extent, agreed that there would be certain sources of revenue that would be excluded from the computation of Nunatsiavut Government Own Source Revenue. So to stand back at this point, you can look at this and say if I’m Canada or I’m the Province, you know what they’re object is. It is to make Nunatsiavut Government pay for as much of the programs and services that are delivered in Nunatsiavut Communities as possible. They want you to put the most of your resources on the table to fund the annual budget because it means that they have to pay less into the process. Therefore the more they can spread into other parts of the country.

Our approach, negotiating for Nunatsiavut Government and at the time LIA, was not surprisingly the opposite. How do we put the least Nunatsiavut Government resources into the delivery of the agreed upon programs and services? The only way you can minimize the erosion of Nunatsiavut Government wealth in the annual delivery of programs and services is to minimize your Own Source Revenues. That was our object.

**Mr. Sands:** If I can give you a couple of examples while we're on page eight of how it works is take your tax capacity which is your personal tax and your GST ability that your sharing of personal tax and GST taxes. These you can't control because it's entirely the operation of the Government's, so that must belong to the Government. Business Income capacity tax tends to be in the same group because Government should operate some business directly. Sometimes you see in Montreal, the City owns its own parking lots, charges airport fees. What's the most difficult to deal with this is Property Income Capacity. Property income capacity does not refer to just buildings and real estate property. It's defined as your income from anything you own. So one of the things you would otherwise own is the Chapter Nineteen money which is invested and earning income. The Chapter Twenty-Three money is invested and earning income. The Voisey Bay IBA money is invested and earning income. Had no work been done, had the Trust not been established, all the income from those three sources would have fallen into what is defined as your Property Income inclusion. The income from those three sources, which involves many millions of dollars; would have reduced; the

Federal funding. It would have made the Nunatsiavut Government pay for the programs and services that Federal would've otherwise paid for. The more you control your own base line programs, is the less you have available to provide your own personal supplementary programs and services to your constituents and your communities or to your beneficiaries, that you can use to otherwise supplement or add to provide additional health, education, welfare and similar benefits. It's the property income solution that was very concerning to us. Mike and I took it as a personal challenge that no group in Canada should ever pay less OSR than the Nunatsiavut Government. It is equivalent to anybody who fills a tax return saying, "I'd like to pay the least taxes possible" because you have to look at the OSR as basically a form of taxation on the Nunatsiavut Government. Because it claws back benefits that you would've otherwise received or otherwise earned. If you package that up, the only way you could've done without not minimizing the other issues of creditor protecting, being conservatory. This alone, the OSR concept in and by itself, justifies pulling the money into different Trusts, different entities because it's not funds that belong to the Government till it's paid out to the Government. There are other ways to get it out of our of the Trusts such as has been done by making loans to other. Trust's loans to other entities which makes the money useable in the ordinary sense but not revenue of the Government.

**Mr. Flatters:** I guess Harvey just hit on the real critical point.

**Mr. Broomfield:** The Chair recognizes the Honorable Minister of Health and Social Development.

**Mr. Flowers:** Thank You. I'm kind of confused in one sense. Last year, for example, when the Finance Minister took down our budget he basically said that we cannot overspend or whatever because we don't have enough OSR basically. To me we had for example self-revenue or self income taxes. What comes back outside of Nunatsiavut, we got a lot of beneficiaries outside the Land Claim area that does not contribute back, works for us, but does not contribute back to Nunatsiavut. To me, in my mind, you can explain it to me because I think that's wrong. I think we should take all of the taxes that we can so that we can spend this money back in Nunatsiavut for programs or for community governments or whatever, or to have money to develop the communities.

**Mr. Flatters:** I'll attempt to respond to your point. At the end of the day, I don't disagree with your approach. What we run into is that at the edge of negotiations, Canada has a principle upon which I based my taxation system and it says taxation is based upon residency. That's the principle that they build their taxation system on. So they say, life is measured by where you are resident and so in the context of Nunatsiavut Government, Nunatsiavut Government shares or collects the Federal share of taxes of persons who are resident in the Nunatsiavut region. I should just confirm that Nunatsiavut collect, the share of taxes of both persons who are beneficiaries and persons who are non-beneficiaries in that region. So, to take an example, think of

somebody who lived in Hopedale who was a beneficiary. Their taxes go towards the Nunatsiavut Government. If somebody is a beneficiary, but lives in Vancouver, then Canada says I draw the line at the boundary of Nunatsiavut territory and I won't collect taxes from somebody in Vancouver and deliver them to Nunatsiavut Government. If you say "Well, why not? Why can't we have that?;" That's where you get into ultimately the debate about two levels. One is a principle of no taxation without representation but we won't get into that for very long. The second one is probably easier to comprehend and that is in terms of thinking local Government is which roads are you driving on and which ones do we need to care and maintain. If you're driving up and down roads in Vancouver, it is the Vancouver City Council who is going to need those tax revenues to build a better road. So that's the principle on which they try to draw lines and establish the bases for taxation, being the bases of residency. Where do you, where are you resident? I'm not sure if I answered your question properly. We would have loved to have had all beneficiaries taxes included in computing taxation revenues of Nunatsiavut Government. We were pushed back on every occasion.

**Mr. Flowers:** The reason I asked the question is because like as the Health Minister we, see non-insured health benefits go outside of the Land Claim area. We pay outside for somebody living in Vancouver, outside the Land Claim area but yet we don't get their taxes back. So, that's where I'm coming from. If we could get, their monies back, we wouldn't have such a high deficit.

**Mr. Flatters:** I appreciate what you're saying. In fact I've been tuned into that issue in the last twenty-four hours. I guess one reaction to that (and it maybe is a demonstration of my lack of nimbleness.) Is that I've come back and it is that non-insured health benefits part of an agreed upon programs and services under the fiscal financing agreement?" "So it turns out that number is turning out to be bigger. I guess my response to it is if we keep on minimizing OSR you might say "hold it, where you going Flatters. So I'd say as long as we keep minimizing your OSR at least that last dollar of non-insured health benefits is being paid by Canada and not by you. Far be it for me to suggest what anybody's job is but I'm envisaging a negotiation for the next round of fiscal financing that says "You know what, we were off. That happens. We've now got a number that's way bigger then we realized and guess where it's going? Now, it goes to the top line in the next fiscal financing negotiation. The give and take is going to take place, but I appreciate what your saying, is that at the end of the day it becomes, in effect, not only non-insured but in effect phantom or unfunded, expenses that show up on your score board that you had no idea was coming down the track at you. So I think in those circumstances you say I'll take my lumps today but remember for the next negotiation that we've got an issue here that needs to be addressed and probably, frankly the sooner you tune the feds in to the mathematical problem the more likely it is you are to get some kind of a more favorable response in the next round of negotiations. I hear what you're saying. I take on the burden but do I have jurisdiction to deliver non-insured health benefits? "The other part of jurisdiction

usually is taxation and somebody says no, sorry don't go there, that's, you've bumped into another barrier on three levels up which is residency challenge so that's one thought. I think it will always be in your best interest to minimizing your Own Source Revenue. What Harvey pointed out is that there are mechanisms in the Own Source Revenue agreement to enable Nunatsiavut Government to survive without giving up more to Own Source Revenue. I want to be really careful about what I say there because, quite bluntly, we're being recorded and that sort of information and stuff is probably better left discussed off the record among us so that it's not picked up by others that have opposite interests from Nunatsiavut Government. We can go into that.

**Mr. Broomfield:** The Chair recognizes the Ordinary Members for Upper Lake Melville.

**Mr. Russell:** Just a quick comment if I may on Greg's statement. It's pretty much written in stone that we will be providing non-insured health benefits to beneficiaries outside of the Land Claims area so that's not the issue. That's not the reason for any potential deficit. The onus then comes down to our negotiating team to make the Federal Government recognize that these individuals we're providing non-insured health benefits to do not reside inside of Nunatsiavut so we do not get the tax income from them. Therefore we have to make sure we negotiate in such a way like the guys are saying is to minimize or OSR in such a way to say that the Federal Government next time after the next round of FFA negotiations has to pay more money to us because of the residency of certain

beneficiaries and because of the fact that we're not getting tax revenue because of that, if that makes any sense.

**Mr. Sands:** If I can jump in. If you have, I apologize again, if you have the right to tax a person living in Vancouver, which is the example given, it would work against you because if you tax that individual it would fall with the tax capacity, which would reduce the amount of money that you're getting from the Federal Government. What you have to do is go back if I may and in your next round of funding negotiation say "we are carrying an obligation that is over and above of what other Governments carry because the same beneficiaries living in Vancouver also has his Medicare card in his pocket so his getting both the standard and the supplemental because it's our obligation to do so." We deserve an extra grant of funding, not the right to tax which works against you, you need extra funding. Hope that helped!

**Mr. Flowers:** I know that our negotiations per se is coming up very shortly, but what I, what's in my mind basically is the more that we generate and go to the FFA and say this is what we need and this money from the taxes outside of Nunatsiavut for me will go into our communities because I think that our communities infrastructure is very important to me and the more money that we can generate, not just live in the communities and say we're just surviving, we haven't got enough money, you hear the communities say all of the time we haven't got enough money for this program or we don't have enough to do this water and sewer program. So to me the more money that we can generate, the more money we can

have to distribute to our communities. To be able to do the arena, do the infrastructure in the communities so I'll stop there and just let you go with your presentation. Thank you.

**Mr. Broomfield:** Given the fact that we've been discussing the issue for an hour or so, we'll take a short break.

**Mr. Broomfield:** I'd like to call the House back to order. I'd like to acknowledge the presence of Mr. Ben Ponniuk, the Minister of Culture, recreation and Tourism, has joined us now. With that I will then hand the floor over to Mr. Flatters.

**Mr. Flatters:** Thank you. It would probably be best to cut off our discussion on this point. We can stray into infinite detail on this point which could be good in one respect. However given the time that we have available I am going to try and steer us to the finish of the presentation. As I say, and as Harvey indicated earlier, frankly, the more questions, the more discussion, the better. We'll try and railroad us to the finish line but nonetheless we would encourage you as questions are emerging in your minds to either let us have them or corral them and bring them forward at the end of the more formal part of the presentation. It would probably be best to pick up on page eleven and just remind you that when we approach things and when we had Trusts in mind, we were thinking of minimizing the Own Source Revenues. So to summarize that whole point, as Harvey pointed out, think of Own Source Revenues as a form of unique taxation of Nunatsiavut Government. So like any other taxation you want to minimize it. In this context, the form of taxation takes the form of

increasing the amount the Federal Government and the Province. Government contributes to your programs and services, the funding of them. At the end of the day the use of the Trusts was designed to prevent what I'm going to call excess Nunatsiavut Government fiscal capacity from having to be contributed to the funding of agreed upon federal programs and services. So if, to take a simple example, you earn a million dollars in interest income on bonds that you invested or bought with the Chapter Twenty-Three money, if you don't have to show that one million dollars as Own Source Revenues and instead they belong to a Trust, then Canada will fill in that one million dollar hole in the agreed upon programs and services budget. You'll have the million dollars and be able to go out and re-invest and earn another ten percent hopefully next year. So the idea is to capture, corral it and preserve it for the benefit of Nunatsiavut Government. At this point I'm going to now move on into a discussion of the Trusts. Before I get into the specifics of each Trust as we now know them, I want to lay out on page twelve what you want to always go back and ask yourself about the basic architecture of a Trust. So you find that architecture much like you would find in an operators manual in a truck, when you lift open the glove compartment and you pull out that operator's manual and you want to find out something about how to repair or run your vehicle. Likewise, if there's something you want to know about the Trust, typically you should look to the Trust Deed, the written document that establishes the Trust. If it's competently drafted, the Trust Deed will first of all designate who the beneficiaries of the Trust are, who is intended to benefit from the property of

this Trust. This may be either completely in the discretion of the Trustees. Sometimes automatically, in accordance with the terms of the Trust Deed. We'll get into an example of automatic, opposed to discretionary, later on in a specific example of one of your Trusts. In the Trust Deed, you'll see an appointment of those persons who are the Trustees, who has accepted the role of Trustee and who will become a replacement for those Trustees later on. You'll see a listing of the duties and the powers of the Trustees. In addition to those duties and powers that are specifically laid out, understand and appreciate what Harvey was pointing out earlier. That the concept of a Trust goes way, goes way back into English common-law from hundreds of years ago and what we have at this point in time frankly is the benefit of years and years of jurisprudence both in England and in Canada about Trusts, filling in the blanks about questions that come up about Trusts, such as what are the duties of Trustees and what is the duty they owe to beneficiaries? The common-law is layered on top of whatever you've given them in the terms of the Trust Deed. Next your Trust Deed should deal with distributions of the Trust property. When is the Trust property supposed to be released from this custodial world and transferred to become the property of somebody else? So think of it either as a distribution of cash or even a distribution in kind. If a Trust owned shares of a company, it could make a distribution of shares of the company to a beneficiary just as easily as it can make a distribution of fifty dollars. So, whatever property is subject to the Trust, it should be understood from the terms of the Trust Deed, how that property could be distributed to the beneficiaries. When, in

what circumstances and under what conditions. Finally, the last point is what do you do with the Trust property while you have it and before you distribute it? What are your duties to deal with the Trust property while it's in your power? So to take my red pen for example, if it's now November twenty-fifth, and we are still seven months away from finding out which student in the school had the highest average, it would tell us what your Speaker should be doing with the pen while we wait. You say "wait until what?"

**Mr. Sands:** Mike, I'm just going cut you off. I just want to try again to summarize what Mike has just covered. Also we were asked to break for the benefit of the translators. The only parties who could benefit from the Trust are the beneficiaries and that as I said right on the onset is very different from being a shareholder because shares are, your shareholder is based on ownership of a share. Here you become, because you've been appointed automatically by birth, by community, by location, part of the beneficiaries. The Trustees are absolutely prohibited from having any self interest in their Trust administration and in their Trust decisions. Mike made comments before about hundreds and hundreds of years of law. All that law is very, very consistent. It's there to protect the beneficiaries and it's there to put real restrictions, obligations, responsibilities and a liability on the Trustees. They have to be accountable that they're only interest is the best interest of the beneficiaries.

**Mr. Flatters:** Okay. What I propose to do now is to walk you through the story of each of the four Trusts that will someday exist. There are three in

existence right now. A fourth is in a garage warming up but hasn't been taken out of the garage yet to drive down the road. We're incomplete in relation to the affairs of the fourth Trust and we'll get to that in a second. But I want to review the four Trusts with you in an attempt to try and bring you up to speed. Firstly, there is something called the Implementation Trust; secondly, there is something called the Settlement Trust, thirdly, there is the Inuit Capital Strategy Trust and then finally the Tasiujatsoak Trust. The Tasiujatsoak Trust was created to receive property and income payable as the result of the negotiation of the Impact and Benefits Agreement with the Voisey's Bay Nickel Company, now Vale Inco. So I'm going to turn to the Implementation Trust at this point and try and give you an overview of what it's been up to or what it is at this point. It's a fairly short story. The Implementation Trust was created in May of 2007, but very little has been contributed to the Implementation Trust to date. In the course of trying to sort out first, the Trustees, second, what kind of use would be made of the money that would go into the Implementation Trust and thirdly, given the kinds of uses that were envisaged, the process of trying to interview people to handle the assets of that Trust, it has taken a lot of time to be quite blunt. It is probably largely complete but a lot is still, frankly, somewhat incomplete. The objects of the Implementation Trust were to receive the invest the Chapter Twenty-Three payments under the Land Claims Agreement. I guess it's fair at this point, to just point out that your Speaker could draft up a Trust Deed right now and set up a rule book. He could say here's what I wish for the assets of this Trust. To a certain extent, in drafting the Trust

Deed, we were trying to take into account what we thought was the consensus of those persons with whom we had direct contact and communication what was intended to happen with the Chapter Twenty-Three money. Harvey and I came from a particular bias. We saw that what went into Chapter Twenty-Three and the amount of compensation under Chapter Twenty-Three was a hodge podge of a number of different settlements or arrangements. At the end of the day what was left or what was most clearly defined was this is what Nunatsiavut Government can run on. Canada and the Province did not want to fund the cost of Nunatsiavut Government. Just to be clear here, they said we're interested and we are quite willing to fund Canada and the Province's share of programs and services. But they were very clear, (particularly the Province) at drawing a line and saying I regard programs and services as being the delivery "on the street," of a form of a service or a benefit. They did not want, to the fund the cost of Nunatsiavut Government. So for example, they didn't want to pay a Minister's salary. We could go on forever about that debate and that discussion but at the end of the day, the resolution was that to the extent Nunatsiavut Government wants to evolve and wants to grow, then to a large extent it will be dependent upon the ability of Nunatsiavut Government to fund itself. That funding mechanism will probably come largely from whatever you conserve out of the Chapter Twenty-Three payments. If those payments are set aside and they grow to a certain extent with any kind of investment return, then there will be a large base to be able to yield an annual income from that Chapter Twenty-Three balance that

will pay the salaries of Nunatsiavut Government, as opposed to the cost of programs and services. I'll admit there's a blurred line. Take the example of a nurse in a health centre. I think that the negotiation of a program service budget takes into account the salary of the nurse in a health centre. What that program and service budget probably won't take into account is the salary is the Minister of Health. They would say "I am not paying for Nunatsiavut Government, Nunatsiavut Government can pay for itself" I'm drawing some pretty black and white lines here and I don't mean to imply that the Province of the Federal Government was trying not to make it's contribution to the fair share or to suggest that anybody capitulated it's the course of negotiations. I'm wrapping a bow around these Chapter Twenty-Three payments probably some would look at me and say "Mike that's a fiction of your imagination because there are apples and oranges and pears in that Chapter Twenty-Three amount. The end of the day, the consensus was however many apples and oranges and pears go in there, that's probably where the cost of Nunatsiavut Government is going to be funded from. Think of the money flow for a moment, it goes from Canada to Nunatsiavut Government under Chapter Twenty-Three and to the extent Nunatsiavut Government contributes that money and settles it upon the Implementation Trust (much like my red pen) each year an additional amount could get settled upon that Trust. Then once it's in the Trust, the Trustees are directed to try and accumulate and set aside seventy-five percent of what is contributed to spin-off investment income in the future to run Nunatsiavut Government. In effect, it is a nest egg, an attempt to try and create an

equivalent to a heritage fund out of the Chapter Twenty-Three money so that there is some basis upon which your Minister of Finance and the Finance Department can predict the ability to meet the cost of salaries and other benefits related to running Nunatsiavut Government. There is one beneficiaries of the Chapter Twenty-Three Trust and it is Nunatsiavut Government.

**Mr. Sands:** Just one more point if I may. At the end of the negotiations there is an agreement with the Federal negotiations that if we can prove that the implementation money was identifiable, the interest on it, would be exempt from OSR. That meant you could not take the implementation money and put it into your general treasury and co-mingle it with other assets because then nobody could make the determination if the exemption was available. The Trust also gives you the ability to exempt it from OSR, even when it goes back to the Nunatsiavut Government. So we said basically all of the revenues at the Nunatsiavut Government, including tax go into an OSR. This enables a Carve out. It's a different way of keeping it out of the OSR regime.

**Mr. Broomfield:** The Chair recognizes the Members for Canada.

**Mr. Pottle:** Nakummek. It's already been implied I believe and I think it needs to be clarified given the statement that Mr. Flatters just made about the Implementation Trust being limited to a single beneficiaries, Nunatsiavut Government, I think if you can help me Mr. Flatters and or Mr. Sands, my understanding from negotiating the implementation plan for the Labrador Inuit Land Claims Agreement, that the

purpose of the Implementation Fund was to ensure that the provisions of the agreement are implemented over time. You've already alluded to the fact that I believe the people should understand that the purpose of the Implementation Fund is not to fund the operations of Nunatsiavut Government but some of the interests that we generate from the dollars could go towards offsetting the administration of the Nunatsiavut Government, the Implementation Fund itself is not meant to offset the administrative cost of Nunatsiavut Government.

**Mr. Flatters:** I'll try and answer that as clearly as I can and to a large extent the answer, to my knowledge at least, is a product of what I've described as the composition of that Chapter Twenty-Three formula. It is made up of apples, oranges, and pears. As I indicated, I probably wrapped a too simple bow around the Chapter Twenty-Three balance of payments to suggest that they are there to fund Nunatsiavut Government. It can deliver to Nunatsiavut Government funds to enable Nunatsiavut Government to meet it's obligations under the Land Claims Agreement and perhaps, and to the extent available cover the cost of Nunatsiavut Government. It would be unfair for me to suggest that there's a priority or a bias to say that it would cover cost of Government first and responsibilities under the Land Claims Agreement second. That to my mind, falls into the general process of prioritizing in the budget allocation each year. Where your money is coming from and what obligations you have to meet each year and ensure that the highest obligations are funded first. I don't know if that answers your point

completely. The negotiation of the Chapter Twenty-Three amounts was not conducted entirely on the basis what would it cost to run, Nunatsiavut Government. There were a number of distinct payments and calculations that went into and were thrown into the Chapter Twenty-Three payment formula that had nothing to do with the cost of Nunatsiavut Government. Absolutely correct.

**Mr. Sands:** I'd like to take a chance here and I don't mean to further confuse things. There's a point that I feel has to be made. Each of the Trusts, if nothing is done, becomes taxable Trusts as is every other Trust set up by a company, family, business institution in Canada. The only way to render the Implementation Trust non-taxable is to make sure that it's beneficiaries is the Nunatsiavut Government so the income can allocated to a Government which in itself is not taxable, and thereby the Trust is not taxable. Tax on the Trust is roughly over forty percent. This is perhaps the greatest strategy to take this money, invest it, earn income. In the Trust it would have been taxable. The only Trust by nature that is given a special designation of not taxable is the Capital Trust, is the Chapter Nineteen Trust. If we agree to accept certain rules which were embedded in Chapter Nineteen, the Chapter Nineteen Trust can be rendered non-taxable, very similar to an RRSP or a Pension Plan Trust. That's the only one. So, part of the motive behind the scheme, behind the architecture of the Trusts, was to make sure we don't pay tax unnecessarily.

Mr. Flatters: I'm going to carry on with the discussion about the Implementation Trust because to the extent some of this

discussion becomes repetitive, it's intended to become repetitive because we're talking about your Trust. If there was no repetition, then we'd have real trouble here, so bear with me as we go through each of them. In the context of the Implementation Trust, its activities really have only just begun. In that regard, there were initial Trustees named to accept the initial settlement which was a gold coin. The idea was, in time, the Chapter Twenty-Three money could and would eventually find its way into the Trust. The initial Trustees are obliged to nominate candidates for three successor Trustees. The remaining initial Trustees are myself and Sharon Pevie. We were part of a group of four who were the, at that time, Trustees of the Tasiujatsoak Trust. The day that we signed it up, our fifth Trustee wasn't able to attend that meeting. The other two Trustees were Patty Pottle and William Andersen. So at this point in time, Sharon and I are the Trustees and our obligation is to bring to Nunatsiavut Assembly recommendations for candidates for three successor Trustees. So the go forward slate of Trustees will be selected by the Nunatsiavut Assembly. The rule book that was conceived at the time was that one of the successor Trustees must not be an eligible beneficiary. The thought there, quite frankly was to bring an arms length, objective view into the room. Two of the successor Trustees must be Eligible Beneficiaries. One of those persons must reside within the Land Claims area. One of those must be a "Government Person". In framing the terms of reference of who the Trustees would be, it was noted that at least one of the successor Trustees must not be employed by Nunatsiavut Government or be an elected Members. On the other hand when you take into account that

one of those persons had to be a “Government Person”, it’s useful to note that a “Government Person” is defined to mean a person is an elected Members of the Assembly or a person holding the position of director or higher in Nunatsiavut Government. If you were to ask “what were you thinking when you drafted this rule book”, the short answer is we were trying to envisage, firstly a person or persons who were sensitive to the budget needs of Nunatsiavut Government and the obligations of Nunatsiavut Government. So somebody close to Nunatsiavut Government would know what the needs are. The second need was to throw somebody in there that was, for lack of a better word, distant. So that there was a measure of objectivity, to say I think you’re going to deplete this Trust if you keep making these distributions. I don’t think it’s the right way to go. I’ll be the first to acknowledge that you will probably better understand this than I do. But one of the tensions that’s going to emerge in time with this Implementation Trust will be similar to what I think I have read about the Government of Nunavut and that Nunavut Trust. The Trustees of the Nunavut Trust put limits on how much will be distributed each year to Nunavut Government. If I understand what I’ve read in the newspapers correctly, Nunavut Government has come back and presented increasingly growing budgets to say this is what it costs to govern in the Nunavut region. The Trustees have in turn responded, I can’t because if I give you that now, we’re eating into the Capital of Trust and we won’t be able to keep going for ten, fifteen, twenty years. So, whoever those three Implementation Trust Trustees turn out to be they will need to be thick skinned. They will also need to be

sensitive to the needs of Nunatsiavut Government. But the idea is that, that group of Trustees will protect the Chapter Twenty-Three money and will balance the needs of Nunatsiavut Government with the needs of today’s Nunatsiavut Government in the future, to ensure that there is some resource to draw upon to be able to meet the needs of funding both the obligations of Nunatsiavut Government and also the wishes of Nunatsiavut Government, in the form of the cost of running Nunatsiavut Government. As presently drafted, the Trust Deed contemplates fifty percent of the income earned by the Implementation Fund will automatically be distributed to Nunatsiavut Government each year. So, here’s a point we were discussing earlier. Trustees have discretion or Trustees are obliged. In this case, Trustees are obliged to distribute at least fifty percent of the income of the Implementation Trust to Nunatsiavut Government each year. At least fifty percent. As to the remaining fifty percent of the income that it earns each year, that’s up to the Trustees to decide. But at least fifteen percent of that remaining fifty percent is actually supposed to be set aside in something called the Capital Reserve, and the Capital Reserve is a “do not touch” account that’s intended to be able to sustain the fiscal capacity of that Trust going into the future. In other words, there is a certain amount of capital that will never be able to be encroached upon so that that there’s at least some amount of capital earning investment income to be able to be distributed each year. If all you do is distribute one hundred percent of the income each year to a beneficiary what you’ll find is that in time you will have lost the battle against inflation. Inflation will drive up the cost of

Nunatsiavut Government. It will drive up the cost of meeting commitments under the Implementation Agreement. It will drive up the cost of everything. If you don't set aside a portion of your income each year, set it aside and have it available for the future to earn investment income, you will lose the inflation race and you will lose the ability to try and at least tread water or keep even with where you're going. So, the advice we've received was that if you make a commitment to fund at a minimum fifteen percent of your income each year and plow it back into capital, then you will have a fighting chance to stay ahead of inflation in the long run.

**Mr. Broomfield:** Mike, when the Trustees of this Implementation Trust invest the money they get from Canada, given today's markets and investments, do these Trustees have knowledge of investments, or do they look for that advice before they invest this money?

**Mr. Flatters:** Good question Mr. Speaker. The Trustees will look to experts in the area to get advice about investing the money. None of the Trustees should pretend that they are an expert in investing. They are only setting themselves up for personal liability if they suggest they're knowledgeable or expert in the area of investing. What the Trustees of Tasiujatsoak Trust were told at the beginning has come true in four years. You will see good times and you will see bad times. To expect that you're going to see rates of return on the investment of your capital consistent year after year is not realistic. What you can assume, based upon the expert advice we've received, (watching what we've experienced is sort of proving it out) is that on average you can expect if

history repeats itself that you'll earn somewhere between seven and eight percent a year investing your capital. You will have years where you will earn fourteen or even eighteen percent and then you'll have years (like this last six months) where you'll be lucky to earn one percent and you'll be really lucky if you did not lose ten percent of your capital. The key is that these Trustees should understand that they need to go and get expert advice to manage and invest the money. They don't need to be experts themselves. What they need to be is willing to give instructions, willing to listen and willing to evaluate the performance of their investment managers from time to time. Does that answer your question?

**Mr. Broomfield:** Yes, Good. Perfect.

**Mr. Flatters:** To that end and just to reiterate a point Harvey made on page sixteen of our handout is that part of the negotiation, the give, the take and the pull and the push of the Own Source Revenue Agreement, was that Canada agreed (and Province reluctantly agreed) that distributions from the Implementation Trust would be exempt from Own Source Revenue calculations. So if you were to go back to the page where we said its Tax revenues, plus Business Income plus Property Income, the last line on that page was "minus specific exclusions". Distributions from the Implementation Trust are a specific exclusion. To date, the money that has been settled upon the Implementation Trust has been invested in Canadian and Foreign equities and in fixed incomes instruments and bonds. Maybe it's better to save to the end of the discussion the investment of the capital because it can become all consuming. Quite frankly

we all benefit from the discussion and we all learn from every one of these discussions. But I'm going to just keep moving at this point. That's not to discourage a discussion about realistic expectations about investing the capital in any of these Trusts. I propose to move on to discuss the Settlement Trust but I'd like to take any questions at this point.

**Mr. Broomfield:** The Chair recognizes the Members for Canada.

**Mr. Pottle:** Nakummek Mr. Speaker. Just on page sixteen, if you will, the first bullet, fifty percent of income each year distributed to Nunatsiavut Government, I guess this is just an observation on my part and if I can have some comments from either Harvey or Mike. It's my belief that putting this much money into off setting the cost of Nunatsiavut Government is an easy way for Nunatsiavut Government not to put any emphasis on generating more Own Sources Revenue through resource development by way of example. Would I be right in thinking along those lines? Thank you.

**Mr. Sands:** I'll take this one, Danny go back to the first bullet. If I may, on page sixteen, fifty percent of the income each year to be distributed to Nunatsiavut Government. You may be right in bountiful years but take this year for instance and the scenario, the perfect storm scenario that Mike brought up, where this year the markets are down, yields are down. You're seventy percent into equities so this is the year that you're not going to make any money. What the key issue has to be is that the Nunatsiavut Government has to understand that the distributions from the Implementation Trust have to be first

earned before they become available. So it isn't quite an easy fix or an easy point of access because there are going to be years, in every five, there's going to be one or two years, there's very little money that will be brought in underneath these provisions. So I don't think it's an over-arching band aid or an overarching revenue stream to the Government. It's a resource that can be called upon and projected upon but the projection is the key. I'm going to have to say "are you making money Mr. Implementation Trust this year"; will I be getting a distribution? It's not automatic.

**Mr. Flatters:** Just to follow up on that, I would like to address one aspect of what you're raising. We not preclude the enhancement of the revenue stream of Nunatsiavut Government. That's a balancing act at each step of the path. Clearly, the ability to derive and create additional sources of revenue will only be to improve the ability to deliver programs and services by Nunatsiavut Government. If you were to develop a new resource play, then you'll come back to the table and you'll cut a commercial deal. You'll end up with an arrangement that works environmentally, socially and commercially. At that point then, you'll turn your mind to where's the best place for this money to land and then you'll start playing three dimensional chess again in terms of income tax, OSR and other things. It's not intended to be a substitute for deriving other sources of revenue. In fact it's going to be a stretch, in time, and it'll put pressure on your Minister of Finance and their staff. The Settlement Trust is the Trust that has not yet left the garage. It was conceived in negotiations with Canada as a unique vehicle for the

tax free investment of capital derived under the Land Claims Agreement. So we said “which capital, all of the capital”, the answer back was “no, we’re putting a limit on how much you can put into this special vehicle”. The limit is the amount that Canada pays to Nunatsiavut Government over the years under Chapter Nineteen of the Land Claims Agreement. So the thought was, in this case, Canada was prepared to offer an income tax exempt vehicle for the investment of Nunatsiavut Government Land Claims Capital. They offered up corporations, they offered up Trusts and we said “Trusts, that sounds like something kind of interesting. We know Trusts”. So we said we’re prepared to go down the Trust road if that’s what you’re happy to do. So at this point your Land Claims Agreement and more specifically a secondary or supplementary agreement, the Tax Treatment Agreement which was negotiated between Canada, the Province and Nunatsiavut Government, envisages a Trust that will carry out a number of broad ranging social, cultural, housing, health, education, and economic type benefits. If you stick to that rule book that’s set forth in the Tax Treatment Agreement and you design a Trust Deed that has the necessary parameters, Canada said two things will flow. One, we will designate it as a Settlement Trust. Then in accordance with both your Tax Agreement and the Land Claims Agreement, money that can be sourced from Chapter Nineteen and identified as has having been, if not received directly pursuant to Chapter Nineteen, an amount equivalent to what you received under Chapter Nineteen, then this amount can be put into that Trust. There’s a special rule book about a) the income tax, and b) distributions

from that Trust. At this point, what was understood is that the beneficiaries of that Trust could only be certain persons and that’s all we know about that Trust at this point. The Beneficiaries can include Nunatsiavut Government, they can include Inuit Community Governments, they can include beneficiaries of the Land Claims Agreement and they can also include any class of eligible beneficiaries. So, any subset of any of those, such as a particular community corporation, could be singled out in a given year as opposed to having to prorate or distribute to each Community Government. As well, it contemplated that if the Trust Deed wanted to recognize registered charities or non-profit organizations established for the benefit of Inuit, they can be named as beneficiaries as well. To come back to our original discussion, what the The Trustees, the custodians of the property of that Trust, can distribute the capital only to beneficiaries of the Trust. So think of it as cracks in the dyke, the water can flow only to certain places. It cannot go to people who are not named as beneficiaries in the Trust Deed. So, Canada said if those are your beneficiaries, I’m prepared to give you tax exemption while you invest the money and let you build up that fund faster. Canada will acknowledge that there are certain unique treatments for distributions out of the Chapter Nineteen money to recipients. I won’t get into the details of that.

**Mr. Sands:** Once again, just to step back, we asked Canada “why you are the concept of a Settlement Trust”. They were not making it available anywhere else. It’s a very specific Trust. They said because it is Canada’s interest if we give you an incentive being tax free

ability to create a Tax Free Trust. We want this money to become intergenerational heritage money so that it can be maintained. That's your main incentive for maintaining it for the long term and that again comes back to the objects and spirits Mike spoke of. Part of their rule book that Mike referred to before is that the benefits of this Trust can't be used to go into broad businesses, not to make disparate investments, not to do things that were not directly related to Nunatsiavut Government, and the Beneficiaries. They wanted to keep it very focused. The last point I want to make is this Trust requires maintenance because it's not legal for life. It doesn't maintain its status by virtue of being created. It maintains its status under the rule book by virtue of how it operates. It has to at all times conform to the rules and the Tax Treatment Agreement of how it invests, where it invests, how it distributes, in order for it to maintain that eligibility. If you vary from it, you fall out of the rule book. You lose your status indefinitely. You can't rescue it. You can't re-instate it.

**Mr. Flatters:** At this point in time, this Trust Deed has not been drawn up. Accordingly there are no Trustees named yet. The distribution policy has not been set forth. That's for the drafters of the Trust Deed. What I will tell you is that my own vision for the Settlement Trust was that it was probably going to be the one that in some respects was the most representative of all of the Beneficiaries of the Land Claims Agreement possible. Its mandate, or its objects, are so wide ranging. They include social matters, cultural matter, housing matters, health matters. In some respects, you look upon that and say well

that's just redundant, that's the same thing as saying Nunatsiavut Government. In a way, it is. But it's a vehicle that they said if you put your money aside we won't claw it back. You can let it build up and you can deliver services and benefits in the nature of social programs, cultural benefits, education benefits, even some economic assistance in accordance with the Tax Treatment Agreement rule book. But if you were to ask Mike Flatters "well, who will the Trustees of this Trust be." I'd say they should be representative of the population of Eligible Beneficiaries. That's a discussion that needs to go further and has not gone any further at this point. So, the Settlement Trust is a thought, it's a concept and it's a darn good idea. It's a great vehicle but it needs work.

**Mr. Broomfield:** The Chair recognizes the Members for Upper Lake Melville.

**Mr. Russell:** Just a comment here really, on the two Trusts we just discussed. I mean it has to be said that just because they are excluded from the Own Source Revenue calculation and are non-taxable doesn't mean you know you see the beneficiaries here. In both Trusts, the Implementation Trust and the Settlement Trust, Nunatsiavut Government is named so just because its available doesn't mean that it should be kicked in and used for administration just because we're in a shortfall to compensate for poor administration or poor planning. So I mean the Trustees really have to be, as Harvey said earlier, thick skinned in a sense that you can't just throw this out when we're going to run a deficit because we've screwed up.

**Mr. Flatters:** Your commentary is right on point. Because it's tax exempt, the Trustees do not have to make a distribution to avoid taxation. That's the key to why it's tax free. The Implementation Trust has to make designations of its income to the Nunatsiavut Government. Otherwise it would render it taxable and the taxes are a terrible thing. It's forty-four percent rate or forty-three percent rate. So, that again is one of the reasons that you're allowed to make distributions to a broad range of health, education and welfare. It has to be very focused. But it should not be, there's no obligation to pay the money out to render it non-taxable. This is the last money, that should be paid to the Government because it is not needed to be paid or designated or allocated to the Government to render it non-taxable. Thank you for making the point.

**Mr. Broomfield:** Mike, if I could interrupt there. Are we currently receiving Chapter Nineteen dollars and are they being invested?

**Mr. Flatters:** The Chapter Nineteen dollars are being invested. They're being invested side by side with the Implementation Trust money. They're held in accounts by RBC Dexia as a custodian. They are invested in equities and fixed income instruments at this time.

**Mr. Sands:** Again I have to jump in. At this point the first two years of OSR have been exempt. The third year the OSR rate is virtually nominal. They call the test year where the Nunatsiavut Government must start reporting OSR just to give the Federal Government a base line. It is imperative now that this money go into a Trust because next year

you're starting into real OSR. So as long as the money is in the hands of the Government, it creates Own Source Revenue. In a year where Own Source Revenue would be charged against you, now that we've run out of the exempt years, now is the time all of you should yell to finish his drafting and get it done.

**Mr. Broomfield:** So, will these Chapter Nineteen dollars affect our ability to negotiate FFA's in the future? Will we require country more?

**Mr. Flatters:** The short answer is no. They should not affect your ability to negotiate with Canada. I'm thinking about this sort of in linear way by saying it won't show up on your Own Source Revenue score board. Now, if Canada drags into the room the fact that you got Chapter Nineteen money and you should be putting more on the table, then that's really an issue of negotiation. That's a whole lot of what we watched Toby Andersen do over the years. The answer is "no" we're not going to put that on the table. That's part of what living in Canada is about. To a certain extent, that's the programs and services we expect as a resident of Canada and a Government of Canada, the Government of Newfoundland is expected to contribute as well. So, on one level it may be a practical negotiation point but at another level those Chapter Nineteen monies, and the Settlement Trust when it's created, will not show up on your OSR score board unless there's a distribution made for them. So, a conscious decision must be made to make a distribution. Again we won't go into the nitty gritty details of the OSR agreement, but there are ways of moving money out of these Trusts to Nunatsiavut Government without clicking the OSR

score board. That's better left for another discussion.

**Mr. Sands:** Excuse me. It doesn't stop Canada from asking where all of this money is? It doesn't stop Canada from asking in the next round of negotiations why you are not reporting it. I would ask everybody to keep in mind there is no obligation for you to report to the part of Canada's Government that funds you for the operations of the Trust. It's absolutely private to the Nunatsiavut Government, its beneficiaries. The only reporting is to Revenue Canada. They are prohibited from telling the rest of the Government what you put on your return. It's to enable bad people like me, for bank robbers to declare their income and not admit who they are. If they ask you (and it's not beyond Canada to ask you to see a copy of your Trusts.) You're under no obligation to give it to them. You should not give it to them. Part of the architecture we designed is to allow you to keep these funds private and separate, and not to confuse them with fiscal financing or fiscal funding arrangements. They may ask you where the money is. You have to answer it has been invested. I do not believe that there's any obligation on the Nunatsiavut Government or its representatives to go beyond those two simple answers.

**Mr. Flatters:** Now to keep moving and to be mindful of time here, we have two Trusts left to describe. The first is something called the Inuit Capital Strategy Trust. The objects of the Inuit Capital Strategy Trust, as drafted, (and as you'll see repeated on page nineteen) reflect a wish to provide assistance for pursuing economic and social - economic strategies that would foster

employment, business and other relationships that enable beneficiaries of the Land Claims Agreement to gain experience, skills, knowledge and assets having economic value. The short way of describing the vision for the Capital Strategy Trust is that it would become the vehicle for, or the incubator for Labrador Inuit, economic development. To the extent that it was desired to fuel that, then if any Land Claims money was re-directed instead of going into the Chapter Nineteen Trust or instead of going into the Chapter Twenty-Three Trust, some of it might go towards "Economic Development", there is this Trust. It is a vehicle to pursue, for lack of a better word, cold and hard business opportunities. The beneficiaries of the Capital Strategy Trust are the Nunatsiavut Government, Beneficiaries of the Land Claims Agreement and something called Nunatsiavut Government Corporations. The Nunatsiavut Government Corporation is defined on the bottom of page nineteen. Essentially it's a corporation owned by Nunatsiavut Government or a corporation, all of the shares which are owned by a Trust of which Nunatsiavut Government is a beneficiary. It might be something that's a subsidiary to another Nunatsiavut Government Corporation. The idea here was to think about what were the outlets on the one level for where the fruits of the Capital strategy Trust might go. They could be used to go back to Nunatsiavut Government. They could be used to reinvest in other businesses. If you were to ask me "which businesses Mike," my answer to you is that is the proverbial a sixty four dollar question. Which businesses does the money go to? It's the businesses that the Trustees of that Trust consider the best place to put the money. If you were

to ask what's the best place to put the money, my answer to you would be "it depends." It depends on whether your object is to maximize your return or whether to create employment. I'm this decision as being in effect two ends of a rainbow. You're either in business to make money or you're not. If you're not, admit it. Do you want to say something Harvey?

**Mr. Sands:** I'd like to give an example of the operation of the Capital Strategy Trust. It touches a number of bases we talked about this morning. One of the best investments that I've seen any group make was the investment that you've made with Fednav. Two million dollars were invested in the ship. They're giving you a guaranteed fixed return, for better, far more consistent in all with far less risk than any of your money managers are offering. If Fednav by way of example says we're putting a second ship in the water, would you like to become partners in that in the same way you were in the first, it requires two or three million dollars. Call it three now because steel is gone up, the cost of the ship is gone up, inflation is gone up. Where does the three million dollars come from? Now if the Capitol Strategy Trust has to go to the Nunatsiavut Government, the Nunatsiavut Government would have to take the three million dollars from another source such as the Settlement Trust, take it out of the Settlement Trust bring it into OSR and then fund it, make the funds available to the Capital Strategy Trust. What's happening? Again to make a direct comment to Capitol Strategy Trust, keep it out of the Government, so Government does not have to include anything in OSR. Yet when the money is invested in this Trust, it will become the

beneficiary of it, so we get the best of both worlds. You avoid all of OSR, you got the money to work in a very efficient fashion and the Government does get access to the funds, when it becomes income. So, a lot of the Trusts and a lot of the structure were made to fit together like a jigsaw puzzle and complement each other and provide facilities to each other. So it's all part of one overall architecture.

**Mr. Flatters:** So to date, the Inuit Capital Strategy Trust has had three Trustees. Those Trustees' terms expire in March of 2009. At that time those Trustees should recommend a slate of nominees for replacement Trustees. The Nunatsiavut Assembly will be charged with selecting the replacement Trustees for the Capital Strategy Trust. The replacement Trustees are to be made up of two Government Persons and three non-Government persons. When you ask "what's a Government person," forget the definition we had in the implementation Trust Deed. This is a unique one. This one means a person within the management division of Nunatsiavut Government other than a person who is an elected Members of Nunatsiavut Assembly. That's what a "Government person" is. What we know is that there have to be two Government persons. But you are also allowed to have three non-Government persons. So, if you were said could there be a Member of the Assembly that could be a Trustee, the answer is "yes" they could be. They would fall under the bracket of non-Government person. If you were to ask those of us that pretended we were thinking the composition of this group of Trustees look like, I hope it will look like some people who have had some mileage on them in terms of real

business experience. You want people taking these assets and making hard business decisions with them. To repeat, this group of Trustees need to have business experience. They need to be able to make cold and hard decisions about where to put the next dollar of available Capital. Does it go into a business in the region or does it go to buy a block of real estate in downtown Vancouver? Those are the kinds of hard questions that those Trustees are going to have to answer. The Trustees will conceive a strategy, a long term strategy, for the maximization of the assets in the Capital Strategy Trust. You might ask what is the point of accumulating value and assets in the Capital Strategy Trust? It's so that the Trustees can make a decision about whether to distribute those assets or that wealth to any of the beneficiaries from time to time, such as class of beneficiaries. Remember that at that point in time those Trustees are running the Trust with the set of rules about how to go about developing economic initiatives for the benefit of beneficiaries of the Land Claims Agreement. So you'll probably get a quick answer back. What does a Vancouver real estate have to do with developing the expertise of land claims beneficiaries in business? The answer is probably not a lot. But, there might be something to learn from that and frankly if you think that Vancouver real estate is going to triple in one year, you might invest in Vancouver real estate with the idea of getting out at the top and taking the profit and putting it back into another local business. But that whole debate about local vs. non-local is something that the Trustees of that Trust will have to crack in time. Not to say they have to be inflexible. But, there's really going to come a point where they have to decide

that if they've got one dollar left, what do you want to earn? You could have earned in the market place, lets say eight percent. So, am I going to invest in local business and let me see the business plan. Somebody says the business plan is that we might be able to yield a five percent rate of return starting in five years from now. There's the tough call for those Trustees. They've got to set a policy in advance to say we're either going to support five percent starting in five years because it employs local residents or because it's a key industry that we want to incubate in this settlement territory or, they may say we're tough and we're hard, we're looking for the eight percent here and so we're going to go and put it out in the market until we hear somebody come forward with a better proposition. But that's the kind of cold, hard decision making that will take place among the Trustees of the Capital Strategy Trust.

**Mr. Broomfield:** The Chair recognizes the Members for Upper Lake Melville.

**Mr. Russell:** I'd just like to make a small comment here and I do have a question. There is no greater area in anything we're going to deal with that is going to have so much power in the hands of Trustees. Through this Trust you have the ability to reach out across business into other companies into forming joint ventures and into investing in other groups, organizations, etc. Hopefully for the benefit of Inuit. There is the potential for corruption as well. Therefore this one is the most dangerous and must have the most diverse in my opinion, selection of Trustees. Although skilled like Mike and Harvey said, I think this is the one that's going to be most important for this Assembly.

Hopefully we will have a watchful eye and be very, very astute on how we select these Trustees. Harvey said that when initial Trustees are named they recommend nominees for replacement Trustees. Can initial Trustees become successor Trustees?

**Mr. Flatters:** The short answer is yes they could, if they meet the criteria of being either a Government person or not a Government person. I'm just trying to remember the criteria here, from one Trust to another but they have to meet those criteria before they are eligible. Because you served previously does not preclude you from serving successively.

**Mr. Sands:** If I may jump in for a moment, Mike there is one last bullet that fully speaks to what you've also said. The Trustees may be removed by special resolution of the Nunatsiavut Assembly. So you have two levels of checks and balances in this Trust. Checks and balances are basically in a very simplistic world, the essence of Government. You have two Government persons and three non-Government persons. Generally I would expect or I would recommend that the Assembly make sure that the three non-Government persons are people of business and investment expertise. If they're not and even they are, and their conduct is inappropriate or you feel that they're not meeting expectations (because everybody who is appointed to a position has to meet milestones objectives, accountability, the concept of transparency, the concept of responsibility.) The Assembly has the right to dismiss him as a Trustee. That's a very unique provision in a Trust agreement and a very powerful safety valve. When I read it and I found it to be

well crafted. That's the one I believe the Assembly (although you don't want to ever rely on it) should never forget that's there.

**Mr. Flatters:** I can give you a brief summary of what I'm aware that the Capital Strategy Trust has been up to, to date but I speak from not having first hand knowledge. At the outset the impetus for getting the Capital Strategy Trust created was able to seize the Fednav Joint Venture opportunity. It is a relationship with Fednav shipping company that is moving the ore on and off the Voisey's Bay site. They are experts in Marine transportation. They have constructed a state of the art vessel that in effect the Inuit of Labrador have been able to piggy back with a not insignificant two million dollar investment. Frankly, if I could wave this in front of any of my clients in my office they would all be lining up to get a chance to get in on this deal. It's a great deal both for, rate of return and risk but also the fact that there's an opportunity for a couple of beneficiaries to train on the vessel and become members of the staff of the vessel. The second item that I'm aware of vaguely is that Capital Strategy Trust, through a partnership structure, invested in a Pharmacy Limited partnership. I have been painfully involved in the negotiation (and your Deputy Minister of Finance knows that painful is the right word,) of a transaction with Vale Inco for something called the Infrastructure Part Transaction. In a nut shell, Canada has committed to Inco to supply up to twenty-five million dollars to the Inuit of Labrador and twenty-five million dollars to the Innu Nation to, in effect, fund a financial transaction with Voisey's Bay Nickel Company. The

form of transaction is that a vehicle that is controlled by the Inuit of Labrador will acquire half interest (the Innu Nation will acquire in the other half interest) in some assets that are located at the Mine site. The structure is that the money from Canada will be used to buy the asset and then it will be leased back to Inco. Inco is going to make a stream of rental payments over the next thirteen (and hopefully well beyond thirteen years) this rent will become Capital to the Capital Strategy Trust to re-invest. The shares of LIDC as I understand it were transferred to the Capital Strategy Trust to try and deal more certainly with the ownership of the shares of that company. There has been to my knowledge a "recapitalization" of LIDC that's taking place within the last year or so. The last point may be something that I think you are going to be touching on in the weeks to come. The funding agreement to enable the infrastructure part transaction to conclude requires that there be an economic development policy administered by the Trustees of the Capital Strategy Trust. I apologize that I don't have the specific detail of whether that comprehensive funding agreement says that it is the Nunatsiavut Government's policy or whether it's Trust policy. If that sounds like a fine distribution, it is a fine distinction. I don't know the answer off the top of my head without going back to at the Trust Deed. What I do know is that Canada will be looking for a document that looks like a business or economic development policy from the Inuit of Labrador in order to close this transaction. It has dragged on for the better part of two years. We know that the company wants to try and close it by December thirty-first but we're not sure if Canada will be ready to close it by

December thirty-first. In any event, we're pushing very hard to try and complete what started out as a very simple loan transaction and has turned into a complicated sale and lease back transaction that has been designed to deliver certain tax benefits to Vale Inco. We've been working very hard to make it very clear that no matter what happens Vale Inco is obliged to pay this rental stream of over a million dollars a year to the Inuit of Labrador.

**Mr. Sands:** The Inuit of Labrador are not investing any funds directly in this. All funding is coming from the Federal Government. It'll be cancelled through the Innu and the Inuit Governments. Those funds will be transferred over to the entity that is going to be carrying on this investment. There will be no funding at all or financial commitment. All costs of this transaction continue to be borne by the company. As Mike said before it's becoming incredibly complex, incredibly detailed and extended over a period of time. Vale Inco is covering all your costs of professional fees, legal fees, creation, travel costs in doing this deal. So the net return, which is going to be about four and a half percent and should generate two and one quarters million to the two groups split between the two, plus an incidental revenue for administration and for oversight, will be fully earned without any real investment. There is a collateral issue that I believe should be mentioned. I'll probably get shot for it. As the auditor of Tasiujatsoak Trust, I have recommended to the Trustees that every time they've made a disbursement to the Capital Strategy Trust, ( because the Capital Strategy Trust will be carrying on businesses it will be subject to risk, like anybody who's an

entrepreneur, like anybody who invest in businesses), we believe a security arrangement should be put in place where by the assets of the Capital Strategy Trust are pledged back to the Tasiujatsoak Trust. In the event of the default, make sure those assets cannot be seized by any third party outside, who's not part of the Government, who's not part of the Communities, who's not part of the beneficiaries. It's entirely protective, it also restores, keeps the Voisey Bay Trust on, adhering to the principle that it's assets is not replenishable, and so they better not lose them.

**Mr. Broomfield:** Do the Trustees have support staff to help them with financial statements and things of that nature, to, just looking after the daily operations of these monies, or is that all done by the Trustees themselves?

**Mr. Flatters:** The short answer is no. They don't have a staff and that's part of the growth of the Trusts Subject to the available human power, the goal is to develop that kind of backstop and supportability. Inevitably the Trusts will want to do their own accounting and inevitably the process is that those accounts are audited by your outside auditors. In terms of who creates the financial statements for these Trusts, to date they're created in-house to some extent and then received and audited by the auditors.

**Mr. Sands:** Just to clarify. Current auditing rules prohibit external auditors from preparing the financial statement they audit. There has to be a segregation of functions. The reporting entity must prepare its own accounting records. A reporting entity must prepare its own

financial statements. The auditor's role is to verify, validate and a review. He cannot be asked to verify, validate and a review his own work. This would become a conflict if the auditor is preparing the financial statements.

**Mr. Broomfield:** I think I'll rephrase my question. I was kind of looking on the lines of these Trustees say holding monthly meetings and keeping minutes of those meetings for us as beneficiaries to be able to see the decisions of these Trustees and to ask "are you making a good decision?". It's obvious they will need support staff to put this place right?

**Mr. Flatters:** That is correct. In the perfect world, as the vehicles are up and running and people are more comfortable with it, you would hope to see the equivalent of a complete suite of records that you would see for any viable corporation or for Nunatsiavut Government. Minutes, meetings, financial statements prepared on a timely basis, and to the extent that a Trust Deed stipulates, reports prepared to made available or review by beneficiaries. In the instance that we're dealing with I think it's fair to say that we're learning as we go. To be quite honest, when I speak from the capacity of being a Trustee of the Tasiujatsoak Trust, we are learning as we go. Hopefully, the benefit of the knowledge that we learn can pass on to the Trustees of the other Trusts, so that they won't have to do the heavy lifting that we've done at the front end of the Tasiujatsoak Trust in terms of procedures, timelines and accountability, responsibility and delegation of responsibilities. That takes us to the last Trust. I don't mean to curtail discussion but I want to leave time for discussion. The Tasiujatsoak Trust was the Trust

that was set up to receive the payments that would become payable under the Impact and Benefits Agreement with VBNC. Its objects are to disburse the funds that it receives to enable Nunatsiavut Government to meet its obligations under the Impact and Benefits Agreement. The Trustees are directed to assist seven community volunteers Centers to meet community needs. It's also directed to reduce the negative impacts of the Voisey's Bay Project. Finally it's directed to promote social, cultural or educational, language and business initiatives that fall within certain criteria. To date and since inception there have been five Trustees at any point in time of the Trust. The President of Nunatsiavut Government and the Minister of Finance are required to be Trustees of that Trust. A third Trustee must be a beneficiary of the Land Claims Agreement. In this context two persons who are not beneficiaries of the Land Claims Agreement are directed to be named as Trustees. Those two persons are myself and Sharon Peevie. We've held that position since the date of formation of the Tasiujatsoak Trust. We have had one exercise in replacement. Replacements are persons who are nominated by Nunatsiavut Assembly and then selected by the remaining Trustees out of that list of nominees. To date, if you were to ask what has the Trust done, a simple way to describe it would be to say that we've made the annual payments to the community volunteer centers, we've responded to a number of funding application requests and of late we determined that we would attempt to provide enhancement to communities infrastructure development by providing additional funds above and beyond what would be available under either Federal

or Provincial or Federal and Provincial programs to enable the pace of infrastructure development within the communities to proceed faster than has been the case to date. To date, sixty percent of the money has been invested in Canadian and foreign equities, such as shares of companies. Forty percent has been invested in fixed income instruments. We have made loans to the Capital Strategy Trust to enable Capital Strategy Trust to finance the Fednav deal and also to make attempts at recapitalizing LIDC. To end this portion of this presentation on a happy note, I can tell you that through blind luck the Trustees of the Tasiujatsoak Trust have missed the market melt down because we've had it invested completely in short term bonds and fixed income instruments. So the good news is that the capital of the Tasiujatsoak Trust has been wholly preserved through this market melt down. We hope to be back into equities shortly to be able to catch the next spike in the market. Since inception I think that the average rate of return the investment of the assets of the Tasiujatsoak Trust is in the neighborhood of eight, nine, or ten percent annually. We were all educated by the outside advisors to the Trustees of the Tasiujatsoak Trust that over time you that you can earn in the neighborhood of six, seven, eight, and nine percent year over year if you follow a very disciplined and a very long term approach to investing your money. To bring us back full circle that was the point of creating the Trust. To ensure that nobody else got at the Land Claims Capital such creditors and indirectly in the form of the Federal or Provincial Government in clawing back Own Source Revenues. The funds are to be set aside and preserved and protected and

invested wisely. That's the plan we conceived when we created and recommended the strategy of developing the Trusts.

**Mr. Sands:** In order to achieve the rates of return that Mike has talked about (the six, seven, eight and nine percent and I believe nine tends to be the more normative) the horizon has to be minimum of five years as your point of measurement. So, you don't measure it day by day, you don't measure it month by month, you don't measure it annually. You look back on the first of the fifth anniversary date and say, how much did I earn? By the fifth anniversary date you should be at the threshold, call it the six and seven percent level as a minimum. If we're not, then we have to speak to our advisors. Your advisors must always speak to you on how are they measuring that and how they are performing right up to the point. Over the next two years, quarterly reviews, that's the two years you should be generating that if you haven't achieved it already( the eight or nine percent return) the normal thinking amongst advisors is that they lock in at the moment in time, they sell the stock, they take their profits. They say this is our mission statement, to make that return once we achieved, that we don't want to perpetuate it, we don't want to put it at risk.

**Mr. Flatters:** So Mr. Speaker that concludes the formal part of the presentation and I know that time is pressing. We're more than happy to answer any questions that you would like to discuss and I turn it over to you.

**Mr. Broomfield:** The Chair recognizes the Members for Canada.

**Mr. Pottle:** Nakummek Mr. Speaker. I'd just like to have I guess some advice from Harvey and Mike while they're here. I'm proposing an amendment to the Tasiujatsoak Trust Deed to include Canada in the definition of a volunteer center. I have been advised and I have asked for a legal and a financial report which is yet to be forth coming and to receive a response on that. But given that the expertise is here in this room today, I'd like to know if you can share with me the legal and the financial implications to amending the Tasiujatsoak Trust Deed in order for Canada to be included in the definition of the volunteer center? Thank you.

**Mr. Flatters:** I'll try an answer your question. To my knowledge (and I'm thinking back to the terms of Trust Deed). The Trust Deed requires a certain level of consent to be amended. That consent lies within the jurisdiction of the Nunatsiavut Assembly. Nunatsiavut Assembly must consider the merits of making an amendment such as that. I suspect that Nunatsiavut Assembly would take advice as to financial implications, legal implications and I think that's what you're inviting us to comment. One community is I guess that it's available to Nunatsiavut Assembly to make whatever recommendations they want. There's no limit on the recommendations they can make. As a non-legal comment, my recollection of the history of the Trust Deed was to anticipate and promote a sense of volunteerism, so that was the reason for the creation of the Volunteer Center concept. So, that's anecdotal frankly and that's not legal commentary I would come back and say it lies within the jurisdiction of the Assembly whether to consider whether it makes sense in

light the objects of the Trust to amend the Trust in that fashion.

**Mr. Sands:** I would suggest in your process of deliberation that it has to reconcile as a base line to the object and spirit of the Trust. The Trust was created with definite objects and definite goals. It has to reconcile with that because the moment you start tinkering with the objects of the Trust you're basically undoing the Trust and that really is opening up the gates that could be I'm not saying it always a bad thing sometimes to a very bad and dark place because nothing then stays the same. Nothing becomes Government. Everything becomes open to public debate and not open for proper governance and governance generally means to put the needs of the individuals ahead of those, serving should be to see is this proper appropriate or should I make an application with other funding I want on it's own merits, do I have to change the Trust? There's a possibility that you could go with a normal application to the Trust without changing the construct of the Trust.

**Mr. Broomfield:** The Chair recognizes the AngajukKak for Postville.

**Mr. Decker:** Thank you Mr. Speaker. My question is I guess to Mr. Flatters. We understand that there's supposed to be some guidelines or something drafted up by you in how we can spend that twenty million dollars that was given to us from the Tasiujatsoak Trust. When will we see a copy of that?

**Mr. Flatters:** If you haven't seen them then I would say shortly. I think they're intended to be funneled through the means of what I'm going to call the Joint

Management Committee. I think that's the correct term. They were certainly intended to be conveyed to them and then in turn either coincidentally or in anticipation of that to each of the communities. So if it's not available today I would say that it should be available within the next few days.

**Mr. Broomfield:** The Chair recognizes the AngajukKak for Postville.

**Mr. Decker:** Thank you for that. I just wondered what power do the Trust have really when it comes to who gets what because I know at our last management meeting, four out of five AngajukKaks approved a million dollars for each community which was overturned by the Trust.

**Mr. Flatters:** I'll indicate to you here that in this context we're treading slowly but surely to a discussion about the Tasiujatsoak Trust and the decisions that the Trustees of the Tasiujatsoak Trust make. It's probably in fact an interesting example of the operation of the Trust and the expectations of beneficiaries. I can tell you that in the context of this particular infrastructure enhancement initiative, those guidelines were conceived at the initial time of making a decision to try and dedicate resources to the enhancement and acceleration of infrastructure in the communities. Those guidelines might not have been as well laid out as we would wished at the outset, but in any event to be cold and hard about it and to give you a clear demonstration of the way the Trusts work the Trustees have an immense amount of discretion. They are given discretion to decide how to make distributions. So in this context we probably had it in our minds what the

terms of reference and the criteria would be for the disbursement of these funds. We're not communicating as clearly as we should or could have and so to the extent that beneficiaries were trying to decide what to do with the funds, in a way it wasn't for them to decide. It's for them (as participants as we envisage it in the Joint Management Committee process) to decide among themselves how to utilize those funds within the framework that the Trustees were shaping get this cement to dry on it as fast we may have not been as frankly keeping pace with expectations. So it was a clash I, guess, of expectations exceeding the clarification of the rules that the Trustees had in mind when they made the decision to allocate these resources to that project or that initiative.

**Mr. Broomfield:** Thank you Mike. The Chair recognizes the Members for Upper Lake Melville.

**Mr. Russell:** Thank you Mr. Speaker. I'd just like to comment on the AngajukKak's comments there and Mr. Flatters' as well. Mr. Flatters used the term discretion in deciding how Trusts can become active in distributing funds. Interchangeable with the word discretion there is power and it is not the Trust. The Trust is the vehicle by way the money is maintained. The Trustees have the power to distribute or not to distribute. I just wanted to make that clarification and that's my opinion. Thank you, Mr. Speaker.

**Mr. Broomfield:** The Chair recognizes the AngajukKak for Nain.

**Ms. Erickson:** Thank you Mr. Speaker. I just have a question for Mr. Flatters. It's regarding partially the AngajukKak

for Postville's question about the discretion for the funds that's being allocated for this infrastructure. Does the same discretion or same guidelines go to any other funds such as the money that goes to the communities, the hundred thousand that goes to the communities, the community groups in each community as well?

**Mr. Flatters:** That's a good question because it highlights the distinction between discretionary and non-discretionary. Our Trust Deed mandates us to distribute the hundred thousand dollars per year to each of the seven volunteer centers. No discretion. We have to say that out of the funds that we receive each year before we do anything else. In the context of the infrastructure enhancement, the process, to be quite honest, was a deliberation about an unusual receipt and what would be the best means of delivering an unusual receipt to make a difference in the communities. So, in that context, I would say that the Trustees were pro active in deciding who among the class of the beneficiaries would benefit and what would improve life in the communities if we make this award. So we move from the volunteers centers being mandatory and having no discretion to a once in a life time windfall event where we deliberating what to do.

**Mr. Broomfield:** The Chair recognizes the AngajukKak for Nain.

**Ms. Erickson:** Just carry on with that a little further. I know that we were told for this infrastructure money that we had to apply or to put in place what we're going to be spending the money on, even though the volunteer centers are given

that hundred thousand dollars off the bat. That's what you call a non-discretionary amount. Are they still accountable for those hundred thousand dollars for somebody?

**Mr. Flatters:** They are. The Trustees of the Tasiujatsoak Trust require from each of the volunteer centers annually a report and financial statements so that the Trustees of the Tasiujatsoak Trust have some faith that the volunteer centers are conducting themselves in a fashion that is in accordance with the documents that created each of those volunteer centers. We've been provided with copies of the articles of association or incorporation of each of the non share bodies corporate that each of these is. So we saw from the outset what their objects were and we annually review the report that comes from each of the volunteer centers. I think I know where you're headed here - what if mandatory collides with abuse? For example, as Trustees we were directed to distribute a hundred thousand dollars to a volunteer center that we know was corrupt. Then at that point we would not make the distribution and we would attempt to exercise our discretion. So, when I say it's a nondiscretionary distribution each year (without the Trust Deeds in front of me) I think the Trust Deed gives us the ability to review the activities. So, in one sense, if the volunteer centers are in line, we're directed to distribute one hundred thousand dollars each year. If the volunteer centers are in line we're directed to make hundred thousand dollar payments to them. But if they're not in line, if one of them is out of line, then our capacity as Trustees is to either wait until the Volunteer Centre come back into line or conceivably to hold back. This is not mandatory distribution

because the terms of the Trust Deed give us some discretion to measure the conduct of the volunteer center. I can't cite you the section. I don't have it at the tip of my tongue.

**Mr. Sands:** If I may just for a moment. In order to get everybody more comfortable with the Trust, the Trustees, the mechanisms, the governance, the checks and balances, if at any given time people feel that there's a, that they have validity should be contesting decisions of the Trustees, the Trustees are not impervious from being called upon to justify their conduct. The Trustees are obligated by law and there's a well established system as well before the courts, where the courts can be called upon to ask the Trustees to justify their decisions, their conduct and their actions. The responsibility and power does not end with the court, with the Trustees. There's always oversight on their conduct and their actions and sometimes, in a worst case situation, we do end up having to go to court and put them to question. The court will decide as a disinterested party within the spirit and objects of the law. Are these Trustees fulfilling the function? Are they acting within the objects, the spirits, are they contravening them, are they meeting their obligations under the Trust? They're not the final authority.

**Mr. Broomfield:** I'll allow one more question before we break. I'd like to recognize the Chair of Sivunivut.

**Mr. Tuttauk:** Thank you Mr. Speaker. I have a question. If an application gets deferred to the Tasiujatsoak Trust, what happens and how do you get it re-applied for?

**Mr. Flatters:** My recollection is that we try and communicate with the applicant that it has been deferred and encourage them to reapply.

**Mr. Broomfield:** Thank you. We've covered a lot of ground this morning I'm sure that Members will have questions for both Mike and Harvey as time goes by. I have their contact information, I'll ensure that I send it to each Members in due time. If you have questions for Mike you could just send, or Harvey, you could just send both of these gentlemen, email or call them. I will give you their contact information. So with that I will like to extend a big thank you to Mike Flatters and to Harvey Sands for doing their presentation. On behalf of the Assembly, it was very informative and I would thank you very much. So with that, we will break for dinner.

**Mr. Broomfield:** Folks, I'd like to call the Assembly back to order. We will continue our agenda with tabling of documents and petitions and on that item you will note a report on the Presidential Election that took place this past May. I received a report from the Nunatsiavut Electoral Officer on November 19th. I sent a report to all Members on the 20th by fax and there's a copy in your binders also for your reference. Are there any documents or petitions to be tabled at this time? We will move on to Minister's Statements or Announcements. I'd like to recognize the Honorable Minister of Health and Social Development.

**Mr. Flowers:** Thank you Mr. Speaker. I'd like to make a few announcements. First of all I would like to thank LIDC and the Department of Economic Development and the Minister for the

Province, Patty Pottle for getting wood out of Postville for Hopedale and Nain. It was something that was well received and people I know in these communities also talked to people from Nain when I was down there for a couple of days ago, they really enjoyed having and seeing this wood brought to the communities which helped out because I remember last year sitting here almost a year ago talking about it and people struggling trying to get firewood and this was a great help to them so I'd like to thank everybody who was involved in that very much and also Daffodil Place, we're donating two hundred and fifty thousand to Daffodil Place, we're going to be going to St. John's. I'd like to thank the Tasiujatsoak Trust for that amount of money because it's something that all beneficiaries from Nunatsiavut will greatly, I know once it's done, appreciate. In talking with our Member for Canada, Dan Pottle, we'll be working together on trying to organize some events. I think we're going to have the Drum dancers there also Wilhemenia Onalik is going to say an opening prayer for us there and some traditional foods. It's a good news story for Nunatsiavut. It is all good and could benefit us and I'm very thankful for everybody who was involved in that. Also I'll be traveling to Montreal on the 28th of this month to attend a First Nations and Inuit Suicide Prevention Conference. There's nine youth going to that conference from here and a couple of support workers and also some people from the staff. That's something that personally I'm looking forward to is going and sitting down and listening to one of the biggest problems I see in our department, is social problems and to be able to sit down, and listen and participate in that I think will only help me as the Minister further understand

some of the problems that we have in Nunatsiavut. So that's all I have right now. Thank you very much.

**Mr. Broomfield:** Thank you Honorable Minister. Some good news indeed. The Chair recognizes the Honorable Minister of Education and Economic Development. Sorry the Honorable Minister of Culture. My apologies.

**Mr. Ponniuk:** Thank you Mr. Speaker. Just a couple of updates here. First would be the Torngasuk Cultural Center. We're in the process of planning the development of a new center to be located in Nain. We'll be partnering hopefully with, it's in the process with Parks Canada and the Province and we do have some other funding agencies on board and as I said that, that will be ongoing. The Hebron mission complex, the stabilization is complete with that we're satisfied with what went on up there until now. Next thing is to determine what will be going on next down there. We'll be doing consultations with the communities and more so the people from the Hebron area that was there and as this progresses we'll keep you updated. We had a language strategy, language strategy/ language conference in Nain there earlier this summer, July, around the first week in July. We will be having conferences of this nature probably every three to five years. During that conference we spoke about the fifty years language strategy that will be going on. There's a committee there with Todd Broomfield, Rita Andersen, Toni White, Sarah, Fran, Derek Kowalchuk, and we're working together with a consultant to put together a plan that will be brought forward in the very near future and the ones doing the work, the ones that's doing the work and

we're satisfied with it so far. I think some of you probably heard of the Cains Quest Snowmobile Race. This will be going to three of our communities, which would be Postville, Makkovik and Rigolet around the middle of March and these people at the table that know what exactly is going on. I don't want to get into any detail but we spoke with these communities and they think that it would be very valuable to get our communities out there from, well to be brought to from Nunatsiavut plus, on a personal thing it would be great for the tourism part of it. This race is a huge success story and we'll be getting a lot of hits from websites and I think, like I say it will be our name out there and it will be good for tourism, not only tourism but for the communities themselves while the races are passing through. Tourism position, our tourism division is currently looking to expand; we're looking for a project coordinator that can assist our Director of Tourism. Right now it will be a term position and funds will determine a full time position. For our youth, elders and recreation, we had an elders gathering there this past week, things went fairly well, there were a few hiccups along the way that we'll keep in mind for future gatherings of this sort. We have a lot of needs from the elders, they've voiced their opinions very well and there will be a report done and the report will be available well if anybody got any questions or whatever we can certainly have that for you. Since the last time we met the North American Indigenous Games, some youth from Nunatsiavut participated in that and they did very well, they represented us very well. There was a lot of excitement from them when they came back. They had some good stories and they were pretty excited about it all we also learned as I

mentioned at the last Assembly sitting that we could probably in the future send our own team from Nunatsiavut. I think that we realize that at this point it's very premature to be going that way but it's just one of the things that we did learn from being there, from the Deputy's point of view. Last thing here is the Longboat Awards. This is an award for the aboriginal athlete and the aboriginal coaching award for two thousand eight and the deadline for this is January thirty first two thousand nine. As you know we get a number of athletes and coaches that would be deserving of this award. If anybody got any names to put forward you can contact Sheldon at our office in Goose Bay or you can send him an email. That's the updates for now. Thank you very much.

**Mr. Broomfield:** Thank you Honorable Minister. The Chair recognizes the Honorable Minister of Finance and Human Resources.

**Mrs. Gear:** Thank you Mr. Speaker. There have been a few happenings within the Status of Women. Our coordinator, Tracy Evans will be going on maternity leave so she'll be replaced by Frances Murphy of Nain and Frances will be working out of the office in Nain as well. Going on to IT department, due to the unsuccessful recruitment of the web-developer, the IT department has taken the opportunity to utilize external web development firm to construct a new website for Nunatsiavut Government. While that's been going on we hope we'll be able to reevaluate the recruitment effort again. The new website will be ready for publication hopefully in January two thousand nine. Moving on to finance, obviously the global economy has had an affect on our

investments. Since March two thousand eight our investment has decreased an average of nine point three percent or in dollar value approximately ten million. At the end of March, we had one hundred twenty million invested, seventy percent inequities, thirty percent in bond markets. As of today we have no decrease in bond markets but we have seen declining equities in our equities investments so we're looking at a loss of approximately ten million which leaves us with a one hundred ten million still invested. As of now all of our departments are within budget we completed our first pre budget consultations, thank you to everybody who participated and hopefully we'll have a report out to you soon, and some of the things that people were looking for during this consultation was a language help for the seniors, infrastructure and more training. Thank you, Mr. Speaker.

**Mr. Broomfield:** Thank you Honorable Minister. The Chair recognizes the First Minister.

**Mr. Andersen:** Thank you Mr. Speaker. I'm going to give just a brief update on infrastructure today. I'll have some other announcements that I'll make tomorrow, but as well Mr. Speaker I would like to bring to attention of the Assembly some updates from the Minister of Education/Economic Development as he's on his way home for medical condition. Our buildings that are currently going up in Nain, Postville and Hopedale, the Nain admin center, Mr. Speaker, construction started this summer because of some problems with the subcontractor and as well as shipping the contractors has asked for a delay of two months would shut the project in

Nain and during the months of January and February and return to the site in March. So that will delay the completion of the building to November Two Thousand Nine, about a year from now Mr. Speaker. Work on the Assembly building which was to cut a hole in the site of the hill over around the Harbour Road Mr. Speaker, and as well some foundation work as well as to tie into the water and sewer, that's all been completed, that's about on schedule and at the cost we had anticipated. In Postville, the building is on schedule, the materials have arrived, work is ongoing and as expected that building will be ready for occupancy in February Two Thousand Nine, a couple of months from now. From the Minister of Education and Economic Development, Mr. Speaker, the Minister wishes to let the Assembly know that PSSP grad book has been completed and this recent edition is actually the second grad book and it covers the last ten years, the last ten year period and I understand that those books are, there's one available for every Member of the Assembly at the end of the table there Mr. Speaker. The Minister also wishes to inform the Assembly that he has held meetings with education staff in St. John's and in December will hold sessions as well with Inuit Pathways Staff after which it's his intention to hold, to have a bigger education gathering with the Province, Provincial Authorities such as the school board, the College Of The North Atlantic to look for more and better ways to work together. He also wants to inform the Assembly that they're able to provide support for Inuit Community Government's to attend an Oil and Gas Workshop in Hopedale in October. The Workshop was sponsored by the Canadian Petroleum Producers

Association. The workshop was very well attended and the Minister understands that the ICG's was pleased to receive the information provided. It is his department's intention to arrange for the officer of Gas Operators to do more Community Information sessions. The Minister would also like to extend a special congratulation to the Nunatsiavut Government Conservation Officers on the completion of their training November fifth. He says that he was very pleased to be able to attend the graduation. That's it for his announcements. Thank you very much Mr. Speaker.

**Mr. Broomfield:** Thank you Mr. First Minister. The Chair recognizes the President.

**Mr. President:** Thank you Mr. Speaker. I'll be reporting first from my office on the number of meetings I've attended, since this past May. Since the last AGM, I've been on the road basically seventy-five percent of my time since I've been elected. However, I attended the ITK and the Inuit Circumpolar Conference AGM in Cambridge Bay in June, Expo Labrador Arctic Sovereignty in Kuujjuak, CIM (Canadian Institute of Mining) meetings, three Trust meetings but more importantly, in the Lands and Resources Department, there's a couple of meetings, the Offshore Petroleum Board and I think the Offshore Petroleum Board will become very important on our agenda over the next two or three years and I would like to extend or ask, they're asked me if we could extend an invitation to appear before the Assembly to explain what they're doing and what their ratifications are of Offshore Development. So I would like the Assembly to consider

inviting them to our next AGM, whenever that maybe. Also we sponsored a workshop on Registry of Laws in Hopedale earlier this year, with the Assembly staff, Legal Counsel, ICG's Managers, Secretary to the Executive Council and their Deputy's. There's been an appointment to the LCAC, that's the Land Claims Agreement Coalition, I was appointed yesterday. Toby Andersen will be taking on that file. Also I'm hoping to get the Nunatsiavut Government Strategic Plan working group underway again, it's something that I've promised to do I still haven't gotten around to it but that'll be done starting in early January, maybe before. We also will be publishing all Government appointments to all of the different boards, that been appointed since Nunatsiavut Government came into place, that will be done very shortly by the Clerk of the Assembly. We also will be hiring a Head Hunting firm to find a replacement for Chesley Andersen who left us in early September. We've advertised that position a couple of times, we still don't have any successful applicants so we're hiring a Head Hunting firm and hopefully within two or three months we'll have a replacement for Chesley. Also the draft document for the one fishing entity will be completed on the fifth of December. It is expected that at that time the Torngat Fisheries, LIDC, and Nunatsiavut Government will be at those meetings and they will present it to those communities after it has been accepted by all different departments. I guess that's about it except the fact that I also attended the, will be attending the ITK meetings in Quebec City in early December with First Minister Andersen and I'll probably have some more

updates for you tomorrow if possible. Thank you.

**Mr. Broomfield:** Thank you Mr. President. Moving on to Members' statements. I'd like to recognize the Member for Upper Lake Melville.

**Mr. Russell:** Nakummek Mr. Speaker. I would like to thank the constituents of Upper Lake Melville for their overwhelming support of my recent newsletter. The numerous calls, emails and posts to my facebook group in support of my efforts have been an excellent indication that I am still on track with the original focus of inclusion of the Upper Lake Melville constituents in the benefits of our land claim and representation of the communities of Mud Lake, Northwest River and Goose Bay during the sitting of our House of Assembly. I have promised to represent these communities and work on issues such as membership, attention to elders and the social issues that affect many in our communities. I believe I have made the effort to address these issues that I presented to the public during my election campaign over two years ago; and although we have seen very few positive results I will continue to do what I can. Also I would like to thank the individuals that took the time to call and email from the communities within Nunatsiavut that were in support of my newsletter. It was great to hear positive feedback from these individuals about my efforts even if I do not represent them.

I would also like to thank the individuals who came out to the Nunatsiavut Government pre-budget consultation sessions that were held in Upper Lake Melville. I appreciate the Nunatsiavut

Government breaking new ground and actually asking beneficiaries what they thought. I believe that the extremely low turnout numbers are representative of the faith the Upper Lake Melville constituents have lost in the Nunatsiavut Government but I am glad that some did get out to make their concerns heard and let our Finance Department know what they consider to be priorities. I'll say again what I said at those sessions, when it comes to spending money the residents of Upper Lake Melville will be in a continuous fight for those crumbs that the Executive Council have not already allocated elsewhere. Like I said to the public and those who called to ask me what I think, all the good ideas we have brought forward and will continue to fight for don't mean anything, if the Executive Council do not include them in the future budget bills. If they do not put it on the table we cannot even vote for it, and if someone else other than those in the Executive Council were to introduce it as a Private Members Bill it would surely, in my opinion, be cast aside as it does not come from the top and would result in allocating funds outside of Nunatsiavut. This is opinion that Upper Lake Melville will have to test during the next budgeting process.

Now on to the biggest internal problem we have been talking about over and over in this House for over two years now; communication. I still have been writing letters and sending emails and looking for information on behalf of constituents and I am still dealing with the fact that I rarely get any response. In relation to this, last night we arrived here in Hopedale yet again to hang around and wait as the Executive Council met complete with the usual complement of non-elected officials. How long are we

going to keep incurring unnecessary costs by meeting here while we bring in a full crew of civil servants? At these very meetings they will continue to discuss various issues that we will never see a report on or perhaps never know about what has been discussed. How is this transparency and how are we to hold ourselves accountable if those of us in a position to ask questions are not even aware or what is going on in our various departments. We were promised many moons ago that the Executive would begin to report on the decisions coming out of these meetings but none have been forthcoming, when will we end all of the secrecy? Nakummek, Mr. Speaker.

**Mr. Broomfield:** Thank you. The Chair recognizes the AngajukKak for Makkovik.

**Mr. Jacque:** Thank you Mr. Speaker. My statement today is regarding the freight services. This concern has been brought forward by many residents and businesses in the local communities of Makkovik. Over the past summer and early fall you see a lot of the equipment on the freight boat but no food products or produce. Even though the supplies of the order of food to local businesses the same time, these orders then get backlogged in Lewisporte. Labrador Marine must be the crunch in order to get supplies to the communities before the shipping season ends in the fall. We need to know the long term plan for the freight business. It is obvious the present services are not working for all people because the vessel cannot handle the freight. We would Nunatsiavut Government to address this issue with the Province government. Thank you Mr. Speaker.

**Mr. Broomfield:** Thank you the Chair recognizes the Member for Canada.

**Mr. Pottle:** Nakummek Mr. Speaker. On behalf of constituents in Canada, I would like to extend Christmas Greetings and well wishes to our fellow beneficiaries in the Upper Lake Melville area and in Nunatsiavut, as well as to Members of the Nunatsiavut Assembly and the Nunatsiavut public service.

Mr. Speaker, I would like to extend a huge thank-you to beneficiaries in Canada for their interest in and attendance at constituency meetings across this great country. In addition to constituency visits, beneficiaries also have to be commended for attending the various functions that were held this year in the constituency of Canada, namely the pre-budgetary consultations and the open house held by the Nunatsiavut Executive Council following the meeting in St. John's.

Constituents in Canada, Mr. Speaker, are grateful for the opportunity to be finally included in and to be participants to cultural, language, elders and women's conferences offered by the Nunatsiavut Government. Canada is a diverse country, and there are Labrador Inuit residing in all regions across our nation. Mr. Speaker, Labrador Inuit in Canada represent a wide range of educational and professional skills and abilities, and they express an interest in helping the Nunatsiavut Government achieve its goals and objectives. Labrador Inuit in Canada are ready and willing to share their experiences and expertise across broad spectrum of interest related to the Nunatsiavut Government. Beneficiaries are the Nunatsiavut Government's

greatest resource; I encourage the Nunatsiavut Government to continue to include beneficiaries resident in Canada, and welcome them home...taima...Nakummek, Mr. Speaker.

**Mr. Broomfield:** Thank you, The Chair recognizes the AngajukKak for Nain.

**Ms. Erickson:** Thank you Mr. Speaker. Last week I had the absolute pleasure and honor of being able to attend the majority of the elders conference or the elders gathering that was held in Nain and I must say it was quite an eye opener and it was so great to see all of the elders and seniors there at the conference and in Nain. I was happy to be able to host them all in our communities. During the conference while the elders and the seniors were wrapping up the conference they had voiced concern that no members or Minister from our Government was there to listen at the conference. They were quite upset by that actually, so I got up as a Members of the Assembly and as a Member of the Government said I would take the recommendations they had and make sure they were tabled at the Assembly now, I'm sure they will be coming out in the report but I want to make sure that the facts you tabled here at the Assembly. I'll quickly read through the recommendations that, these are not all the recommendations because there are more coming but these are the major ones. Their recommendations were; they want transportation for all communities including Upper Lake Melville for the seniors and elders for any reason; that there should be an option for an escort for hospital trips and it should be a must for seniors or elders regardless of the situation; that an interpreter/translator

should be in every single Nunatsiavut Government office regardless of where it is; that an interpreter/translator should be available for all beneficiaries where necessary including hospital's, the Paddon Home, Pine Lodge, and the Friendship Centers; that there be a conference held; that pertinent elected officials attend any conferences such as the elders gathering; that an elder be appointed to the Assembly; that an elder senate be established; that the Nunatsiavut Government go back to the communities and hold public meetings; that there be a meeting/meetings with youth and elders regularly; that, right now for escorts on medical transportation, the escort has to be nineteen and over, there was a recommendation that eighteen and over be acceptable; that there be transportation available to the airstrip in the coastal communities for people going out for medical trips. The elders gathering went well overall, I think the organizing committee did an outstanding job, an awesome job. The elders from what I gather had a really good time. The last evening they had a great feast and they had some local entertainment and for anybody who has any doubts about our language they just had to sit in that conference and see and hear how strong it actually was. On to something else, the Nain girls' volleyball team went to the regional volleyball championship, won, so they're going to the Provincials, way to go Huskies. To further what Minister Flowers had said, to those that got the wood delivered to our communities. In Nain it got in just in time as I think two days after it was delivered the power went out for three days and that made a big difference for those people without power. Thank you.

**Mr. Broomfield:** Thank you. The Chair recognizes the AngajukKak for Hopedale.

**Mrs. Dicker:** Thank you Mr. Speaker. Our Community Government had a very busy summer. All of the necessary repairs were done to the damaged water lines. This damage was due to numerous freeze ups last winter. Phase one of our water and sewer line going to Berry Road was completed this fall. The second phase will be awarded soon and work will begin in the spring. Right now we don't have any building lots. The Jobe J Flowers Volleyball Tournament, annual volleyball tournament was a huge success this year. We were very excited about the number of communities and teams that participated. This is a very positive thing for Hopedale. We had seven teams from here. In the male division, Nain came first, Hopedale second and Nunatsiavut third. In the women's division, Hopedale came first and they also came second, and Nunatsiavut came third, sorry that's Natuashish, Natuashish came third and Natuashish came third in the men's division. Also I would like to thank the people who got wood here. There were a lot of people who really appreciated that. Thank you Mr. Speaker.

**Mr. Broomfield:** Thank you. I would like to recognize the AngajukKak for Postville.

**Mr. Decker:** Thank you Mr. Speaker. This summer has been a very busy summer. One of my highlights I guess this summer was being able to attend the language conference in Nain, it was certainly an eye opener to go to one of those language conferences and see all of the people that are gathered together

there. Also I attended the Offshore Petroleum sessions that was held here in Hopedale and its to see the communities helping communities, I guess our communities in the way of delivering firewood to people on the North Coast and hearing the appreciation around this table from Ministers and AngajukKaks that received it. Thank you Mr. Speaker.

**Mr. Broomfield:** Thank you. We will recess for fifteen minutes before we continue.

**Mr. Broomfield:** Good afternoon. I'd like to call the Assembly back to order. We will move on to question period. The floor is now open for questions. The Chair recognizes the AngajukKak for Makkovik.

**Mr. Jacque:** Thank you Mr. Speaker. My question is directed to the Minister of Health regarding Dentist's or Dental visits, concerns were brought forward regarding dental visits, these visits are very important for our general health. Dentists are coming less frequent and when they do come to Makkovik they don't stay long enough to take care of all of the clients. Sometimes clients are turned away and told they can only do emergencies. How can these services be improved? Thank you Mr. Speaker.

**Mr. Broomfield:** Thank you. The Chair recognizes the Honorable Minister of Health and Social Development.

**Mr. Flowers:** Thank you Mr. Speaker. Thank you Herb for that question. Because it is a concern of ours, we've been having trouble with the dentist that does Makkovik, Postville, and Rigolet and we're looking now at a finding a replacement for this dentist because of

lack of a better word that she wasn't really doing what she suppose to be doing. We had a lot a lot of trouble with her work; she wasn't seeing many patients that she could have been seeing. She, overall she was not just doing her job. So we are in the process of, the Dentist that we have coming to Hopedale going into other communities until we got somebody to do the job that she was doing. I hope that helps you out a bit there and if you need more clarification I can certainly talk to you later about it but that's basically what happened there. Thank you.

**Mr. Broomfield:** Thank you Honorable Minister. The Chair recognizes the Honorable Minister of Finance and Human Resources.

**Ms. Gear:** I guess my question is probably to the President or the First Minister. As you all know on the coast the price of gas has been frozen now for the last couple of weeks. I get a lot of calls home wondering if our Government is going to be doing anything about the gas prices. Obviously the gas prices are frozen now until next year. Is there anything that can be done? Can we put pressure on them to at least not freeze the gas prices until at least the last shipping is in? because the gas prices was frozen home, I think it was a week before last and we last week we just had another shipment of fuel come in and so we all understand yes we have to have our gas prices frozen or fuel prices too but why can't we wait until the final boat? So I'm just wondering if there can be some pressure put on them oil companies to you know at least wait until the final shipment. Thank you Mr. Speaker.

**Mr. Broomfield:** Thank you Honorable Minister. The Chair recognizes the Honorable First Minister.

**Mr. Andersen:** Thank you Mr. Speaker. I do apologize to members. I did email a number of people last week I didn't realize that it didn't go to Assembly members but it did go to the AngajukKaks and yourself and I certainly do apologize for that. To answer the Member's question, Mr. Speaker, yes we are very concerned about the price of fuel. I have had meetings with the President, he was quite busy last week and I did get some research done on the issue to try and determine how the Public Utilities Board works and what has happened here. It is worth noting Mr. Speaker that last year and the year before prices were frozen at the same time. However the past few years it worked to our benefit. Prices were frozen, fuel prices went up, this year we have a reverse prices are again frozen at the same time of the year however we now know that fuel prices are going down. We do want to be treated fairly, obviously we're only going to be asked to be treated fairly if prices in our area remain the same and they're going down in other areas. We don't ask to be treated fairly if prices go up in other areas in other areas and ours stays the same. So it is a matter of I suppose what the petroleum people would say you want your cake and eat it to, you want the best of all possible worlds. That is not the case. We do know that the decision made to freeze prices at the time of the year was made without consultation with Nunatsiavut communities. I suppose why it did not become an issue was because it had worked in our favor in the past. It's certainly isn't our intention to leave it

there, the President has indicated to me that we will work to meet with the Public Utilities Board, the Petroleum, forgive me Mr. Speaker, I don't know the name of the branch that deals with this.

**Mr. Broomfield:** The Petroleum Pricing Office.

**Mr. Andersen:** The Petroleum Pricing Office. Thank you very much Mr. Speaker. We will work towards meeting with them and see whether or not we can get them to hold consultations to determine what is in the best interest of Nunatsiavut communities. It certainly is an issue for us. I'm sorry to advise the members that at this time there is no resolution to what has happened but we'll certainly work toward that and to ensure that Nunatsiavut communities are consulted and I expect that it's the President's intention that these meetings happens before the end of this year. Thank you Mr. Speaker.

**Mr. Broomfield:** Thank you Mr. First Minister. The Chair recognizes the Member for Canada.

**Mr. Pottle:** Nakummek Mr. Speaker. I direct my question to the First Minister, Mr. Speaker, the President of the Nunatsiavut Government, in a statement dated October 30, 2008, announced that the Nunatsiavut Government has fulfilled its commitment to make a one-time five thousand payment to all individuals whose names were on the Official Voters List prepared by the independent Ratification Committee and given that it has been publicly acknowledged, by both the President and the Minister of Finance and Human Resources, through the media that

individuals who were not on the Official Voters List did receive the one-time five thousand payment; I ask the First Minister, who authorized the one-time payment to individuals who were not on the Official Voters List?

**Mr. Broomfield:** The Chair recognizes the First Minister.

**Mr. Andersen:** Thank you Mr. Speaker. I haven't been a spokesman on this lately but the Member's question is quite frank. I have to say during the course of the payouts there were a number of errors. There were payments made to people that who were not on the voters list. The authorization which is the Member's question, the authorization was a decision made by the collection which at the time I will say was the Board of Directors of the LIA and then became the transitional Government of Nunatsiavut. The decision to do so if that's what the Member is searching is for that the decision was made by the collective. I hope I'm clear on that Mr. Speaker; it was the Board of Directors of the LIA that became the transmitted Government of Nunatsiavut. The decision, my department acted on behalf of that decision, executed that decision that was made by the LIA Board and then the Transitional Government. I have to say that some of the errors were clerical and I cannot, I have to say that I don't think anyone authorized some of those people who received money they were done through technical and clerical errors. So I hope that in some way answered the Member's question. I'm sure that if I didn't he will ask for a supplementary.

**Mr. Broomfield:** Thank you. The Chair recognizes the Member for Canada to ask a supplementary question.

**Mr. Pottle:** Nakummek Mr. Speaker. As I reiterated, I have been informed by the Minister of Finance and Human Resources that there were twenty-three individuals who were not Members of the Labrador Inuit Association on May 26<sup>th</sup>, 2004 and who were not on the Official Voters List, but these individuals received the one-time payment of five thousand dollars. Mr. Speaker, there are also individuals who were Members of the LIA on May 26<sup>th</sup>, 2004, but whose names were never referred to the Ratification Committee, and there is (to the best of my knowledge) one individual who was underage at that time of the ratification vote whose name did appear on the Official Voters List; why did these individuals not receive the compensation if Members who were not on the Official Voters List were compensated?

**Mr. Broomfield:** The Chair recognizes the First Minister.

**Mr. Andersen:** The Member if correct and I again cannot confirm the number of names. I don't have that information with me here today Mr. Speaker but I believe that it was somewhere around that number. I'm sure the Member's information is very close to the truth, somewhere between twenty and twenty-five Members. The Member is asking why others were not compensated. Well Mr. Speaker I have to say that the ratification list itself was not a responsibility of the LIA. The ratification committee put together a voters list for a ratification of the agreement. The ratification voters list

was then used by the LIA as it stated in the LIA resolution that Members of the LIA that were on the ratification voters list for the ratification of the agreement on May 26th, two thousand and four would receive a one-time payment. What the Member is asking Mr. Speaker is why that the others didn't make it to the ratification list why they were not paid, well I have to say to the Member that, that is the reason; they were not on the voter's ratification list because there were mistakes, some mistakes made for twenty-six Members. It is the opinion of the Executive Council I guess that two wrong does not make a right and we were unclear in fact how many had missed the ratification voters list as the Member from Canada knows that through lost files between Health Canada and the LIHC that some Members that were card carrying Members in fact I believe that they were did not exist in the LIA Members office. I can only answer the Member's question in that way. Why they were not later added, well, they could not be added, we couldn't add them, and the Nunatsiavut Government could not add names to the ratification voters list of two thousand and four. It was up to individuals to seek application through the ratification committee to have their names added to the voters list. If the Member is asking because there were twenty-six mistakes or twenty-three mistakes made, if he's trying to put words in my mouth Mr. Speaker to say that then every other Members should be added, what can I say, it's the Member's opinion the Member is free to state that. The Member is also free to stand at any time and table resolution to that effect if that is his belief. I have to say to the Member is the Executive Council's decision that more wrongs will not

correct; two wrongs will not make a right. Thank you Mr. Speaker.

**Mr. Pottle:** Second supplemental question Mr. Speaker.

**Mr. Broomfield:** Thank you .The Chair recognizes the Member for Canada for one more supplementary.

**Mr. Pottle:** Nakummek Mr. Speaker. Thank you First Minister for that response and as you said that maybe my opinion and I guess that's your opinion. Mr. Speaker, the First Minister assured me on several occasions that he was committed to doing the right and just thing; that he believed in fairness. I believe that the decision to compensate individuals who were not on the Official Voters List is a deviation away from the LIA resolution without endorsement from the Nunatsiavut Assembly. I further believe this is not a just decision and it is certainly unfair to those individuals who were Members of LIA on May 26th, 2004, whose names never appeared on the list because as the First Minister pointed out because of short comings with respect to clerical and management duties of the Labrador Inuit Association's staff at the time. I ask the First Minister, will the Nunatsiavut Government provide justice to those individuals by making the one time payment to individuals who can affirm that the Nunatsiavut Government were Members on May 26th,2004 and recover a one-time payment from individuals who received the five thousand dollars. Twenty-three people for a total of one hundred and fifteen thousand dollars. I don't think it is a mistake that we can justify by saying that two wrongs don't make a right. It is a mistake and I ask the question again Mr. Speaker, will the

Nunatsiavut Government make the one time payment to those individuals who can affirm that they were Members of the LIA and that the Nunatsiavut Government can affirm their Membership on May 26th, 2004 and will we recover the one hundred and fifteen thousand dollars that went to individuals whose names were not on that list? Thank you Mr. Speaker.

**Mr. Broomfield:** Thank you. The Chair recognizes the Honorable First Minister.

**Mr. Andersen:** Thank you Mr. Speaker. I guess that was the Members third supplemental and I hope that I can answer all the supplemental that was in that one. That was one question. The Member has the copy I'm sure of the statement that was issued by the President and it is quite clear. It's short and to the point. It says that it's a done deal there will be no more payments. That was a decision that was made by the Executive Council. The decision reached after a review and that's where it stands. Just to respond I guess, before it got to a supplemental question or questions, whatever they were. The Member said I gave him assurance, what I said to the member Mr. Speaker was that it was my hope that Nunatsiavut Government would do the right thing. Mr. Speaker this is a consensus Government and we make decisions through consensus. As well Mr. Speaker the Executive Council operates on the same principle that decisions are reached by consensus. The statement that the President issued was reached by the Executive Council through consensus and I stand and support, I support the decision of the majority. That is my response to his earlier comment. As I said earlier if the Member wishes at

anytime to stand and put a motion on the table to the effect that Members who were as he said members of the LIA at the time, card carrying members then he should stand and table such a motion Mr. Speaker but up to that point I have to say the statement issued by the President again, let me say that it's quite clear, it's to the point and that's where it is, that's consensus. Thank you Mr. Speaker.

**Mr. Broomfield:** Thank you. The Chair recognizes the Chair of NunaKatiget Corporation.

**Mr. Winters:** Thank you Mr. Speaker. My question is directed to the President. I attended pre-budget consultations in Happy Valley-Goose Bay. The beneficiaries at that consultation questioned when you ran for Government you promised you would meet with them and they we're wondering when you were going to do that. Thank you Mr. Speaker.

**Mr. Broomfield:** The Chair recognizes the President.

**Mr. President:** Thank you Mr. President. Yes, you're right that I had promised during my campaign that I would visit on a regular basis. I still haven't gotten around visiting Lake Melville. I had intended to come there sometime in early Mid-January however after Executive meeting yesterday. My schedule is a bit busy and I guarantee you and you can guarantee the beneficiaries in Goose Bay, Lake Melville area that I will be in that area sometime around the end of January, first part of February. Thank you.

**Mr. Broomfield:** Thank you Mr. President. The Chair recognizes the Member for Upper Lake Melville.

**Mr. Russell:** Nakummek Mr. Speaker. My question is directed to the Minister of Finance. As the Minister of Finance and Treasurer under the Financial Administration Act you're responsible for the oversight, control and management of all financial affairs to the Nunatsiavut Government. As Treasurer you are also the responsible Controller and thereby directly responsible for the functional control over all transactions including the writing of checks and payment of salaries. The Member Services Committee is mandated with setting a salary for elected officials and the salary levels have been set and approved by this Assembly in the last budget. When the former Minister for Lands and Resources was relieved of his Ministerial duties, why did you or your department ignore the salary set by the Member Services Committee and continue compensation at the Ministerial level for a period of approximately two months? Thank you, Mr. Speaker.

**Mr. Broomfield:** The Chair recognizes the Honorable Minister of Finance and Human Resources.

**Mrs. Gear:** Thank you Mr. Speaker. I didn't come to my attention until about a month later that this had happened and when I checked it out I was told it was on the advice of the President. So, having said that I'm going to pass it on over to the President. Thank you Mr. Speaker.

**Mr. Broomfield:** Thank you Honorable Minister. I will recognize the President

to provide an answer for the Members question before he asks a supplemental.

**Mr. President:** Thank you Mr. Speaker. Very briefly, the answer for the Member for Upper Lake Melville. When Minister Barbour was relieved of his duties I kept him on as a Special Advisor to the President. However I understand that there was an error; I had no authority to do so. Mr. Barbour is now on a salary of Ordinary Member retroactive to the day that he was dismissed as Minister of Lands and Resources. Thank you.

**Mr. Broomfield:** Thank you Mr. President. The Chair recognizes the Member for Upper Lake Melville.

**Mr. Russell:** Nakummek Mr. Speaker. I'll direct this to whomever, or how many other Ministers on the other side of the table who want to jump in, it will probably be one of the two.

**Mr. Broomfield:** Who would you like to direct your question to?

**Mr. Russell:** Either the Minister of Finance or probably the President. Whoever wants to answer it I guess? So, you're saying that was then dated retroactive as then can I assure that one: the Minister of Finance wasn't aware or did not look into and two: that the call was made by the President which he didn't have the authority to do and then I guess thirdly if your saying then it's been retroactive to I believe September Ninetieth which would have been the date of dismissed then there'll be a collection of that (in audible) remuneration. Nakummek Mr. Speaker.

**Mr. Broomfield:** The Chair recognizes the President.

**Mr. President:** Thank you Mr. Speaker. Yes, you're correct. I don't mind admitting I made a mistake. I asked the Finance Minister in the Nain office, I told them to give William's salary at level where it is until I get to make sure it stays at that level until I find out the proper routine. Once I was determined that I had no right to do, that it is written, that the Ordinary Members get the Ordinary Members' salary and the Minister's get the Minister's salary. The retroactive collection is right to the seventeenth, I think the seventeenth or the eighteenth of December, or sorry September whatever date that I written the letter, it will be collected and has been collected. Thank you.

**Mr. Broomfield:** Thank you. The Chair recognizes the AngajukKak for Postville.

**Mr. Decker:** My question is to the Minister of Recreation and Youth, Mr. Ponniuk. I hope I got the title right. Anyway, at the last elder gathering in Nain I had a resident from my community give me a call on Monday night and made me aware of that there was some elders there that were asked to final their own way home or whatever and she was concerned about this, she asked me to bring it up in the House which I am doing and can you reassure us that I can take the answer back to her that those people who had to find their own way back are now back safely in their own home?

**Mr. Broomfield:** Thank you. The Chair recognizes the Honorable Minister of Culture.

**Mr. Ponniuk:** Thank you Mr. Speaker. Thanks for the question AngajukKak from Postville. The elders were not left on their own. Sadly to say, there was some that had to be asked to leave before the conference was over because of reasons of alcohol consumption. They were told to make their own arrangements to go home using their honorariums because of the reason why they we're asked to leave, but in speaking with my Deputy Minister he assured me that they were being monitored, to make that they did get home. As of this afternoon they were home safely and you can go back to the person who asked you that asked you this question and say yes everybody are safe back home. Thank you.

**Mr. Broomfield:** Thank you Honorable Minister. Anymore questions? We will take a five minute recess.

**Mr. Broomfield:** I would like to call the Assembly back to order. We will continue our agenda with written questions. Are there any written questions to present at this time? The AngajukKak has a question. I'll ask the page to take it from the AngajukKak. You can respond. The Member can respond to the written question at a later date. Moving on to reports and standing special committees. Any Chairs wish to give a report at this time? The Chair recognizes the Honorable Minister of Health and Social Development.

**Mr. Flowers:** Thank you Mr. Speaker. Our alcohol and drug committee met in early October. We made some next steps and decisions on what we were going to do as an alcohol committee. One of the things that we've done and it's coming to all of the communities in Nunatsiavut

is bull boards regarding bootlegging, they should be on the next boat to come to all communities, basically saying bootlegging is a crime. That's one of the things we're putting out there. It's really hard to even try to get a handle on bootlegging and the legal stuff is unreal, but at least we're trying to put bill boards out there stating that it is a crime to bootleg. Also, letters were set out to all the community Governments asking for consensus to have one alcohol committee acting on behalf of the communities in Nunatsiavut. Why? We're doing that is when we went to the communities trying to get alcohol committees set up in each community to come back to us with a report to the community governments, it's really hard to get volunteers. So what we're looking at trying to do is, try to get representatives from each community to sit on an alcohol committee and we move forward in that way, so that the communities can have a voice to come to us or to the Nunatsiavut Assembly. Also letters were sent to all of the beer retail outlets in Nunatsiavut asking them to volunteer limit the sale of beer in the communities we ask them I guess if they would consider voluntarily limiting the amount of alcohol that one person could consume or could purchase from a retail store and that was one case per day per individual. That's gone out to the retail beer stores in Nunatsiavut. That's it that I had to report on the alcohol and drug committee. Thank you.

**Mr. Broomfield:** Thank you Honorable Minister. I do have a couple of reports to present to the Assembly. It's just a brief informal report. The first one would be from the Standing Committee on Language. I'm also a member of the Language Strategy Committee that

Minister Ponniuk referred to earlier. My role on that committee would be I guess indirectly tied to the Standing Committee on Language that the Assembly has in place. I was going to do a report on the Sivuppijalautta conference in particular but now I have a better understanding of the direction that the Language Strategy Committee is heading. Sivuppijalautta was just a stepping stone in that process. We've done some I would say very good work as a committee to date. We've had a series of about ten to twelve meetings to date and we've formalized a draft strategy on the Inuktitut Language. We will be doing a process of community consultations beginning I would say around Mid February. We will go to all of the communities in Nunatsiavut to bring the draft strategy to them and to get peoples input into this strategy. We're doing a lot of work before we go to the communities because as a group of people we realize that it will be ineffective to go to the communities with nothing. So we have a draft strategy prepared. I would say within the last two weeks that the final strategy for revitalizes the Inuktitut language that we have now in place. Very soon the committee will begin the process of communication to let the communities know when we will be coming to each community in general. We've done a lot of work as a committee. I must say that I'm very excited about the prospects for moving forward and we will begin the process of community consultation in the New Year. I've already had meeting with the Inuktitut teachers in Makkovik on the fifth of November, as they were having an in-service in my community at that time and they only have an in-service once a year. We got some very good recommendations from these

people for the strategy. After we finished our process of community consultation, the intent is to put together a final report which then can be prepared by the chair of this committee and I'm hoping to invite Toni White to do a presentation to the Assembly after this process is over. Once that is done then we'll be going to the Trust for support for this strategy. So that is where it stands today and I must say I'm very optimistic about the process that we are going to apply. The Member Services Committee met in St. John's. We've put together a few recommendations for the upcoming budget. There's nothing major in there as the salary structure is already identified. There's just a few, I guess what you call minor changes in this and this will be put forward to be included in the budget for nine-ten. Another report would be from a Special Committee, on the Twentieth of October I received a complaint from three Members of the Executive Council alleging that another Member had breached section four (one). After receiving the complaint and the response from the Member I then proceeded to put a committee in place and the committee came to a recommendation and it will be discussed tomorrow. In terms of members being able to access the information, in terms of the complaint and the response from the Member, I've had many requests from Members to have a copy made available to them. In terms of section Five (nine) of the Code of Conduct, Members have the opportunity to view the document in the Clerks office and I will not step outside of that for Members of this Assembly or for the public in general. You are free to go a view the complaint, the response from the Member and the decision of the committee and this information is in the

Clerk's office and I would advise you to do so. Are there any more reports from the committees? The chair recognizes the member for Upper Lake Melville.

**Mr. Russell:** Nakummek Mr. Speaker. Just an update on the Education Committee. The Education Committee did meet in Upper Lake Melville several weeks ago with Senior members of the Labrador School Board basically as a round table just to examine what our mandate was first as the responsibility as the school board with a brief discussion around the responsibilities around the education department, as well as discussions surrounding the statistics of certain things of interests, I should say to the education committee, basically all the programs that the School Board was executing that the cultural relevance to Inuit up and down the coast. We also shared our ideas about where our committee should be heading and some of the ideas we have for meetings in each of the communities. We will be having meetings the fall, but that's all we have to report at this time.  
Nakummek Mr. Speaker.

**Mr. Broomfield:** Thank you. Anymore reports from committees? I'd like to recognize the Member for Canada.

**Mr. Pottle:** Nakummek Mr. Speaker. I just wanted to make a brief statement as I committed in the Assembly the last time we met to bring a report from the findings of the OPAL Gasoline Committee. I'm sure that's still an interest to the Minister of Health and Social Development as the two of us were quite instrumental in getting this process off the ground. I'm happy to report that the preliminary report is now being formatted and the committee

hopes to have the findings of that report at the end of this university semester. One of the technical members on the OPAL Gasoline Committee is a Chinese student by the name of Zing Zing, her English I guess is unacceptable to University Standards but she needs some help in formatting that information into a document that is readable and legible for the purposes of the OPAL Gasoline Committee so I'm hoping that early in the New Year I'll be able to bring to this House and Table the preliminary findings on the technical components of the OPAL Gasoline study. Thank you Mr. Speaker.

**Mr. Broomfield:** Thank you. Anymore reports from committees? If not we'll move on to Notice of Motions. The Chair recognizes the Member for Canada.

**Mr. Pottle:** Nakummek Mr. Speaker. I'd just like to give notice to you and the House that I will be proposing a motion to provide a one-time payment of five thousand to eligible Beneficiaries of the Labrador Inuit Land Claim Agreement. Nakummek Mr. Speaker.

**Mr. Broomfield:** Thank you. Anymore motions from Members? There are no bills to come forward at this sitting. So I'll move on to the next item and that is Motions. With that I will recognize the Member for Canada.

**Mr. Pottle:** Nakummek Mr. Speaker. I'd like to move a motion to provide a one-time payment of five thousand dollars to eligible beneficiaries of the Labrador Inuit Land Claim Agreement. The motion is seconded by the Chair of the Sivunivut Inuit Community Corporation. Mr. Ed Tuttau. Mr. Speaker.

**Mr. Pottle:** Whereas, the Nunatsiavut Government announced on October 30th, 2008 that it has fulfilled its commitment to make a one-time five thousand dollar payment to individuals whose names were on the May 26<sup>th</sup>, 2004 Official Voters List prepared by the independent Ratification Committee; and

Whereas, the Nunatsiavut Government has made the one-time payment of five thousand dollars to twenty-three individuals whose names were not the May 26th, 2004 Official Voters List prepared by an independent Ratification Committee; and

Whereas, the Nunatsiavut Government has deviated from the original Labrador Inuit Association resolution without endorsement by the Nunatsiavut Assembly by making the aforementioned payment to individuals whose names did not appear on the Official Voters List Now Therefore Mr. Speaker be it resolved, that the Nunatsiavut Government provide the one-time five thousand dollar payment to beneficiaries who can affirm or that the Nunatsiavut Government can affirm were members of the Labrador Inuit Association on May 26th, 2004, but whose names never appeared on the Official Voters List because their names were not referred by the Labrador Inuit Association to the independent Ratification Committee. Nakummek Mr. Speaker.

**Mr. Broomfield:** Thank you. Before I make a ruling on the motion, I will take a brief recess for five minutes or so to consult with the Clerk to see if the motion is indeed in order. So we will recess for five minutes.

**Mr. Broomfield:** At this time, I am prepared to make a ruling on the motion presented by the Member for Canada. The motion is not in order and will not be debated by the Assembly. The reason being that this motion would involve the expenditures of money by Nunatsiavut Government should the Assembly decide to pass it. A bill of this nature can only be presented to the Assembly by the First Minister or the Treasurer.

**Mr. Pottle:** Point of Order Mr. Speaker.

**Mr. Broomfield:** Member will state his Point of Order.

**Mr. Pottle:** Thank you Mr. Speaker. I'd like some clarification I guess or I'd like to make a clarification that I don't believe that this motion is not intended to be and it's not written in the form of a Bill and if my motion is over ruled Mr. Speaker I would like to know how the decision by the Executive Council to pay twenty-three members who weren't on that voters ratification list if that decision had to be made in a form of a Bill, should that decision not have applied? The same as you're saying that this decision is applied to this motion. Thank you Mr. Speaker.

**Mr. Broomfield:** Thank you. The motion on the floor is the issue at hand. I have no authority to make any rulings or make any decisions on a decision that was made by the Executive Council that I have no knowledge of. The motion is, the decision I have made is strictly based on this motion. This motion could be considered to be, in my opinion, a money Bill because the Assembly would be required to pay monies should the Assembly decide to support this motion. The motion is not in order and will not

be debated by the Assembly. Moving on in our agenda, our first reading of Bills, there is no Bills to present at this sitting. We will adjourn for this evening and reconvene tomorrow morning at 930am. The reason for the later start tomorrow morning is to allow Members time to go to the office of the Clerk and view the complaint and the response from the member. The decision of the committee is also there in the same file and I would advise members to see the information in the Clerk's office in order that they can make an informed decision. So we'll reconvene tomorrow morning at nine thirty. Thank you.

**Mr. Broomfield:** Ullakut, Illonasi, Good morning everybody. I'd like to open this sitting of the Assembly. At this time I would like to recognize Reverend Brian Burrows to do the opening prayer.

**Reverend Burrows:** Recites Prayer.

**Mr. Broomfield:** Again, good morning. I'd like to recognize the and welcome the visitors in the gallery. I have a document or a letter here that's addressed to the First Minister that you all will note it is in your file. Are there any documents or petitions to be tabled at this time? We'll move on to Minister's Statements. The Chair recognizes the Honorable First Minister.

**Mr. Andersen:** Thank you Mr. Speaker. I do have as I mentioned yesterday I do have a number of updates from my department. However Mr. Speaker before I give some updates on things that my department has been doing I would for the record like to go back to statements that I made yesterday in response to the Member from Canada regarding the five thousand dollar

payout. If I remember correctly, one of his earlier questions was on the authorization. Who authorized payments? To be certain Mr. Speaker, I put some thought into my response and to be honest to the Member from Canada I would like to make some clarification and for the record I would like to say my clarification would correct, if I had in fact made errors yesterday. My main purpose Mr. Speaker is to try and answer more clearly and perhaps more fairly the response after giving sometime to his question and how I interpreted his question. The Member from Canada asked who authorized the payment. I believe Mr. Speaker that I may have said that I did not authorize the payment. My response to the Member was that I acted on behalf of the whole or the collective, the LIA Board or the Transitional Government. To be certain, I acted on behalf of a decision that was made by the LIA Board that became, after December first, two thousand five, the Nunatsiavut Transitional Government. I'm doing so, in carrying out my responsibilities of that decision there was a letter for the record that is signed by me recommending payment to twenty-five individuals who are not on the ratification voters list. The letter was addressed to the Minister of Finance, was accepted and acted upon by the Minister of Finance at that time. If there is a difference between my response yesterday Mr. Speaker and my response today that I asked for the record, that my response is the one that I believe to be true. Thank you Mr. Speaker. I wanted to provide some updates Mr. Speaker on the issues from my department and I've eliminated some until our next sitting to make more time. Just a quick update on Transportation issues, we are, we continue to pursue the idea of a

feasibility study of bringing the Trans Labrador Highway into Nunatsiavut as we presented to communities and to the community of North West River. I have to say at this time Mr. Speaker that the response, the last response that we received from the Provincial Department of Transportation, the Minister of the transportation for the Government of Newfoundland and Labrador was not in out favor. They've turned down a request from us for funds to assist in the feasibility study extending the Trans Labrador to the communities of Postville, Makkovik, and Rigolet. We have sent another letter to the Provincial Minister to indicate our displeasure with their response. It is also our hope when and where a meeting between our President and the Premier of Newfoundland and Labrador at that meeting, the President has told me that he will have that as an agenda item and seek support from the Premier as well. I just wanted to, something that the Member from Hopedale, Minister of Health mentioned yesterday and that was delivery of wood to seniors in Nain and Hopedale. I just wanted to tell you a little bit on how that came about and why it was only in Hopedale and Nain. My department worked with Darryl Shiwak, Minister of Economic Development and we saw that there was some wood in Voisey's Bay, there's also wood in Postville that could be delivered to communities for, and wood is still today Mr. Speaker, wood is relatively cheap compared to the cost of home heat fuel. We also know that this time of year when skidoo travelers can't haul wood to communities by skidoo and it's very hard to get in boat even at this time of the year. We thought we may be able to do something to lessen the burden if you want Mr. Speaker on Seniors so, myself

and Darryl, in talks with the President who's also a trustee, came with a plan to run a pilot project that would deliver at least a cord of wood to people over the age of sixty-five or burn wood in the communities of Hopedale and Nain. We have completed that pilot. I can only say at this time it seems things have gone very well. Minister Shiwak said people will analyze the whole project including the cost and to see whether or not we could deliver the at least a cord of wood to all seniors in Nunatsiavut. I have to say that because a senior lives in Postville or Makkovik for instance and the wood is closer, senior is a senior and wherever they live in Makkovik or Nain we don't expect that seniors can go, many of them if they're over the age of sixty-five can't go into the wood path. So we very much hope that this pilot as it looks now, worked well and we can extend the program to other communities next year. I did want to bring up to date as well on the aboriginal, the off reserve aboriginal housing trust and that there was an announcement by the Newfoundland Housing Committee. There was a press release on October twenty-seven, announcement and funding for the off reserve aboriginal housing trust. It was money that was a long time coming. I think it was first announced in 2006. I believe that it was announced or it was in the making sometime before that, this press release says two million dollars for Inuit housing in the communities of Nain, Hopedale, Makkovik, Postville, and Rigolet. That money is in place. I expect that I will bring some recommendations to the Executive Council on December 10th which would well be time for to bring to Torngat Regional Housing Association meeting in February recommendations or for

their consideration on how this money might be distributed in our communities. As well Mr. Speaker as you know this money is for, there was more funds available to other groups in the Province as well and for Inuit living outside of Nunatsiavut. There is a repair program and first let me say that the off reserve aboriginal housing trust money is repair program for aboriginals in this Province. The only area that is different is that Nunatsiavut where we negotiated a different way to deliver this funding in Nunatsiavut is that in Nunatsiavut the housing money can be used for new units, repairs, safe houses, seniors housing as long as it's social housing programs. Outside of Nunatsiavut, it is a repair program. Because Torngat Housing is recognized and I guess and has been for twenty plus years now, housing delivery agents in Nunatsiavut, it has no intention of delivering housing programs outside of Nunatsiavut. Inuit outside of Nunatsiavut can apply to the Newfoundland and Labrador Housing Corporation and they can access funds. Off the top of my head Mr. Speaker. I forget the maximum for the repair program but that information is available. Aboriginal home owners may receive grant assistance of up to 8,000 dollars on the island and 9,500 in Labrador. Repairs may include such items as heating, electrical, plumbing systems, and or exterminated structures or foundations, windows, doors, roofing, and siding. Eligible applicants must have an annual income of less than 35,000, be the owner and occupant of the house and be a member of an aboriginal organization. That's just a bit of information that I'd like to announce today regarding housing and I think that it is perhaps for the first time we were successful in seeing housing programs

for our beneficiaries outside of Nunatsiavut. It's certainly our intention whenever we can to make housing programs more accessible for our beneficiaries outside of Nunatsiavut and I think that this is a start and I will say Mr. Speaker that it is just a start and that we hope to improve housing, not only for people in Nunatsiavut, but for all of our beneficiaries particularly in this Province. Also I'd just like to say as well that I did attend at different times, the elder's conference that the AngajukKak from Nain was there from the beginning and closing everyday and I think that she needs to be commended for that. I would like to say that and let me say it at this table that our own Minister was not in Nain and I assured the conference that the Minister, the next conference the Minister will be there as well as Sarah did, let me apologize Mr. Speaker, as the AngajukKak from Nain said yesterday that there were questions why there were not more Ministers there. I assured them at the conference that there will be more Ministers' at the next conference and I also assured them on behalf of our Government Mr. Speaker that it won't be 26 years before there's another elder's conference. I thought it was a great conference and I cannot wait for the report to come out because I did hear only, because I was there only a short time I only heard some of the recommendations that were coming forward but I have to say that you know there was certainly a lot to be learnt and such a strength that was in that room last week with elders from all communities of Nunatsiavut and Upper Lake Melville. It certainly was something to see, it was a lot of fun in the evenings with story telling and music and socializing. It was something. Mr. Speaker thank you very much for letting me go on and on. I'm

going to stop now because I know that we have guests. Thank you very much Mr. Speaker.

**Mr. Broomfield:** Thank you Honorable Minister. The Chair recognizes the Honorable Minister of Health and Social Development.

**Mr. Flowers:** Thank you Mr. Speaker. I just have a couple of announcements. Earlier this fall, the President informed me that we could be getting a sum of money for seniors complex in Nunatsiavut and I'd just like to let everybody know today that early in the new year, me and my Deputy Minister will be traveling to communities to talk and have meetings with the seniors to see if that they would like to see in their communities because when it comes down to it the seniors that will be telling us what they would like to see in each community so we feel that we would like to hear from them and what kind of homes or complexes they would like to see. Also yesterday I mentioned Daffodil Place, that we donated 250,000 dollars to Daffodil Place for people with cancer and will be going there on December 9th. The President cannot attend this so on behalf of him I will be going and I'd just like to extend an invitation to all Assembly Members if they're in the area or would like to come down for this event, you're surely welcome. Thank you.

**Mr. Broomfield:** Thank you Honorable Minister. The Chair recognizes the Honorable Minister of Culture.

**Mr. Ponniuk:** Thank you Mr. Speaker. More of a comment than anything. I see the First Minister there; I think he is going to anticipate something. I'd like to

thank the AngajukKak from Nain for the time that she did put into our elders conference that was held in Nain. Unfortunately I didn't make it. I was scheduled to go. Something very, very personal came up. So I'll just leave it at that. The First Minister, he said that he'll make sure I'll be to the next one right through and I guarantee to you I will. If this unforeseen thing did not arise I would have been there and again all my thanks to Sarah who is the AngajukKak from Nain that did spend day after day there and Sarah this is a personal thanks and we really do appreciate it. Thank you very much.

**Mr. Broomfield:** Thank you Honorable Minister. Do our Ministers wish to make statements? We'll move onto Members Statements. The Chair recognizes the Member for Upper Lake Melville.

**Mr. Russell:** Nakummek Mr. Speaker. If we're to be a functional Government we must be held accountable. We have heard in this sitting that the President has spent money on the salary for the former Minister of Natural Lands and Resources that he did not have the right to do so. We've heard the First Minister get up and in his statement saying that a letter is all that it took the Minister of Finance to spend 115 K outside of a money bill, as simple as that. The Executive Council is overriding the policies and the very legislation that is the foundation of our Government at no consequence. What's worse is that the Minister of Finance in both these instances has failed to do her job and to adhere to the policies and acts and the rules and the regulations. As elected officials we're supposed to abide by and again this seems to be okay with the First Minister and the President. I have to say something about the elders

conference and if Minister Ponniuk had a valid reason not to be there then so be it but I think that it is deplorable that we can invite elders to a conference from other communities, bring them to one community regardless of the circumstances and simply tell them to find their own way home. That's unacceptable, we spend so much time talking about what our elders mean to us and how they guide us and show us the way and how we're suppose to be looking after them in their later years and yet we bring them to a conference and tell them to find your own way home. That's about all I have to say. It's just that I think we should not be, regardless of the circumstances, whether alcohol was involved or not we should be doing that to elders. That's all I have to say today. Nakummek Mr. Speaker.

**Mr. Broomfield:** Thank you. The Chair recognizes the Chair of NunaKatiget.

**Mr. Winters:** Thank you Mr. Speaker. I attended a pre-budget consultation as I mentioned yesterday in Happy Valley-Goose Bay both sessions, the afternoon session and the evening session, there was a lot of concern about the two Members of Upper Lake Melville area not being attending at the afternoon session. Also the beneficiaries could not get some answers to a lot of their questions. The NunaKatiget Community Corporation is now helping out with the drum dancers and throat singers in Happy Valley-Goose Bay and they have invitation to perform at the Cains Quest in Labrador City at the closing ceremonies in March and I'm working closely with Mandy Hope the youth coordinator from the Friendship Center on that. Our community freezer is going well. We had red berries, bake apples,

salt fish and fresh frozen char and hopefully in another two weeks we will have fresh caribou. Thank you very much Mr. Speaker.

**Mr. Broomfield:** We will conclude Members statements and recess for ten minutes.

**Mr. Broomfield:** I'd like to call the Assembly back to order. At this time I would like to recognize Kathleen Tagoona, Jim Moore and Mary Simon of ITK. At this time Ms. Simon will do a presentation to the Nunatsiavut Assembly. So I'd like to hand the floor over to Ms. Simon.

**Ms. Simon:** Nakummek Mr. Speaker and thank you to all of the Assembly Members. It is a pleasure to be here in Hopedale and to be invited to the Nunatsiavut Assembly. It is a privilege to be here. I really am honored to be here in your Nunatsiavut Government Assembly and I'll be going back and forth in Inuktitut and English so if you don't mind just have your translation equipment available. I'm really honored to be here because I think your continuing to do some very important in building your new Government and it's always a joy for me to be in Nunatsiavut, this time to your community of Hopedale and last year I had the great pleasure of visiting Nain, Labrador as well to speak to the Sivuppiallautta Conference on Language, Inuktitut, and the Inuit Language. So I'm really glad to be back and for the invitation to come here just as your winter is starting to settle in. It seems a little warmer here then it is back home in Kuujjuak. We had a lot of snow and the ice has already formed in the river. I think Jim when you were there we already had ice on the

river a few weeks ago. Since I was last here there have been some remarkable events in Canada. As you all probably have heard we have the first Inuk Federal Minister of Health, Leona Aglukkaq who was formerly Nunavut's Minister of Health and the Minister of Health in Nunavut. Canada's First Ministers table will now include its first woman Inuk Premier, Eva Aariak from Nunavut who was formerly the Nunavut's Language Commissioner. Then of course, in the United States we witnessed the historic election of the first African-American Barack Obama as President. All three of these events I think speak to the great promise of our countries to embrace and to refract the strength and diversity of its citizens. So I think it's a very exciting time in our evolution as citizens of this great world that these things are happening and to think that Canada now has as its Minister of Health someone who was born less than forty years ago in an outpost camp at Thom Bay along the Arctic Coast. Speaking Inuktitut as her first language, I think sends an extraordinary message to our young people who I see there are quite a few here at this session that Inuit have every right and opportunity to stand along side of other Canadians in the highest office of our land or the highest offices in our land, so it gives me great pride to stand in this, our newest House of Assembly in Inuit, Nunaat, we call the Inuit, four Inuit regions, Inuit, Nunaat, and imagine the promise of your deliberations and decisions will hold for the people of Nunatsiavut. We now have our own land on Nunavut and Nunatsiavut and Inuvait. We have our own Government and helping each other and these agreements in Government's stretch unbroken really from the Alaska border

to the Atlantic Ocean, which is really all of the Inuit Nunaat that we talk about and in the twenty five years or more I have been involved in discussions and negotiations related to Lands Claims Agreements. I have come to review our Land Claims Agreements as our twenty first century tools, tools to regain our lives to build healthy communities and really we must make the most of this opportunity. These tools are rights to hunt and rights to land ownership, our rights to benefit from resource development, the establishment of capital funds and our new Governments, these are powerful tools and we must use wisely and to their full potential. As you have discovered over our Land Claims negotiations Land Claims Agreements are by definition, compromises. The rights and responsibilities we negotiated within our Land Claims must be exercised within our identities and loyalties as citizens of Canada and residents of our Provinces and territories. The new tools that we have secured through our Land Claims Agreements are only as good as the life we breathe into them and the use we make of them. The power to make laws that we have negotiated is necessary to make good laws but it is not a guarantee. We must exercise our imagination and our creativity and work hard to create good laws for our citizens. The power to make public expenditures that we have negotiated is necessary to spending public money wisely but it is not a guarantee. We must be diligent in gathering good information so we can identify and challenge the threats to our well being. We must set priorities to ensure our decisions, our second and transparent. The power to make our laws and to allocate our public funds is necessary for ensuring our Government

reflex and respects the values that have sustained our families and our communities but it is not a guarantee. We must work hard at seeking out reflecting the values of our citizens in our decision making and we will make mistakes and we will learn from them and our decisions will be smarter and better because of our mistakes. In the past the mistakes were made for us and now when we make our own mistakes we will learn from them and make better decisions in the future. To many Canadians, to many other Canadians, Inuit have appeared to be consistent and conspicuous both as over-achievers over the past thirty years. Why do I say this? We Inuit help patriate the Canadian Constitution. Inuit signed Canada's largest Land Claim Agreements. Inuit created a new Territory, Nunavut, changing the map of Canada for the first time since the entry of your Province, Newfoundland and Labrador to the confederation in 1949. We have set a bold new precedent in Land Claims negotiations by combining Inuit property rights and Inuit self Government structures right here in Nunatsiavut and we are in the process of working out a further precedent for regional self Government in Nunavik. Whatever the frustrations that played out day to day grind of Land Claims and other complex negotiations and many of you here today will know all about those frustrations. Inuit have several generations set a pace unparalleled in Canada for redefining our fundamental political and legal circumstances. These negotiations drew along the skills of our parents and grandparents by showing patience and determination and putting the long term interests of our communities and our people ahead of short fixes. In recent weeks I have had the occasion to reflect

a great deal on the legacy of our parents. Each generation must decide if it wants to settle for the world of their parents or if they want to improve upon the past. In Canada through no fault or intentions of our parents they were part of a generation of National policies that have catastrophic consequences for our language and that's why I'm speaking English to you today. For our education, for our communities and for our self worth as Inuit. With the completion of the negotiations of all our Land Claims I believe Inuit are standing at the door step of creating a new story for Inuit in Canada. Through out tools of making laws and allocating resources and crediting policies for our communities we have the ability to create education systems that honor our culture, honor our language, honor our heritage and graduate our children. Through our new tools we can set our own priorities and approaches to addressing the issue that most under mind the health of our citizens. Issues of housing, education, employment and nutrition. Through our new tools of Governance we can design social policies for the well being of Inuit that reflect our values and our practices. The values and practices that lie at the essence of our proven strength as one of Canada's first peoples. Through our new tools we can seize the opportunities of the twenty first century and the knowledge economy so that our young people are inspired to become great community citizens and citizens of the world. Proud of their Inuit heritage and excited by the opportunities that have been generated by our innovative and progressive decisions. As President of the Inuit Tapiriit Kanatami, your national Inuit organization I have had the privilege of traveling across Inuit Nunaat, across Canada and sometimes

outside of Canada to speak on behalf of Inuit, on behalf of you and I am always moved by the sincere interest and concern that Canadians and people outside of Canada have in the well being of Inuit. We hold a very special place in the national consciousness of Canadians and we are models of survival to citizens of countries outside the world. We are looked upon as leaders among indigenous peoples and as people with tremendous ability to adapt to changing circumstances and thrive. We are viewed as perseverant and successful negotiators who set and achieve our goals and so it is inspiring for me to stand before you in this our newest House of Assembly knowing that you are embarking on a journey to chart a new course for the people of Nunatsiavut. Knowing that the quality of our children's lives will be the ultimate measuring stick of wisdom and success in your decisions. If our children inherit a world of choice and opportunity, ground it in a confidence of who they are as Inuit and as Canadians there our decisions, our politics will be worthy of the sacrifices that our parents and grandparents made and worthy of the struggles that our leaders made who negotiated this opportunity to reclaim our place in Canada. We have to recognize our people from the past. They have gone through very difficult times when we really talk about Land Claim negotiations and self Government they went through that. That is very easy to understand for the people of Nunatsiavut, Nunavik, Nunavut and also Inuvialuit. We all have to keep in mind and we as present leaders and as a Government we have to go by what our people want and we have to try to rally hard and please go ahead in whatever you do my fellow Inuit. Thank you.

**Mr. Broomfield:** Thank you, Ms. Simon, for a must say a very inspiring and a wonderful presentation, thank you very much. I think President Lyall has a gift.

**Mr. President:** First of all I welcome Mary here. I'm really pleased she came before our Assembly. As Todd said it's very inspiring and I hope we get a strong message from it. I know that you've worked very hard for our region and the number of years you've been the President of ITK and also all the different Ministers across North. I'm glad you didn't steal my show from me completely. I want to thank Mary, she worked very hard over the past few months to make sure that Olympic Torch relay would come to Nunatsiavut and I want to thank her personally for getting that done. All of the regions across North were very supportive in making sure the Torch Relay would be in our region. We don't know yet in which community it will be coming. It will be coming to one of the communities in our region where the Torch flame will be coming late in Two thousand nine. It's mostly due to the hard work that Mary and ITK has put into it. I also want to thank Mary for all the hard work she's done on our behalf, nationally and internationally. Thank you. (President Jim Lyall presents a gift)

**Ms. Simon:** Nakummek.

**Mr. Broomfield:** Thank you Mr. President and a big thank you to Mary Simon and her staff and wish them a safe journey home. So we will break for five minutes before we continue our agenda.

**Mr. Broomfield:** We will now move on into our agenda to question period. The

Chair recognizes the Member for Upper Lake Melville.

**Mr. Russell:** Nakummek Mr. Speaker. First before I move on to my question, I would like to make a clarification. Earlier on in my member statement, I responded to the First Minister's statement where he referred a letter to the Minister of Finance. Not having any previous knowledge of that letter I mistakenly made the assumption that our current Finance Minister was the one being referred to the First Minister and that was not the case. So of the two financial issues I had a problem with one of them was not directly related to Diane and I offer my apology for that but as I said not having any information before me I made the assumption and I wasn't here so I apologize to this House for that. Moving on to the question period, my question is directed at the Minister of Culture, Recreation, Youth and Elders. We all flew in here Monday morning when I asked Monday where the Minister of Culture, Youth, Recreation and Elders was, nobody seemed to have any idea. So my question is "did you show up a day late to Hopedale, miss an Executive meeting that Monday night, show up late to a sitting on the very next morning because you went to a football game in Montreal on Sunday?"  
Nakummek Mr. Speaker.

**Mr. Broomfield:** Thank you. The Chair recognizes the Honorable Minister of Culture.

**Mr. Ponniuk:** Nakummek Mr. Speaker. A short answer is no to the Member of Upper Lake Melville, that is not what it was and because it's personal I won't get into no specific or details. Thank you very much.

**Mr. Broomfield:** The Chair recognizes the Member for Upper Lake Melville.

**Mr. Russell:** Nakummek Mr. Speaker. So then very quick and to the point, were you at the football game? Thank you Mr. Speaker.

**Mr. Broomfield:** The Chair recognizes the Honorable Minister of Culture.

**Mr. Ponniuk:** Thank you Mr. Speaker. Yes I was at the football game. Thank you

**Mr. Broomfield:** The Chair recognizes the Member for Upper Lake Melville.

**Mr. Russell:** Thank you Mr. Speaker. By being late, you missed the arranged charter and thereby had to take a scheduled flight here incurring extra expenses to this Nunatsiavut Government. Are you prepared to pay that back? Thank you Mr. Speaker.

**Mr. Broomfield:** The Chair recognizes the Honorable Minister of Culture.

**Mr. Ponniuk:** Thank you Mr. Speaker. If it comes down to it, if it's the wish of whomever, if that's the policy or whatever, sure I will. Thank you Mr. Speaker.

**Mr. Broomfield:** Thank you. The Chair recognizes the Chair of NunaKatiget Corporation.

**Mr. Winters:** Nakummek Mr. Speaker. My question is directed to the Minister of Health. It has been brought to my attention that the NIHB policies regarding escort services and reimbursements for medical

transportation are not being followed. Who gives the authority in your department to override the written orders of a Doctor stating that an escort is required for beneficiary travel for medical treatment? Thank you Mr. Speaker.

**Mr. Broomfield:** Thank you the Chair recognizes the Honorable Minister of Health and Social Development.

**Mr. Flowers:** Thank you Mr. Speaker. I guess the question from the Ordinary Member from Upper Lake Melville is who authorizes? I guess the last authorization would come from me. I don't think that we and I know for sure that we are following the policy for escort service as strictly, by the book as we possibly can and I've been made that aware to my Deputy Minister and everybody else that's under me that we follow the policy and I know that there was a incident that was raised and I have addressed them. It comes down to me as the Minister of Health to make sure that policies are strictly followed as much as I can by the book. If something happens outside that I'm aware of later then it was done without my knowledge. Thank you Mr. Speaker.

**Mr. Broomfield:** Thank you Honorable Minister. The Chair of the NunaKatiget Corporation.

**Mr. Winters:** Nakummek Mr. Speaker. Why is it the beneficiaries only receive 15 cents per kilometer for ground transportation when public servants or elected officials receive 35 cents per kilometers when they travel? Why can't they get the equivalent of a ticket to St. John's and return when they are on

ground transport? Thank you Mr. Speaker.

**Mr. Broomfield:** The Chair recognizes the Honorable First Minister.

**Mr. Flowers:** Was that question directed to me Max?

**Mr. Winters:** Yes, that was my supplemental question to the Minister of Health.

**Mr. Flowers:** Thank you Mr. Speaker. All I can say to that effect Max that the policies and ground transportation, one of the things in NIHB, we do not and it's been here so many times, we do not have the funds to be able to do everything that we can but these policies were put in place before my time and all I can say to that is I can certainly check into your questions and your request that you were looking for changes, all I can say to that, I can certainly sit down with you and talk it over with you and see if there's solutions that can come up but there was never from Executive Council, or never from the President or anyone else to tell me that changes have to be made or the policies. Thank you Mr. Speaker.

**Mr. Broomfield:** Thank you Honorable Minister. The Chair recognizes the Chair of Sivunivut Inuit Community Corporation.

**Mr. Tuttauk:** Thank you Mr. Speaker. As the Member from Upper Lake Melville alluded to in his Member's Statement, my question is directed to the Minister of Culture, Tourism and Recreation. Yesterday we were informed that a number of elders were told their per diems would be used to pay their way home from the elder's conference in

Nain. While their actions cannot be condoned, the way they were treated is deplorable. We seek the advice of our elders continually and they are a great resource that should continue to be utilized. While many of the elders attend these conferences as a way of passing on information to others, some attend to receive per diems as an extra source of income. Will you Mr. Minister correct this situation and reimburse those elders that lost their per diems?

**Mr. Broomfield:** The Chair recognizes the Honorable Minister of Culture.

**Mr. Ponniuk:** Thank you Mr. Speaker. Before the elders conference started at the opening it was made very clear that there was a no alcohol tolerance whatsoever and the circumstances was given in both English and Inuktitut verbally, English and Inuktitut written and they knew the circumstances. So as of now seeing that they did not know the consequences that they would have to pay I, as of now I have to say no. Thank you.

**Mr. Broomfield:** Chair of the Sivunivut Corporation.

**Mr. Tuttauk:** Thank you Mr. Speaker. Supplemental. Thanks for your response Mr. Minister. Regardless of whether people were informed of the decision, the budget for this conference came from the budget meetings here at the Assembly. Their per diems, their travel, their accommodations were already accounted for. Why take that money that was allocated for their per diems away from them? Thank you.

**Mr. Broomfield:** The Chair recognizes the Honorable Minister of Culture.

**Mr. Ponniuk:** Nakummek Mr. Speaker. I guess I can sort of go back to what the Ordinary Assembly Member asked earlier or mentioned earlier about the, I could have come on a charter, was I willing to pay my own way back? Now, this is the same scenario here, they came on a charter and if they did not follow the guidelines that were set out to them they would have went back on the charter. It would have been extra costs for us if we had to pay their way back. Thank you.

**Mr. Broomfield:** Thank you Honorable Minister. The AngajukKak for Postville.

**Mr. Decker:** Thank you Mr. Speaker. My question I guess to the First Minister. I know, I'm probably beating a dead horse here but anyway, the Minister of Finance brought it up yesterday in question period in regarding to the situation that we along the North Coast regard to the freeze on gasoline. It's hardship on everybody, we heard yesterday on the news again that a drop again by almost another 4 dollars a barrel and still here on the North Coast we are froze at a 1 dollar and 30 cents a liter. People say where's our Government, what are they doing? How come they're not getting involved? That's the questions that we hear. I'd like to ask the First Minister what are your plans? Do you have any plans of doing anything about it? Thank you.

**Mr. Broomfield:** The Honorable First Minister.

**Mr. Andersen:** Thank you Mr. Speaker. I'm not sure, I hope it wasn't, you weren't referring to me as a dead horse yet, AngajukKak. I did, Mr. Speaker

send out an email last week to AngajukKaks and tried to keep them abreast of what was discussed and to you Mr. Speaker. Discussions as to me and the President have had with the help from the communities, the Acting Director of Communications in educating ourselves understanding how the process works. I can report today Mr. Speaker that I was informed earlier today by our Director of Communications that yes in fact the Public Utilities Board is in fact considering doing a review of the freeze for Coastal Labrador which includes North and South. As well Mr. Speaker they have agreed, or they made it clear that will consult with stakeholders which includes, it is my belief as well as the Presidents, that the stakeholders are the Inuit Community Governments, Nunatsiavut Government and of course the residents in Nunatsiavut, so they agreed to consult with. As well, they have agreed to meet with us, the date for such a meeting is not in place but we will have a letter sent to them tomorrow requesting them to confirm a time. So in fact we will have, within the next, I don't know when. I'm not going to say a few days, if it was up to us it would be a few days Mr. Speaker but it's not entirely up to us but within a short period of time we'll have a meeting with the Public Utilities Board and we will continue to try and work on behalf of our beneficiaries to see that when prices are frozen, they're frozen in interests of our communities and that's where we are again Mr. Speaker, I'd like to ensure the AngajukKak's and all Members that I'll try to keep you all posted by email instead of just some of you from now on but it is an ongoing thing and I think Mr. Speaker that we are hoping, we're very

active in pursuing a fair deal for our communities. Thank you Mr. Speaker.

**Mr. Broomfield:** Thank you Mr. First Minister. The AngajukKak for Nain.

**Ms. Erickson:** Thank you Mr. Speaker and thank you First Minister for saying that something may be done about this. I think I can speak on behalf of the AngajukKak on this matter that we have dealt with this every season, be it spring, be it fall, when the freeze comes on, when the freeze comes off so it's not a new issue to us and it's something. We deal with this all of the time, it's encouraging to know that the Public Utilities Board is actually looking to meet with us or to meet with the stakeholders. One of my questions is I'm hoping when they do meet and meet with the Nunatsiavut and they decide that the freeze did come prematurely this year and that it shouldn't have been made that there maybe some sort of compensation for those of us that have been paying the extra high prices for the last month when it shouldn't have been frozen. Thank you.

**Mr. Broomfield:** Thank you. The Honorable First Minister.

**Mr. Andersen:** Thank you Mr. Speaker. As I said Mr. Speaker we are looking to, for the best interests of our communities and to be fair as I mentioned in my comments yesterday we believe that it is the time that Public Utilities Board did consult with all stakeholders including residents of Nunatsiavut. Whether or not we can turn back the clock, I'm not sure Mr. Speaker but we certainly will give it a try as I'm sure the AngajukKak from Nain will have opportunity because we will hold them to their commitment to

meet with stakeholders which includes the Inuit Community Government of Nain. I'm sure that the AngajukKak herself will have ample opportunity to ask that they reimburse residents of her community. But, certainly will stand beside her and keep her informed, maybe there's even opportunity that we will be at the same table in Nain one day when they come to consult in our community. Thank you Mr. Speaker.

**Mr. Broomfield:** Thank you Mr. First Minister. The Chair recognizes the Member for Canada.

**Mr. Pottle:** Nakummek Mr. Speaker. I direct my question to the President of Nunatsiavut. Mr. President, further to my email of November 05, 2008, to date I have not received a reply to that email, I requested a report an opinion on the legal and financial implications of amending the Tasiujatsoak Trust Deed to include Canada in the definition of a volunteer centre. I ask the President can I expect a requested report will be forthcoming? Nakummek Mr. Speaker.

**Mr. Broomfield:** The President of Nunatsiavut.

**Mr. President:** Thank you Mr. Speaker. I received a report from, a very brief report from legal advisors basically stating that there was no need for priority concern to open the agreement, to amend the agreement and I would like an opinion from the Members of this House on whether we should be indeed.....

**Mr. Pottle:** Point of Order Mr. Speaker.

**Mr. Broomfield:** The Member will state his point of order.

**Mr. Pottle:** The reason why I'm asking for this report Mr. Speaker is based on a legal opinion that was provided on March 19, 2008, which I received from the Clerk of the Nunatsiavut Assembly in an email to me, legal counsel at that point advised that there should be a report given outlining the legal and financial implementations to amend the Tasiujatsoak Trust Deed and that report should come from the President and the Minister of Finance. I believe that it is unfair of the President to put this question to this Assembly without that being framed in terms of a motion given that I have asked for this information and I had not gotten this information to proceed forward with respect to obtaining a report in which we can look at the possibility of amending the Tasiujatsoak Trust Deed. I wanted that information Mr. Speaker so that this Assembly can be informed and make a decision based on that with respect to the Presidents question, I think it's out of order and I believe that he has not answered my question to the satisfaction that I'm looking for. Thank you Mr. Speaker.

**Mr. Broomfield:** Thank you we will recess for five minutes while I discuss and find a resolution to the point of order raised by the Member for Canada. So we'll recess for five minutes.

**Mr. Broomfield:** Good morning, I'd like to call the Assembly back to order. After discussing the issue with the Clerk of the Assembly; I've made a decision on the Member for Canada on his point of order that was raised. The Member's point of order is well taken. The issue here is that the Member is seeking a report from the Trustees of the

Tasiujatsoak Trust for implications to amend the Trust Deed. The President himself has no authority to prepare that report. The Treasurer who is a trustee has no authority to prepare that report; this authorization would have to come from the Assembly as a whole. So the Member for Canada will continue with question period. Are there anymore questions? We will move on. Are there any written questions? Reports of standing and special committees. Are there any further reports to present today? Notice of motions. The Chair recognizes the Member for Canada.

**Mr. Pottle:** Nakummek Mr. Speaker. I'd just like to inform the Assembly that I will be putting forth a motion to have this House convened as a committee of eligible Trust beneficiaries to discuss amending the Tasiujatsoak Trust Deed. Nakummek Mr. Speaker.

**Mr. Broomfield:** Thank you. We will pass item twelve at this point and we will come back to it later. Notice of Motion for first reading of bills, there are no bills to present today. So I'll move on to item twelve, motions. The Chair recognizes the Member for Canada.

**Mr. Pottle:** Nakummek Mr. Speaker. I move, seconded by the Ordinary Member for Upper Lake Melville, Keith Russell that the House of Assembly convenes as a committee of eligible Trust beneficiaries to discuss the process needed to amend the Tasiujatsoak Trust Deed. Nakummek Mr. Speaker.

**Mr. Broomfield:** Thank you. The motion is in order. The intent of the motion is to seek, first of all the Assembly's approval to actually to convene as representatives of the Trust.

In order for a report to be prepared from the committee, the Assembly will first have to determine if they are indeed interested in convening as eligible beneficiaries of the Trust. The motion is in order and the Member for Canada can offer his opening statement.

**Mr. Pottle:** Nakummek Mr. Speaker. My rationale for asking for the House to convene as a committee for eligible Trust beneficiaries to look at the possibility or the process required to amend the Tasiujatsoak Trust Deed is to have information to present to this Assembly so that each and every Member is informed of the legal and the financial implications that maybe forthcoming as a result of an amendment to the Trust Deed. Without that information Mr. Speaker I don't feel comfortable with respect to moving forward this motion without that information for this Assembly to consider. I believe that this is my responsibility to seek this information if I'm to do diligence to this process and I believe again Mr. Speaker and I reiterate that I believe this information is necessary for us to proceed further on making a determination whether or not there could be an amendment to the Tasiujatsoak Trust. As we heard Mr. Speaker in the presentation from Mike Flatters the Trustees of the Tasiujatsoak Trust that there are finances to offset the possibility of Canada being defined as a volunteer centre to receive a hundred thousand dollars that each of the constituents in Nunatsiavut, in Upper Lake Melville area, including North West River, Happy Valley-Goose Bay and Mud Lake receive funds from the Trust to meet the objectives of the Trust. Residents in Canada Mr. Speaker have ratified and gave their consent to the

Voisey Bay Impacts and Benefits Agreement. Resident's in Canada have also ratified the Labrador Inuit Land Claims Agreement giving way for the development of the Voisey Bay project. Therefore Mr. Speaker it is the wish of resident Inuit, residents in Canada that they have access to some of those funds coming out the Trust so that resident, Inuit residents in Canada can look at and have funds to put in place cultural, Language, education and employment opportunities for Inuit residing in Canada which at this point in time Mr. Speaker, Federal and Provincial dollars are quite limited and I believe that in order for Labrador Inuit resident in Canada to achieve some of their goals and objectives of the Trust. My rationale for this line of thinking as I spoke to some department Ministers of each of the departments is that at this point in time Labrador Inuit resident in Canada are subject to departmental dollars that are allocated for programs and services which we all know are quite limited Mr. Speaker. If this amendment was made it would provide the funds necessary for Inuit resident in Canada to meet some of the objectives of the Trust, therefore freeing up each of the departments to allocate additional dollars that could go towards the provisions of programs and services in Nunatsiavut or elsewhere which is the decision of each of the departments. That's my rationale Mr. Speaker for seeking this information and without that information I don't believe that this Assembly can make that decision in a fiscally responsible manner or in a manner that maybe considered equitable without that information. Nakummek Mr. Speaker.

**Mr. Broomfield:** Thank you. In accordance with process we follow for

motions each member can speak to the motion if you wish to do so. The floor is open for debate. The Chair recognizes the Member for Upper Lake Melville.

**Mr. Russell:** Nakummek Mr. Speaker. I'll be brief. Any process that leads to this report getting generated that would hopefully allow this Assembly to make an educated decision to perhaps amend the Trust Deed and to have Canada recognized as volunteer centre. I'm in full support of, as I wouldn't have seconded the motion otherwise. As the Ordinary Member for Canada alluded to the region I present Upper Lake Melville has access to those amounts of money as a volunteer centre and I know that they do good things with that money. It's all about taking care of people in need and perhaps giving back to some that perhaps could use a little help along the way in their lives. I really think that this is a good thing so I'm in full support of it. Nakummek Mr. Speaker.

**Mr. Broomfield:** The Chair recognizes the Honorable First Minister.

**Mr. Andersen:** Thank you Mr. Speaker. As I understand the motion is quite simple and I think that perhaps the Member from Canada and even maybe the Member from Upper Lake Melville already started the debate on whether or not there should be a report. As I understand the motion Mr. Speaker it's simply a request to adjourn as an Assembly and convene as representatives of the eligible Trust beneficiaries. I think that it is important that Members recognize that and I believe that once we reconvene as representatives of the eligible Trust beneficiaries then certainly we can get into whether or not there should be a

report. The Member from Canada's motion is quite straight forward and I would support the motion as it stands. Thank you Mr. Speaker.

**Mr. Broomfield:** The Honorable First Minister is correct. The issue is very simple and the motion states that the Assembly convenes as eligible beneficiaries of the Trust. If you support that then we can discuss the details required after that. Are there anymore comments? I would hand the floor to the Member for Canada to offer his closing remarks.

**Mr. Pottle:** Thank you Mr. Speaker. Thank you to the First Minister and to the Ordinary Member for Upper Lake Melville for supporting the motion and I don't think I have anything further to say on that other than again just to reiterate, I believe that the report is necessary if the Assembly or the Committee of Eligible Trust Beneficiaries is to make an informed decision. Thank you Mr. Speaker.

**Mr. Broomfield:** Thank you. I will ask you to a by of show of hands Members supporting the motion to convene as representatives of the Trust, the Tasiujatsoak Trust. Can you keep your hand up while I count? Is your hand up Minister of Finance? Your hand is up? Number of members opposed. By a vote of thirteen to one the motion is carried. The Assembly will now convene as eligible Trust beneficiaries to discuss the implications of amending the Trust Deed. I think the intent is to have a report prepared for the benefit of the Assembly to make an informed decision. So will you give a mandate to the President or the Treasurer to prepare a report, to request the Trust to prepare a

report on behalf of the Assembly? Aye. So Mr. President will you see that, that is carried out?

**Mr. President:** Mr. Speaker yes I will.

**Mr. Broomfield:** Thank you. So that is the intent of the committee. The approval could not be given by the President or the Treasurer; the mandate had to come from the Assembly as a whole we have that mandate so now the President will bring the issue to the Trustees to have a report prepared for the Assembly so that we can make an informed decision, the committee is dissolved. We will now discuss item twelve on the agenda. The Chair recognizes the Member for Canada.

**Mr. Pottle:** Nakummek Mr. Speaker. I just want a clarification whether or not we were finished with the agenda item motions at this point in time I would like to inform the House that I will be deferring the motion that is in your binder with respect to making an amendment to the Trust Deed to a further session of the Nunatsiavut Assembly. Thank you Mr. Speaker.

**Mr. Broomfield:** Thank you. I think that's a wise decision to get the information we need to, for the Assembly as a whole to make an informed decision. We'll move on to the decision of the disciplinary committee. On the twentieth of October, two thousand eight, I received a complaint from three members of the Executive Council, Minister Greg Flowers, Diane Gear, and Minister Ben Ponniuk. After the complaint was received by the Clerk of Assembly, the copy of the complaint was sent to the Member in question. The Member in question is the Ordinary

Member for Nain, Mr. William Barbour. After the complaint was sent to the member, the member had ten days in which to respond to that complaint. A response was received by the clerk on the twenty-third of October, after that was completed I then proceeded to put a committee in place to look at the complaint from the applicants and the response from the Member in question. Assembly Members, Keith Decker, the AngajukKak for Postville, and Dan Pottle, the Ordinary Member for Canada were chosen by me to assist in finding a resolution to the complaint. We arranged for a meeting after all of the information was received from the parties involved and came to a decision that the Member in question had indeed breached section four point one states that an elected official shall not be under the influence of alcohol or illegal drugs while discussing or conducting Nunatsiavut Government business. The committee came to a unanimous decision that the Member had indeed breached section four point one. After that determination was made by the committee, the committee then proceeded to discuss the penalty to impose on the member. The committee came to a unanimous decision to recommend that the Member be removed from office. Any recommendation from this nature had to be vetted through the Assembly. The committee itself came to a decision that is final and binding under Inuit Law which is the Code of Conduct. The constitution overrides any laws that we have in place. Section four point three point seven is the section that we are addressing here today. I must say it is a very tough issue to deal with but the process we have in place really takes away the personal matters in this issue, it's not about any member of this

Assembly it's about the issue itself, which makes things, for my part I guess it would be easier to deal with. Having said all of that the process now is for the Assembly to indeed decide if they're going to adopt this recommendation that's come forward from the disciplinary committee. The process we will follow is that a Member will introduce a motion, that motion will be seconded by another member and the Assembly will have the opportunity to debate the motion. The Member is free to take part in the debate and vote on the motion also because our constitution allows for that to happen. So with that I will hand the floor over to the AngajukKak for Postville.

**Mr. Decker:** Thank you Mr. Speaker. I more, seconded by the Ordinary Member of Canada that the Ordinary Member from Nain Mr. William Barbour be removed from office.

**Mr. Broomfield:** The motion is in order. I offer the floor to the AngajukKak for Postville to offer his opening remarks.

**Mr. Andersen:** Point of order Mr. Speaker.

**Mr. Broomfield:** The First Minister will state his point of order.

**Mr. Andersen:** My point of order and I hope you will be patient with me Mr. Speaker and that my point of order is more of a question for your consideration and that is given that the AngajukKak for Postville has introduced or tabled a motion. Under our rules, amendments can be made to motions if I'm correct. However, in your opening remarks you said that this was a recommendation from the disciplinary

committee that was final and binding. I see Mr. Speaker, my point is that I, from you, I seek some clarification. Thank you Mr. Speaker.

**Mr. Broomfield:** Yes. The recommendation from the disciplinary committee is final and binding under an Inuit Law. The reason why we are bringing this recommendation to the Assembly is that the disciplinary committee itself has no authority to remove a member from office. This is where the Labrador Inuit Constitution is applied. The determination was already made by the committee that a member of the Assembly had indeed breached section four point one of the Code of Conduct which is an Inuit Law. Section four point three point seven of the Labrador Inuit Constitution states that a member of the Assembly can only be removed with the support of sixty percent of members of the Assembly and this would be based on a breach of an Inuit Law or a Code of Conduct passed by the Assembly for its members. The recommendation itself is final and binding. The Assembly cannot overturn this recommendation and we as a disciplinary committee has no authority to remove the member from office. This is what the Assembly will decide. Does that answer your question?

**Mr. Andersen:** My point Mr. Speaker was because this a motion tabled and seconded, the motion on the floor under our rules, under our parliamentary rules a motion tabled, seconded and recognized can be amended. Therefore I'm asking the motion tabled by the AngajukKak from Postville, can this motion be amended? Thank you Mr. Speaker for your patience.

**Mr. Broomfield:** The motion itself cannot be amended. The motion is either in order or it's ruled out of order. The motion on the floor withstanding is and based on the ruling from the Speaker the motion is either in order or a motion would not be debated. So are all Members clear of this process?

**All:** Aye.

**Mr. Broomfield:** The AngajukKak for Postville has the floor to offer his opening remarks.

**Mr. Decker:** Thank you Mr. Speaker. The Nunatsiavut Assembly unanimously adopted the Code of Conduct on March 6, 2008. I'm asking Members of this Assembly to support the decision of the committee to remove the Member from office that we as the Assembly must decide to say yes or no to this recommendation. To say no is to recommend its equal to say that we condone this kind of behavior in the Assembly. Thank you Mr. Speaker.

**Mr. Broomfield:** Thank you. Before we proceed any further I will double check on the point of order that was raised by the First Minister to ensure that I am very clear on the direction we are headed. So we'll recess for two minutes.

**Mr. Broomfield:** Good afternoon I'd like to call the Assembly back to order. Before we continue to discuss this motion on the floor and to reaffirm my decision on the point of order made by the First Minister, the First Minister's point of order is not well taken. The process we are following is correct; the motion itself is not amendable by another member. I think what the First Minister is referring to would be a bill.

A bill is amendable but not the motion itself. So, in order to be absolutely certain of the process, I did double check and that is the correct answer. So, the mover had made his opening remarks, the motion is now open to the Assembly and you have the opportunity to speak to the motion once if you wish to do so. The Chair recognizes the Ordinary Member for Nain.

**Mr. Barbour:** Thank you Mr. Speaker. While I recognize the motion is in order. First of all (Inuktitut) and again that's all I will say and I will repeat it in English. I acknowledge that my behavior in Rigolet was inappropriate and I want to apologize to my colleagues and to the Members of the Assembly for this. As a result of my behavior, the President removed me from my duties as Minister of Lands and Natural Resources effective September 17th and this was confirmed in a letter on the same date which I accepted. Since then, I have been dealing with my problem and I believe I have been acting in a manner that is respectful of my elected position. I believe that President Lyall and First Minister Andersen can confirm that. So it was a complete surprise to learn almost two months later that a disciplinary committee had been established and has recommended that I be removed from office. I do not think I should be punished twice for my indiscretion. I am truly committed to working with the Nunatsiavut Government and especially working on behalf of my constituents in Nain. I will continue to deal with my problem so that I can honor the confidence of Inuit who voted for me and hopefully be reinstated as a Member of the Executive Council. With that Mr. Speaker if there are other points I wish to make that maybe unclear to other

Members I hope to be able to do that.  
Thank you Mr. Speaker.

**Mr. Broomfield:** Thank you. The Chair recognizes the President.

**Mr. President:** Thank you Mr. Speaker. As the Ordinary Member from Nain just indicated, he was removed from his position as Minister of Lands and Natural Resources on the 17th of September. I recognize the fact that there was an incident in Rigolet and I knew that disciplinary action had to be taken. I'm also a bit disappointed in the fact that the disciplinary committee did not in any way contact me or the Nain office or fellow employees in Nain office to find out exactly what's been happening with Mr. Barbour since he received the disciplinary notice. He's been an excellent employee. I've sent him on a couple of meetings to represent me at a mining conference. Reports from all conferences are that his behavior has just absolutely perfect. He's been working full time without any problems and I would also like to add that Mr. Barbour doesn't have any personal agendas. First and foremost, his only concerns are his constituents in Nain and the operation of the Nunatsiavut Government. I understand that Mr. Barbour has been working with the LIA before now and also Nunatsiavut Government before my time. I understand that he always has been a very good Minister. He's had his problems with alcohol. We all know that but I think since I've sat down with William on the 17<sup>th</sup> of September, wrote him his letter, his behavior has been absolutely perfect. I haven't had any problems with him whatsoever, and as he stated I think that he already been disciplined. To further to add to that I think it's a mistake. I don't think we'll

be doing Nunatsiavut Government any favors by dismissing Mr. Barbour from his position. I think he's dealing with his addiction and bravely battling that problem and I think it would be just a slap in the face to remove him from office. I've had literally dozens of calls. I was in St. John's at the time when I received the notice that the disciplinary committee had met. I had dozen of calls from Nain Members when I was in St. John's basically stating they couldn't understand the process and why it's happening. He had made huge steps forward in his behavior and I would not in any way recommend that he be removed. Thank you.

**Mr. Broomfield:** Thank you Mr. President. The Chair recognizes the Honorable First Minister.

**Mr. Andersen:** Thank you Mr. Speaker. Mr. Speaker I'm not standing to the defense of my colleague, fellow Ordinary Member from Nain, certainly not. Certainly not here to defend him or to ask the Assembly this be forgotten about and swept under the carpet, certainly not. I think what the Member, my colleague from Nain, Ordinary Member, what he did in Rigolet was truly in breach of the Code and require reprimand. I've known William Barbour for many years but Mr. Speaker I have to say that although I've known him for many years, we've gone to high school together, we've done a quite a number of things together. However, Mr. Speaker as I said I'm not here to defend him and I'm certainly not here just to speak about William Barbour. Mr. Speaker, we have a Code of Conduct and I think Mr. Speaker that it is a great tool that we have. A lot of hard work was put into this, a lot of consideration was put into

this and it was adopted unanimously by this Assembly. It allows Mr. Speaker, it's not a cut and dry, it's not as simple as saying okay you broke the code, there we go, you go there, you go there, you go there. There are options. There's opportunity here I believe Mr. Speaker, options that allow us to put some very human side to this tool that we have, the responsibility we have in using this tool is huge, a huge responsibility that we have. It is not simply there that we opened it and take every word in here as a gospel truth. It is a wonderful tool that we have, we should use it with responsibility, and we should use it wisely. I've reviewed the public record which included Mr. Speaker the application that was made by three Ministers no less, three, and I think that it shows that there was a real concern by Members of the Executive Council on the behavior of Mr. Barbour. I have to say however Mr. Speaker the letter went beyond explaining that Mr. Barbour was in breach of a Code but the letter included a human side and that is that the Ministers did not seek that the Member be removed from office. I think Mr. Speaker that we all go through hard times in our lives, we make mistakes, go through personal hardship, we suffer great personal loss, there are not many of us who had not been there. I myself have been there Mr. Speaker and I can tell you and I'm sure that no other person can tell me any different. There is never, among the worst feelings Mr. Speaker is to feel alone and forgotten and cast out by your friends, your family and in his case Mr. Speaker, your colleagues. No room for help, no room to seek to make amends, no hands to say, you've done wrong here, you have done wrong here William but there is opportunity, there is opportunity for you to change and we

are colleagues in this Assembly are here to help you. Your recommendation does not make allowance for that Mr. Speaker, although the Code does and that is why I said it's such a wonderful document that we have, the Code of Conduct. The Conduct allows for us to help one another. I don't know Mr. Speaker what kind of message we will send to the beneficiaries of Nunatsiavut, our beneficiaries of the Labrador Inuit Land Claim Agreement if we can make such a harsh decision without considering help for one of our own. We all know that in our communities Mr. Speaker that we have problems that we are trying to deal with trying to reach out and help people in our communities. I'm not certain Mr. Speaker what the feeling will be when one of those people have to say on it will be no sense to me to go their own Government, look what they've done to one of their own. We're human beings Mr. Speaker, all of us, we make mistakes and sometimes perhaps there is no room for us to ask for help, to our friends, to our family, to our colleagues, in this case Mr. Speaker I believe there is that chance. Mr. Barbour has a long, distinguished political career as well as in the Lands and Resources field as an employee, he has contributed a lot, a lot. I'm simply not asking that we consider his long distinguished career Mr. Speaker, simply asking that we consider him to be a human being, no less, no more than any of us around this table. I'm asking Mr. Speaker that Members of this Assembly consider what I have had to say, consider how you would feel that if it were you in Mr. Barbour's shoes. Would you still feel that you were beyond help or that you should be subject to removal without having that opinion, that option that is so clear in this document, our Code. I

cannot support this recommendation, Mr. Speaker and I thank you very much for the chance to speak.

**Mr. Broomfield:** Thank you. The Chair recognizes the Honorable Minister of Health and Social Development.

**Mr. Flowers:** Thank you Mr. Speaker. To me it was about doing the right thing. It was I guess a very hard decision when I got back to my community because I do know William. I've met with him over the years through different organizations that I've been on and it was a real hard thing to have to do but we got a Code of Conduct and the Code of Conduct says you cannot drink or do drugs during meetings. I and a couple of our other Ministers basically had no choice but to write up such a letter stated that we would like to see the Ordinary Member for Nain get help. That was very clear in the letter that we wrote. I don't know if it was taken into consideration by the committee or not but to condemn, to me, and not give him a chance to be able to seek the help that he could get and we support it, to me that's wrong. So I believe that Mr. Barbour knows that it was a mistake and I don't know if at the time when it was being done, the disease. Maybe he didn't but I believe we got to support our own, we got to help our people and it's in the Code of Conduct that we can, it states there that we can help and to not help to me is not the right thing to do. Thank you Mr. Speaker.

**Mr. Broomfield:** Thank you. The Chair recognizes the Honorable Minister of Finance and Human Resources.

**Mrs. Gear:** Thank you Mr. Speaker. Mr. Speaker when I was approached to sign

the letter I thought a lot about it, I thought well we spent a lot of time on the Code of Conduct. There's provisions in here and then when I looked at section 4.3 I said to myself okay there's a way there that can be applied, there's something there that can be applied to him and we don't necessarily have to let him go and I thought okay that's the first thing they'll look at, there's other options besides saying you're gone. As I stand here today I have the greatest respect for William Barbour. He's been a real help to me with my growing pains but putting all of that aside I think that he should have had another chance under 4.3. Thank you very much.

**Mr. Broomfield:** Thank you. Any more Members wish to make a statement? The Chair recognizes the Member for Canada.

**Mr. Pottle:** Nakummek Mr. Speaker. Thank you Members of this Assembly for expressing your opinions on this matter. As the Speaker of this Assembly reiterated in opening remarks prior to this motion coming forward, this is not about personalities, this is about process, this is about law that each and every member of this Assembly voted in favor of, a Code of Conduct, so that there would be a process to address issues such as this. The unfortunate thing Mr. Speaker is that the actions of elected officials current and past has necessitated the need for a Code of Conduct. We've heard time and time again at this Assembly session Mr. Speaker and prior to this Assembly session that beneficiaries, public servants, and as recently as last week elders were held accountable for their behavior. We have a Code of Conduct that applies to this Assembly Mr.

Speaker that was unanimously supported by this Assembly. Despite the fact that the complainants in their letter of complaint suggested recourses to deal with this matter the bottom line is a formal complaint is submitted the process is out of your hands and you overwhelming gave a mandate to this Assembly to look at and to discipline members for violations of this Code of Conduct. To turn your back on that now would be as somebody already stated in this Assembly to condone this behavior when members of our public our public servants and our elders are held accountable. Who gives the right for an elected official to believe that they are above the law, law that was sanction and put in place by this Assembly to address issues of misconduct? In the eyes of the public Mr. Speaker we are the final authority and to turn our back on this matter would be telling the beneficiaries to the Labrador Inuit Land Claims Agreement that this Assembly supports this type of behavior. I, Mr. Speaker don't want to be looked at and viewed as a result of the work that I've had and other members of this Assembly had put into developing this Code of Conduct and to turn my back on that process now Mr. Speaker would be to turn my back on people who've elected me to this office. I, Mr. Speaker took an oath of office as did other Members of this Assembly to uphold the constitution; our founding principles and our provisions of the constitution state quite clearly that elected officials are role models. We set the example, it is up to us to help people come to terms with and deal with issues such as addictions. To mandate somebody into treatment doesn't always work. It is the last treatment option that would be looked at with respect to accessing the needs of a client. How can

insight and awareness into people's problems come to the fore if we continually allow behavior to be ignored time and time again? This feeds the process, the disease process of alcoholism or drug addictions. Mr. Speaker it is not up to me to mandate somebody into treatment that is not within I believe my role to do. It is up to the individual to come to terms with it and accept and internalize that they have a problem and to reach out and ask for help. How and where would we refer a member when this Assembly took away our only treatment option in Nunatsiavut and close the Saputjivik Centre? Where would we recommend that somebody from this Assembly be referred to, Mr. Speaker? Somewhere outside of Nunatsiavut where we've time and time again say that is not appropriate, that is not culturally relevant. We send our people outside of Nunatsiavut where they're forced to speak English if Inuktitut is their first language; it puts them at a disadvantage Mr. Speaker. I believe that the Code of Conduct as the First Minister has reiterated not only today but in his remarks to support the Code of Conduct on the sixth of March is a reflection of Inuit values. Go back to the Inuit values and the Inuit way of doing things prior to contact and prior to us being overwhelmingly subjected to Kablunak processes and processes. If a committee of your peers determined that the behavior of another individual was reflecting and affecting the well being of other individuals then the decision of elders and decisions of your peers as a last report was to cast you out. To give you sometime to think about your behavior, to give you sometime to make amends and to prove to the circle that you have made those amends and that welcoming you back into the circle

would ensure that the circle has been healed. At this point in time Mr. Speaker I believe that it is incumbent on each and every member of this Assembly to support this Code of Conduct and the findings of the disciplinary committee which you've unanimously supported on the 6th of March, 2008. With that Mr. Speaker in closing again this is not about personalities. I too know Mr. Barbour and have known Mr. Barbour for quite sometime. We were residents and roommates in the residential school in North West River in grade ten. Yes, we all have struggled, we've all made mistakes but we took it upon ourselves to acknowledge and internalize our behavior and we've taken steps and put in place measures to deal with our behavior and to set us on the path of healing and if this is what it takes for any Member of this Assembly to develop that insight and awareness then so be it and I ask Members of this Assembly to uphold the recommendation of the disciplinary committee.  
Nakummek Mr. Speaker.

**Mr. Broomfield:** Thank you. The Chair recognizes the Honorable Minister of Cultural.

**Mr. Ponniuk:** Thank you Mr. Speaker. I'll just reiterate what's been said a number of times and their remarks. It's not about personality. It was an easy decision for me to submit this letter. It was something I felt we had to do and that is exactly why this Code of Conduct is in place. But I also stated in the letter was that we would not like to see Mr. Barbour removed. I honestly believe this is the first time that something like this came to the Code of Conduct committee. I think as well as some other people said today if we're not here to support and

help what kind of message are we sending? Are we going to say you fooled up see you later? That's not my way of looking at it. In my years with LIA, through transition and now with Nunatsiavut there was a couple of occasions where people had the opportunity to get this help and I know a couple that got the help and they're on the road to, well they're still working and I think that in saying that Mr. Barbour also deserves this opportunity. I think he should get support from us I don't we should just say you as I said earlier you fooled up, you're gone. I do support the Code of Conduct committee. Obviously I was on the committee and it is a very, very good document. But in saying that there are provisions there that we can use to help individuals that of what we're talking about today. So again I think a person should be given a chance. I will support if Mr. Barbour is willing to get the help he deserves I will support him rather than as somebody said kick him out which is a harsh way to put it. It has to be dealt with but like I said there's more ways to do it then just to get rid of somebody. Thank you very much.

**Mr. Broomfield:** Thank you. The Chair of Sivunivut Inuit Community Corporation.

**Mr. Tuttauk:** Nakummek Mr. Speaker. We're all aware that we have the utmost respect for Mr. Barbour. We have to realize that under the Code of Conduct, the section that was quoted was zero tolerance, what does zero tolerance mean? It doesn't mean one or two drinks; zero tolerance means nothing at all. I also would like to reiterate what the Member for Canada said that treatment should be provided but with no treatment

centre of our own it kind of fails the purpose. People are personalizing this issue, it's not as stated earlier, it's not about the person, and it's about the action. Regardless of what people think this is a decision that the Assembly should vote in favor of and show beneficiaries that we have to make a tough decision and that we can do it. Nakummek.

**Mr. Broomfield:** Thank you. The Chair recognizes the Member for Upper Lake Melville.

**Mr. Russell:** Nakummek Mr. Speaker. I too know Mr. William Barbour. We've had a few laughs, I can say I like the man but we're a Government, we have to be functional, we have to be accountable and the way that we do that is by creating laws, by passing legislation that keep ourselves in check and that is the back bone of this Government and that is what we use as elected officials representatives of the public as a fail safe to fallback on when hard decisions are to be made. That's what's necessary to eliminate emotion and personal feelings about issues in order to move forward as a Government and make those hard decisions and in some cases do things that are so different that at first glance they may appear to be harsh and a little bit gone too far maybe but that's the point of a Government, that was the point of self Government to be in control and to be in control by falling back on the legislation, laws, policies, procedures and documents such as the Code of Conduct that we all threw up our hand unanimously to support. You look at Mr. Tuttau's statement about zero tolerance, that is it. This tells the world what our definition of zero tolerance is. If we do not support the

backbone of this Government which is legislation, which is law, which is the Code of Conduct then it is the truth of this matter here. It's as if the incident in Rigolet did not occur at all because the committee was tasked to make a recommendation, a recommendation was made. If we don't follow the process, the procedure and adhere to the structure of our Government and those laws and regulations that are going to make us effective in dealing with the hard issues what message again do we send to the world, to our beneficiaries, to our communities? The Speaker of the House opened by saying this is not about the man, this is not about the Member, it's about process and I know that may seem very cold but the fact that remains is this we are going to show the people what we think of our laws and our legislation here and I for one rose my hand in support of a Code of Conduct whose intention was to make us an effective Government for the people. I cannot turn a blind eye to that code; I cannot turn a blind eye to laws that we're going to create. Those should be non-negotiable. In the Code of Conduct I believe a process was set out before us which allowed a disciplinary committee to be formed to make a recommendation that is exactly what had happened. So now the only thing it comes down to is does your personal feelings about an individual, does that get in the way of your process and I for one will uphold the laws and the decision of this committee and I will do as I said I would do in my oath of office which was to represent the people that elected me the best as possible and I'd do that by honoring this Government by not turning a blind eye to one of the very biggest problems that we have as a people. Thank you Mr. Speaker.

**Mr. Broomfield:** Thank you. Any other Members wish to make a comment? I will hand the floor to the AngajukKak for Postville to offer his concluding remarks.

**Mr. Decker:** Thank you Mr. Speaker. I too know Mr. Barbour many years. I served with him on different committees, LIA Board and here at the Assembly and this is not about the person. This is about the process. We put wheels in motion in the Code of Conduct that allowed us to get to this point we are now. After hearing comments from both sides I still ask you to support the recommendations to remove the Member from office. This decision now lies with each and one of you who adopted that Code of Conduct on that date. Thank you.

**Mr. Broomfield:** Thank you. Before I ask Members to vote on the motion, we will take a brief recess for five minutes.

**Mr. Broomfield:** Good afternoon. I'd like to call the Assembly back to order. The motion that's being debated, I say debated very well by both sides. From my perspective in bringing the issue forward I share the same feelings that the majority, I would say that everybody here has. That I have the utmost respect for the Member in question and it's although it's a very difficult issue to bring forward my concentration was on the process itself. If we didn't have a very good process in place and the ultimate body to make a decision is the Assembly itself. If the Assembly itself does not make a decision then nobody else can make that decision for us. We are the ultimate body to decide. So I'll ask Members in support of this motion first, the motion to remove the Ordinary

Member from Nain from office by a show of hands the number of Members in support of that motion. Thank you. By a show of hands, the number of Members who do not support this motion to remove the Member from office. Is your hand up Greg? In order for a motion to be passed by the Assembly, the support needed would be sixty percent. The number of Members in support of this motion is seven. The numbers of Members opposed to this motion is seven so that would leave a rate of fifty percent. So I'll recess just for a couple of minutes to double check to ensure where we go from here.

**Mr. Broomfield:** Good afternoon I'd like to call the Assembly back to order. I have double checked with the requirement for this motion to be passed. There are fourteen members, seven voted in favor, seven opposed. In order for the motion to be passed by the Assembly, the supporting votes need to be at least sixty percent of Members of the Assembly. Therefore, the motion is not carried. I would like to thank Members for their deliberation on this issue and on the others that we have addressed at this sitting. This sitting is adjourned. Thank you.

