

Legislative Assembly of Nunavut

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(Aggu)

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(Quttiktuq)
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Development and Transportation*

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Minister responsible for the Utility Rates
Review Council*

Adam Lightstone
(Iqaluit-Manirajak)

John Main
(Arviat North-Whale Cove)

Hon. George Hickes
(Iqaluit-Tasiluk)
*Minister of Finance, Chair of the Financial
Management Board; Minister of Health;
Minister responsible for Seniors; Minister
responsible for Suicide Prevention; Minister
responsible for the Workers' Safety and
Compensation Commission*

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**Iqaluit, Nunavut
Friday, March 6, 2020**

Members Present:

Hon. David Akeeagok, Mr. Tony Akoak, Ms. Pat Angnakak, Hon. Jeannie Ehaloak, Hon. George Hickes, Hon. David Joanase, Mr. Joeline Kaerner, Ms. Mila Kamingoak, Mr. Pauloosie Keyootak, Hon. Lorne Kusugak, Mr. Adam Lightstone, Mr. John Main, Ms. Margaret Nakashuk, Hon. Patterk Netser, Mr. David Qamaniq, Mr. Emiliano Qirngnuq, Hon. Paul Quassa, Mr. Allan Rumbolt, Hon. Joe Savikataaq, Hon. Elisapee Sheutiapik, Ms. Cathy Towtongie.

>>*House commenced at 9:01*

Item 1: Opening Prayer

Speaker (Hon. Paul Quassa)(interpretation): This morning, Mr. Qirngnuq, can you say the opening prayer, please.

>>*Prayer*

Speaker (interpretation): Good morning. To all Nunavummiut, please be welcome. Member for Arviat North-Whale Cove, Mr. Main.

Mr. Main (interpretation): Thank you, Mr. Speaker. Good morning. At this time I request unanimous consent to proceed directly to Item 19 in the *Orders of the Day*, Mr. Speaker. Thank you.

Speaker (interpretation): Thank you. The member is seeking unanimous consent to proceed directly to Item 19 in the *Orders of the Day*. Are there any nays? There are no nays. Item 19. (interpretation ends) Consideration in Committee of the Whole of Bills and Other Matters. (interpretation) Bills 39, 40, 41, and 42 with Ms. Angnakak in the Chair.

(interpretation ends) In accordance with the authority provided to me by Motion 62 – 5(2), the committee will stay in session until it reports itself out.

I ask that members remain at their desks so that we can immediately proceed with the Committee of the Whole.

Sergeant-at-Arms.

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

Chairperson (Ms. Angnakak): I would like to call the committee meeting to order. In Committee of the Whole we have the following items to deal with: Bills 39, 40, 41, and 42. What is the wish of the committee? Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) We wish to continue with the review of Bill 39 and the 2020-21 main estimates, commencing with the Department of Finance, followed by the departments of Environment and Executive and Intergovernmental Affairs. (interpretation) Thank you, Madam Chairperson.

Chairperson (interpretation): Thank you, Mr. Main. (interpretation ends) Are we in agreement that we first deal with Bill 39?

Some Members: Agreed.

Bill 39 – Appropriation (Operations & Maintenance) Act, 2020-2021 – Finance – Consideration in Committee

Chairperson: I would like now to ask Minister Hickes: do you have officials that you would like to appear with you? Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. I do, yes. Thank you, Madam Chairperson.

Chairperson: Thank you, Minister Hickes. Does the committee agree to let the minister and his officials go to the witness table?

Some Members: Agreed.

Chairperson: Sergeant-at-Arms, please escort the witnesses into the witness table.

For the record, Minister Hickes, would you introduce your staff and then proceed with your opening comments. Mr. Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. To your left I have Deputy Minister Jeff Chown, and to your right, Madam Chairperson, I have Assistant Deputy Minister Dan Carlson.

Thank you again, Madam Chairperson. I am here to provide an overview of the Department of Finance's 2020-21 operations budget.

As a central agency, the Department of Finance works primarily to help our government's other departments achieve important goals for Nunavummiut.

As an exercise earlier this year, Finance's senior management, its directors and above, brainstormed the values they and their teams strive towards. From that exercise, they developed the following internal vision statement, which I thought you might find interesting today. That statement is:

“The Department of Finance works towards a vision in which:

- Government makes sound decisions about the use of public resources on the basis of accurate and timely information, analysis and advice;
- Government operations are smooth and efficient, supported by a range of professional and client-focused centralized services; and
- Government is accountable to Nunavummiut, who trust the systems and processes in place to properly manage public funds.”

Madam Chairperson and members, I think these are valuable goals. For me, hearing them in this way helps put the department’s day-to-day work – budgeting, accounting, payroll, financial systems, taxation, etcetera – into helpful context.

Madam Chairperson and members, through the upcoming main estimates, we will be seeking \$99.9 million to support the department’s work in 2020-21. Of this, \$31.4 million supports the department’s core operations as carried out by its three main branches:

- \$4.8 million for Corporate Management
- \$6.9 million for Fiscal Management, and
- \$19.7 million for Comptrollership

Madam Chairperson and members, we are seeking the rest, about \$68.5 million, for the department’s Centrally Administered Funds Branch. This branch exists to facilitate spending on behalf of the GN as a whole, most notably for employee benefits, energy subsidies, and insurance premiums.

For the most part, our department’s core operational needs are not much different than in 2019-2020. I should note here that we have restated our documents to remove the HR portion of our department’s 2018-19 spending so that we can show our budgeting and spending in 2020-21 on the same basis. This should help make year-over-year comparisons easier.

Madam Chairperson and members, looking ahead to 2020-21, our main change relative to 2019-2020 is that we are seeking an additional \$9 million for the Centrally Administered Funds Branch to cover three costs:

- \$4 million to cover the increasing medical travel costs we pay as an employer for our own employees;
- \$7.4 million against which to charge the liabilities related to employee retirement benefits. Members may remember that I sought supplementary funding for this accounting charge in the fall sitting. We are incorporating that same expense in the 2020-21 main estimates.

- \$4.5 million in new funding to pay for higher Nunavut carbon rebate costs. By design, rebate costs will increase in line with the federal carbon tax.

Madam Chairperson and members, as an offset to these higher costs, the Department of Finance requires \$6 million less in 2020-21 because we are no longer funding capital leases related to the NCC. The original leases from 1999 are expiring and the GN is replacing them with lease-to-own arrangements. The Department of Community and Government Services, which oversees the Government of Nunavut's facilities portfolio generally, will take on the costs of these new leases.

Madam Chairperson, this completes my comments. I would be pleased to take questions about the Department of Finance's funding needs in 2020-21. Thank you, Madam Chairperson.

Chairperson: Thank you, Minister Hickes. Does the chair of the standing committee have opening comments? Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. Being cognizant of our interpreters, I'll try not to use acronyms.

Thank you, Madam Chairperson. (interpretation ends) I am pleased to provide opening comments on behalf of the Standing Committee on Oversight of Government Operations and Public Accounts on its review of the proposed 2020-21 Main Estimates and 2020-23 Business Plan of the Department of Finance. The department's proposed 2020-21 operations and maintenance budget of \$99,929,000 represents a 15.7 percent increase from its 2019-2020 main estimates. The number of positions in the department is increasing from 220.0 PYs to 229.0 PYs.

Members raised a number of issues and concerns during the minister's recent appearance before the standing committee.

The Department of Finance provides support to the Financial Management Board. A government-wide issue for which the Financial Management Board has responsibility is the size of the public service. The total number of positions in the government continues to increase. The government's proposed 2020-21 main estimates indicate that there are approximately 4,988 positions in the government's departments and major Crown agencies and territorial corporations, excluding the Qulliq Energy Corporation. This represents an increase of approximately 100 positions over the number accounted for in the 2019-2020 main estimates, and an increase of approximately 409 positions from the 2016-17 main estimates, just five years ago.

It is important for the Financial Management Board to be mindful of the need to control the growth in the number of government positions being added to organizational charts at a time when departments, Crown agencies, and territorial corporations continue to face significant challenges in filling their existing vacancies. It is also important to note that approximately one-third of the government's total operations and maintenance spending

is now allocated to compensation and benefits for its own workforce. For the 2020-21 fiscal year, this amounts to over a half a billion dollars.

The department's proposed 2020-23 business plan indicates that one of its priorities for the 2020-21 fiscal year is to "...complete a fiscal review of the Government of Nunavut's main revenue and spending trends, including the modeling of various revenue sustainability options." Although the standing committee recognizes the constraints under which the territorial government operates in relation to generating own-source revenues, it encourages the minister to share the results from this work with all Members of the Legislative Assembly.

On November 8, 2016 *Taking Steps to Reduce Alcohol-Related Harm in Nunavut* was tabled in the Legislative Assembly. The Iqaluit Beer and Wine Store officially opened on September 6, 2017. The department's 2020-23 business plan indicates that one of its ongoing priorities has been to evaluate the impact of the pilot project. The standing committee notes the importance of ensuring that this evaluation takes into account the impact that the store has had on neighbouring impacted communities. The number of positions in the Nunavut Liquor and Cannabis Commission is projected to increase from 22.0 person years in the 2019-2020 fiscal year to 31.0 person years in the 2020-21 fiscal year. It is the standing committee's understanding that this increase is a consequence of the pending opening of a new beer and wine store in the community of Rankin Inlet.

The territorial *Cannabis Act* received assent on June 14, 2018 and is now in force. Regulatory amendments were published in the September 2018 edition of Part II of the *Nunavut Gazette*. The new provisions provide that "...a maximum of \$750,000 per fiscal year, as defined in the *Financial Administration Act*, may be paid out of the Liquor and Cannabis Revolving Fund for expenses related to education campaigns promoting the socially responsible use of liquor and cannabis under section 59.1 of the Act." The standing committee emphasizes the importance of the Department of Finance working with the Department of Health to develop low-risk cannabis consumption guidelines to complement the government's existing low-risk alcohol drinking guidelines that form a core element of its "Let's Be Aware" public information program. The standing committee also notes the importance of the government moving forward in a timely manner with respect to developing regulations under the legislation.

The department's 2019-2020 main estimates and 2019-2022 business plan indicated that it planned to create a new Financial Management Development Division during the 2019-2020 fiscal year. The division was projected to have a budget of \$430,000 and three person years. Its objective was to "build financial capacity across the government, with an emphasis on increasing Inuit participation in financial management careers." The department's proposed 2020-21 business plan indicates that its budget will increase to \$465,000 during the 2020-21 fiscal year. The standing committee strongly supports initiatives in this area.

The Government of Nunavut's budget for employee benefits, including medical travel, increased from \$23,543,000 during the 2018-19 fiscal year to \$27,283,000 in the 2019-

2020 fiscal year. This was an increase of 15.9 percent. The budget is projected to increase by a further 41.7 percent to \$38,665,000 in the 2020-21 fiscal year. This trend is concerning, and the standing committee encourages the minister to clarify his department's projections concerning the extent to which it will continue.

That concludes my opening comments on the proposed 2020-21 Main Estimates and 2020-23 Business Plan of the Department of Finance. (interpretation) Thank you, Madam Chairperson.

Chairperson: Thank you, Mr. Main. Are there any general comments from any member? General comments? Mr. Lightstone.

Mr. Lightstone: Thank you, Madam Chairperson. Good morning, minister and your officials, Mr. Chown and Mr. Carlson.

First, in your opening comments I'm very glad to see this announcement about the department's vision and it's interesting to see the timing of this announcements. It could be perceived as a rebuttal to my return to Budget Address that I made earlier, but regardless, I'm glad to see that finance senior management do feel this way, as I did mention in my return, it's apparent that departmental budget specialists do not have the internal departmental support required to produce accurate estimates. At the appropriate time I will be asking questions about this and whether or not the Department of Finance's new vision will be able to address this. Thank you, Madam Chairperson.

Chairperson: Thank you, Mr. Lightstone. Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) I just wanted to note my appreciation to the department for the inclusion of all these fiscal and economic indicators in the part of the Budget Address or budget document. I think this is a great selection of information.

Some of the most interesting statistics or indicators provided in there for me and my constituency included the number of persons on income assistance, the number of apprentices currently being trained in Nunavut. I noted that we are lagging behind our northern neighbours in the Yukon and the NWT when it comes to apprenticeships. Things like the unemployment rate, labour participation rate, I think it all paints a picture of the chronic unemployment and the chronic underdevelopment of our economy across Nunavut.

Conventional measures like GDP, or gross domestic product, I don't think we should place too much weight on those as a territory. I mean, when you look at what actual indication of what contribution mining is making to the economy in Nunavut, I think the key indicator there is the Inuit employment rate and/or Nunavummiut employment rate within the mines to look at the value of the gold that's being produced in Nunavut and see that oh, okay, there's \$500 million more of gold, for example, being produced in Nunavut than last year. It doesn't necessarily mean that we're \$500 million richer. It

looks good on paper, but if our unemployment rate isn't moving and the Inuit employment in the mines isn't increasing, then that tells a different story.

I just wanted to say that I hope that the department keeps up the good work in terms of providing these indicators so that MLAs and other members can evaluate where we are as a territory. (interpretation) Thank you, Madam Chairperson.

Chairperson: Ms. Towtongie.

Ms. Towtongie (interpretation): Thank you, Madam Chairperson. If we look across the room, it looks like all the men are wearing blue today.

>> *Laughter*

When I look at and examine the amount of money that Nunavut pays for its workers, I notice that in 2018-19, the amount increased by \$23.5 million and today it is at \$38.65 million for 2020-21. Looking at the age it's like it is entering retiring stage. The way that it is set up does not suit the requirements for living in Nunavut; it seems to be set up for the southern way of living, but we're living in Nunavut here, where I know that living is very expensive. It is also true that workers who live in the arctic receive a northern allowance that they get.

What is happening is that people make a lot of money first in Nunavut and then retire and go south. They retire on a northern salary, but live in the south where living expenses are not as high. In the future, I would like there to be a plan in place for government employees who retire in Nunavut, to stay and live in Nunavut. Thank you, Madam Chairperson.

Chairperson: General comments? If not, we will go to Corporate Management. C-4. Total Operations and Maintenance. \$4,793,000. Any questions? Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) On page 22 of the business plan, it mentions enhancements to the staff housing program. It outlines here that you are working with the Department of Human Resources and the Nunavut Housing Corporation.

The term that is used in the status update says, "Enhancing the Nunavut household allowance and develop further homeownership supports for Government of Nunavut employees who are not in staff housing."

In terms of further homeownership supports, what options is the department evaluating? Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Mr. Chairman. There are a number of different things that are being looked at. I know it's been discussed a number of times in the House here. We're looking at you know, different methods of the household allowance that is being provided right now, there are different supports that we're doing through our public housing; you know looking at maybe down payment assistance programs for staff. This is all stuff that's still being talked about Madam Chair. So, I can't get into a lot of details. I don't want to put any misconceptions or set expectations in the wrong way of maybe where the final decisions will be. Thank you, Madam Chairperson.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. Thank you, minister. (interpretation ends) When we look at this priority item, it continues on into this fiscal year. I'm trying to understand how this priority item is affected by other things such as union negotiations.

In terms of where we are with the union negotiations and to what degree it will affect the work on homeownership of staff housing piece, I would like to understand that a bit better. Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. With the collective agreement there's not like a specific staff housing section. That being said, it still potentially has an impact on negotiations. That's again another reason why I wouldn't want to get into a lot of details here. I wouldn't want to influence any of either side's bargaining position. Thank you, Madam Chairperson.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) I think I just have one more question on this item. When it comes to the homeownership piece under the Nunavut Housing Corporation's blueprint for action, there's the idea of a basic homeownership grant that would be accessible, in my understanding, to all homeowners in Nunavut, not just government staff. Is that concept being taken into account or is it part of your thinking when you're looking at improving things for Government of Nunavut employees who are not in staff housing? (interpretation) Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. I would say somewhat, but one of the main focuses that we want to look at is even just financial literacy of helping people understand how mortgages work, savings, and that type of thing. The Nunavut Housing Corporation does have the down-payment assistance program that's available to all Nunavummiut that fall within the criteria. We're just examining different ways of how we could maybe further assist government employees. Thank you, Madam Chairperson.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) When it comes to the liquor and cannabis board, I'm going to ask about the board and not the commission, which I understand is on the next page. When it comes to the issue of issuing additional liquor licences, it was mentioned in the news media recently that there was a hearing or I'm not sure what the name of the process is. There was a meeting held here in Iqaluit and one member of the public or no members of the public showed up to that meeting. I believe it was in relation to issuing a new liquor licence.

When it comes to that process and going to the community and consulting and saying is it okay if somebody opens a new bar or if somebody opens a new restaurant with a liquor licence, what degree of confidence does the department have in their consultation protocols to ensure that they are considering all input from any community, let's say for example, Iqaluit, before they issue a licence to a new bar or restaurant? (interpretation) Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. I'm quite confident there are notices that go out to members of the public and available to all residents of the territory similar to this online survey that we're doing right now where people can provide feedback on the beer and wine store, as an example.

With regard to a specific licence, there are notices put out and there are different ways of interpreting it. When you have a low turnout, maybe it's not a concern to people or maybe somehow the message isn't getting out enough. That's something we would take a look at, but whenever we have consultations, it does depend on the type of licence. We want to make sure that there are consultations that are done, but we do advertise those consultations throughout the public and all members are welcome to attend. Thank you.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) I'm thinking of economic development and of course we want to support new businesses, restaurants, or what have you, hotels. Of course we want to support those, but on the other hand, do we as a government really want to say, "As long as the public is okay with it, we can open theoretically an unlimited number of liquor establishments in the community." I'm wondering about stakeholders like the Department of Justice who sees all the alcohol-related violence and crime or other stakeholders like Family Services.

Is there a mechanism or is there any thinking put into liquor licensing decisions from off a government-wide, a higher-level perspective other than just going to the public and saying do you support this?

Oh, I support this I love going to restaurants and I like having wine when I'm out at a restaurant. I mean, I think what I'm trying to say is that public consultations don't necessarily take into account all the contributing factors and the bigger picture. Just because something is popular doesn't necessarily mean that it's right.

So anyway, I think I made my point clear in terms of how can stakeholders such as the Department of Justice or other groups plug into this? (interpretation) Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chair. I appreciate the member's comments. That is the exact purpose of the board, to find that balance within the community and to support any consultations if it's a new type of licence, or any requested input to take that information into consideration as they approve licences. So that's the benefit of having the board at an arm's length. It's not politically driven or bureaucratically driven. They have that arm's length independence to make decisions to find that balance. Thank you, Madam Chair.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation) So, when we look at the issue of cannabis stores, will it be the liquor and cannabis board that will use a similar process to issue licenses in the future or is it a different process than this liquor licensing one? (interpretation) Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chair. Similar, the board will mainly be there for appeals. Maybe just to get some added clarity, if Mr. Carlson could kind of fill in the details. Thank you, Madam Chair.

Chairperson: Mr. Carlson.

Mr. Carlson: Thank you, Madam Chair. So, for the cannabis decisions, the licencing decision will be in-house through an appointed superintendent under the Act. But the board is involved; so the Act allows the board to make decisions on appeal to help clarify issues, so if a licensee or an applicant has questions that is where the board would become involved. Thank you, Madam Chair.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) So when it comes to setting up a cannabis store in a community, there will be consultations required.

So, who will be doing the consultations; will it be this superintendent and officials? I just, I don't know, we have never done this in Nunavut before so I am just trying to understand what it will look like when you're trying to issue a license or trying to consult on cannabis stores? (interpretation) Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chair. When we say consultation, it's an over simplification sometimes and there are a number of different parties involved in that process and again just to give members the level of detail from an operational standpoint through the Chair, I'd ask Mr. Carlson if he could respond to that.

Chairperson: Mr. Carlson.

Mr. Carlson: Thank you, Madam Chair. You are correct. We haven't yet gone through one of these consultations. So, we are still figuring out how that would work. But the Act requires the minister to consult before opening or before allowing a license to go forward.

So, the Act sets out key requirements. We must consult in conspicuous places, is the language in legalese. We have to let the community know the intent or that the application process is going on.

We must also consult with the council. It's a great opportunity for municipal councils to have a direct say, representing their communities, or the views about cannabis licence. Only when those elements of the Act are met, only then will the superintendent make a decision based on what the superintendent has heard from those consultations. Thank you, Madam Chairperson.

Chairperson: Thank you. I don't have anybody else on my list. Mr. Lightstone.

Mr. Lightstone: Thank you, Madam Chairperson. I would like to return to the minister's opening comments regarding the new or renewed vision of the department. As I mentioned, many departmental budget specialists may not have the support required within the departments to produce truly accurate estimates necessary to prevent the recycling of budgets. My first question is: will the Department of Finance's new vision be able to address this? Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. I respectfully very strongly disagree with the member's perception or interpretation of this. For one, the vision was initiated, those discussions started last June. I let the committee know about it in January, so I'm not sure where the member's perception comes in on the amount of influence he has had on it.

I will say that with regard to the budgeting, we have made a small of an increment of \$1,000 in a budget line within the Department of Finance, \$8,000 here, \$10,000 here, \$4,000 here. Madam Chairperson, I can't express enough on how detailed the forecasting has gone into this budget and frankly I take offence that the member has a perception that we're recycling our budgets. Thank you, Madam Chairperson.

Chairperson: Mr. Lightstone.

Mr. Lightstone: Thank you, Madam Chairperson. I just pointed out the timeliness of this and the way it was worded, it seemed like a rebuttal. That's why I brought that up. I do have much faith in the Department of Finance's own internal budgeting process because I took part in it and I know how involved senior managers are in that development process.

As I identified in the Department of Health and the Department of CGS, it's obvious that there are still budgets being recycled regardless of actual spending within or the actual capacity within those program areas to utilize those budgets. It's obvious that the practice continues, as I already mentioned in my return, but I understand there's plenty of room for improvement and I do have high hopes that next year's budget will be a bit more in tune.

I'll move on. My next questions are in relation to a written question which I posed in the fall sitting to the Minister of Finance on the use of travel agencies. I was quite surprised to see the amount of usage of travel agencies as well as the fees being paid for that service. My first question to the minister is: prior to me submitting this written question, were you or the Department of Finance aware of the usage of travel agencies? Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. I would like to address the member's comment first that he made earlier. Madam Chairperson, one of the reasons we created the financial management development positions, we have hired a manager in, we've got two training coordinator positions that we're working on filling, I'm proud of how hard finance staff are working across the whole Government of Nunavut. This is a big exercise, what the member is talking about doing, the amount of training and work that goes into it.

The Government of Nunavut has a \$2.35 billion budget with various departments and various levels of capacity and depth within their finance divisions. The word is out there. We are working towards having a better forecast and better analyzed budget system, but it does take time and I do appreciate members' patience with regard to this.

I forget what the member's question was. Sorry Madam Chair. I apologize, if the member could maybe just refresh my memory. Oh, sorry the travel agents. I was not aware that they're used that extensively. I will say that the majority of it was through the

Department of Justice for court services and there was an RFP issued for that. Thank you Madam Chair.

Chairperson: Mr. Lightstone.

Mr. Lightstone: Thank you, Madam Chair. Next I would like to ask the department's position on the use of travel agencies? Thank you, Madam Chair.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chair. Sorry I was looking over some notes. Could the member repeat the question please?

Chairperson: Mr. Lightstone.

Mr. Lightstone: Thank you, Madam Chair. So, as I mentioned, I was quite shocked to see the actual usage and fees paid for travel agencies.

My next question was: What is the department's position on the use of travel agencies? Thank you, Madam Chair.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chair. It would vary on a not a case-by-case maybe basis, but at least a divisional or departmental basis. Depending on what type of capacity and PYs that they have available for planning travel, and the complexity of it. In some cases it maybe more fiscally responsible to use a travel agency where they don't have enough volume to hire a full-time position there might be some value to that.

But Madam Chair, that would be on a departmental decision basis. Personally, I think where necessary travel agencies do provide a role. But at the same time, where there is internal capacity where we do have positions that have that responsibility and that part of their job descriptions then it should be done internally. So it would be more of a departmental or even divisional exercise. Thank you, Madam Chair.

Chairperson: Mr. Lightstone.

Mr. Lightstone: Thank you, Madam Chair. I do have more questions and I'll try and speed up on this topic. So, in the response to written question, it appears that there's no standardization and there is somewhat of a free-for-all when it comes to the use of travel agencies.

For example, when I asked about the process for which departments go through to secure this service, there's sole source, there's two RFPs used, standing offer agreements and several which have no formal procurement process.

My next question is: Does the department consider that a concern and if so will the department work to correct this issue? Thank you, Madam Chair.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chair. Quite a bit of them have no formal procurement process that was followed and I think that's something that we'll have to take a look at going forward.

But I will state that and as the member well knows from the documents that were provided to him the last time, outside of 2018-19 of one circumstance total of \$341, there were procurement processes followed. The ones where the sole sourced and no formal procurement processes was back in 2017-18. So, I'm not sure where the member's going with this. Thank you Madam Chair.

Chairperson: Mr. Lightstone.

Mr. Lightstone: Thank you, Madam Chair. I was just asking if the Department of Finance is aiming to correct the issue and the minister stated as much so I will move on.

I would like to follow up on my colleague, Mr. Main's questions about encouraging home ownership.

As the Minister for the Nunavut Housing Corporation recently tabled their review on homeownership, that independent review clearly identified that there is a disincentive to homeownership, especially among GN employees. I definitely consider this a major concern and hope that addressing this issue will not be delayed.

In the minister's response to one of Mr. Main's questions, he had mentioned possibly of a down-payment assistance program. Before going any further, I just want to mention I have no intention of influencing any collective bargaining that may be going on, but I still think this is essential and needs to be addressed. I have a couple of questions and the first question is in relation to that potential down-payment assistance program. Would that be something like a contribution matching program where an employee will contribute a percentage of their salary and the department or the government will match it? Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. I appreciate the member's concern with this. We, too, feel that it's a very important issue. That's why we're working very closely with Human Resources and with the Nunavut Housing Corporation. There are all kinds of options that we're looking at, Madam Chairperson. I'm not comfortable going into details with it here today. Thank you, Madam Chairperson.

Chairperson: Mr. Lightstone.

Mr. Lightstone: Thank you, Madam Chairperson. I'll move on to another question and it's in relation to the household allowance that is currently provided to employees. Part of the disincentives that were identified was the inequality between the household allowance and the subsidy provided to employees in GN staff housing. My next question: as the department has the authority over the GN Household Allowance Policy itself, has the department begun reviewing this household allowance policy with the aim to amend it? Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. Easy answer, yes. Just to give a little bit of background on it, when we look at staff housing subsidies or how the government participates in that in support of their employees, on average, if I recall correctly, the number that we use is approximately \$14,000 a year in benefits for the average employee in staff housing, where you look at the household allowance where it's less than \$5,000 a year. There is that automatic inequity and we recognize that and that's why we're looking at how we can work towards balancing that a little bit better. Thank you, Madam Chairperson.

Chairperson: Mr. Lightstone.

Mr. Lightstone: Thank you, Madam Chairperson. We all know that the collective bargaining process is lengthy and could take several years. I don't think amending this household allowance could be construed as bargaining in bad faith. I would like to ask: when does the Department of Finance aim to produce the amendments to the household allowance? Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. Again I have to respectfully disagree with the member on this. It is an employee benefit and one of the parts of negotiations with the union is employee benefits. Thank you, Madam Chairperson.

Chairperson: Mr. Lightstone.

Mr. Lightstone: Thank you, Madam Chairperson. I would just like to reiterate the point that I have been bringing up for the last two years. Homeowners are struggling and I don't see why it's necessary to wait any longer. Homeowners need our assistance. I just don't think that it is fair to them to have to wait until the collective bargaining process could be completed next year, the year after that, in the Sixth Assembly before they can get the assistance they need.

I would like to ask the minister: for the benefit of those struggling homeowners, will the minister commit to amending this policy as soon as possible and not waiting for the collective bargaining process to complete? Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. As we're going to continue to work on developing, in coordination with the Nunavut Housing Corporation and the Department of Human Resources, to look at how we can further improve and look at how we can increase homeownership across the territory. Madam Chairman, I can't commit to doing that, but we're going to continue to work towards it. When it comes out is the best time to do it legally as well as to make sure that the work is done properly. Thank you, Madam Chairperson.

Chairperson: Mr. Lightstone.

Mr. Lightstone: Thank you, Madam Chairperson. My next question on this topic is: is it a legal opinion that the GN should hold off on amending this household allowance policy? Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. No, it's common sense. It's an employee benefit. We're in discussions with the union on employee benefits. We don't want to have any influence one way or the other on those negotiations. Thank you, Madam Chairperson.

Chairperson: Mr. Lightstone.

Mr. Lightstone: Thank you, Madam Chairperson. I'll move on. Under the '20-21 priorities, the last item, the department had stated that they will "Update the Department of Finance website to make it more user friendly, and to enhance GN transparency and accountability." I'm quite glad to see that as a priority. I would like to ask: what exactly does the department have in mind to enhance GN transparency and accountability? Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. Just to give the member the appropriate level of detail, I would ask through you, Madam Chairperson, if Mr. Carlson can respond to that. Thank you.

Chairperson: Mr. Carlson.

Mr. Carlson: Thank you, Madam Chairperson. This is one I'm particularly interested in. As more and more Nunavummiut and Canadians start to look to the Internet for their information, it's important that our websites have a lot of it there.

We met as a team a few weeks ago to look at a revision of the website. We have identified a few sections that are missing that we think should be there. We have

identified information that is there but we should bring to the front to be more user-friendly. We have identified information that we think should be there or clarified.

Those are all the types of things that we're looking at internally on how to get information that we generate out to Nunavummiut in a user-friendly and informative way. Thank you, Madam Chairperson.

Chairperson: Mr. Lightstone.

Mr. Lightstone: Thank you, Madam Chairperson. Thank you for that, Mr. Carlson. In your response, I heard the term "information" used several times and that is very vague and very broad. Can you give us some examples of what kind of information that you are trying to make more easily available to the public? Would it be, for example, the liquor and cannabis board's meeting minutes or any other types of information? Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. Again, through you, to give the member the level of detail that he's asking, I would ask Mr. Carlson to respond.

Chairperson: Mr. Carlson.

Mr. Carlson: Thank you, Madam Chairperson. When I talk about information, we want to look at who is looking for what. That's the main question. For finance, we are thinking about our taxpayers, all the firms that we deal with regularly who are looking for forms and information about the taxes and our system that way. We look at our audiences across the country that pay attention to our budgeting. We look at individuals who want to learn more about our programs and the financial decisions that this Assembly and others are making.

In terms of the liquor and cannabis board, as the minister had mentioned earlier, they're an arm's-length body, so I don't want to speak for them, but information about cannabis licensing and how to apply, information about special occasion permits for individuals on the liquor world, those are all the types of things that we would like to make sure are easily available in the right way for our different audiences. Thank you, Madam Chairperson.

Chairperson: Mr. Qamaniq.

Mr. Qamaniq (interpretation): Thank you, Madam Chairperson. On page 27 of the business plan, I'll say it in English. (interpretation ends) The priority in 2020-21 says the department wants to complete the review of the Iqaluit Beer and Wine Store pilot project. Will you be completing this pilot project in 2020-21? Thank you, Madam Chair.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chair. Yes, I made a minister's statement last week or the week before, on the announcement of the online survey or other hard copies of the survey available to provide feedback, and I do encourage people to take the time to participate in that survey so that we can get as much data as possible, but to answer the member's question directly, yes that survey will be completed in fiscal year 2020-21.

Chairperson: Mr. Qamaniq.

Mr. Qamaniq: Thank you, Madam Chair. On the same on bullet number 1,2,3,4,5 it says "Explore electronic payment options for selling liquor permits online." I wonder if the department could also consider import permits as well. Thank you, Madam Chair.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chair. That is the purpose of that objective. Thank you, Madam Chair.

Chairperson: Mr. Qamaniq.

Mr. Qamaniq: Thank you, Madam Chair. This question has already been asked but it is in regard to the Nunavut Housing Corporations goal to enhance Nunavut household allowance to develop further homeownership support for Government of Nunavut employees.

Madam Chair, we already have one for... . The Nunavut Housing Corporation has one for the people of Nunavut but is this particular proposal going to be different from the one that is already existing? Thank you.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chair. That is the intention, yes, thank you, Madam Chair.

Chairperson: Mr. Qamaniq.

Mr. Qamaniq: Thank you, Madam Chair. I guess my question is, would the household allowance be higher than the one that is already existing within the Nunavut Housing Corporation? Thank you, Madam Chair.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chair. Maybe if I can ask the member, I'll ask him a question and then he can clarify his question please.

From what I'm understanding the down payment assistance program, is he asking if the GN employee one would be more or a different amount from that one, just to clarify? Thank you, Madam Chair.

Chairperson: Mr. Qamaniq.

Mr. Qamaniq (interpretation): Yes, I believe the criteria says there is also a timeframe and end date. The policy says that your income threshold is going to be this much and you cannot apply for that. That's what I'm asking about, Madam Chair.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chair. That's the kind of thing that we are looking at. Thank you, Madam Chair.

Chairperson: Mr. Qamaniq.

Mr. Qamaniq (interpretation): Thank you, Madam Chair. If I can ask a question, if it is possible Madam Chair with regard to Inuit employment plans. I'm sorry, I'm very warm and I do not remember where I put it.

Here it is, Madam Chair. Page 33, with the Inuit employment plan, it states that (interpretation ends) "Total beneficiaries for executive positions March 31, 2021, to 50 percent. . . ." (interpretation) It says 50 percent, Madam Chair. If you can spell out the positions, I would like to know what types of positions there are. Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. I do have to take a moment to apologize. With the split of Human Resources from Finance, that's where those positions were a part of that, so they were actually human resource positions. Thank you, Madam Chairperson.

Chairperson: Mr. Qamaniq.

Mr. Qamaniq (interpretation): Thank you, Madam Chairperson. If it has been asked already, please tell me, Madam Chairperson. In English, (interpretation ends) your department's proposed 2020-23 business plan indicates on page 29 that it is "currently reviewing the applicability of all *Financial Administration Manual* directives to Government of Nunavut Public Agencies and Territorial Corporations." What specific changes have been made to date in this area? Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. I believe we provided a full table in a response to the committee, but if the member wants me to go over it again, in August 2019 there was section 501 of investments was updated; section 704-3, accounting for assets, disposal of public property, was also amended in August 2019; there was a new FAM directive brought in, section 890, management and control of the government's borrowing limit, also in August; section 905, taxes, general, also updated in August 2019; section 803-4, payment of interest, in October 2019; section 603, internal audit services, was updated also in October 2019; section 815, aircraft chartering, was updated in 2019; and there's a list of probably 30 or more directives under review right now with new directives in development. The members do have a copy of this. I don't know if they want me to read the list out again, but thank you, Madam Chairperson.

Chairperson: Mr. Qamaniq.

Mr. Qamaniq (interpretation): Thank you for explaining what you're working on. My last question, in English, (interpretation ends) your department's 2019-2022 business plan indicates that it was "working to develop memoranda of understanding with the territorial corporations, intended to include service level agreements and outlines of governance structures." What is the government's timeline for concluding the memoranda of understanding and when will they be tabled to the Legislative Assembly? Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. We're just finalizing them now and we're anticipating tabling them in the spring sitting. Thank you, Madam Chairperson.

Chairperson (interpretation): I have no more names on my list. (interpretation ends) Corporate Management. Oh, Ms. Towtongie.

Ms. Towtongie (interpretation): Thank you, Madam Chairperson. I only have two questions. The first question is on page 25. I believe "green" initiatives are new to Nunavummiut. I found out about "green" initiatives myself when my constituent started by buying a door on sale for \$3,000, then shipped to Rankin Inlet. Once the door was installed, the total cost came to \$17,000.

In seeing the discrepancy between final costs, my question is directed to the Department of Finance who states they will "actively encourage other departments and territorial corporations through the budgeting process to identify opportunities to use future revenues to support 'green' initiatives."

Perhaps as homeowners they should qualify and be kept fully informed. Further, to have the outlined details as the weather changes and climate change is happening. What kinds of programs are in place for individuals to access for these kinds of initiatives? Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: His role is to assist different departments or corporations in analyzing the financial impact of carbon tax reduction programs. We don't actually administer the program depending other than some of the measures that we have already taken through some of the tax measures. But it would be up to individual departments to submit proposals where they would be better poised to answer detailed questions on their submissions. Thank you, Madam Chair.

Chairperson: Ms. Towtongie.

Ms. Towtongie (interpretation): My last question, based on my perusal of the document of the considerations for this year 2020, and I was happy that the Department of Finance will prepare courses for accounting, who would account for our funding and it says 2019 It states that courses will be made available to government employees, and upon completion, they would receive their accountancy.

As Inuit, other than the term for cash, there isn't much differentiation between certain usages, such as auditors which is called *Tammaqsimajuqsiiqtiit* – rooting for mistakes.

The other word is interest, as not many Inuit know what this pertains to and I am happy to see that interest will accrue from the funds. Funds can earn money using interest rates, now if any forethought has been made on the number of Inuit who will be trained during this year 2020-21, when will the courses be made available?

I personally feel this is an urgent area and along with our program Makigiaqta Corporation, will they be a part of that? Thank you, Madam Chair. That's my final question.

Chairperson: Minister Hickes:

Hon. George Hickes: With the Assembly's permission with this budget that's where we look forward to actually planning the details of that so that we'll have a better idea of the implementation of it. But we need this budget process approved first before we can move forward with that project. Thank you.

Chairperson: Mr. Qirngnuq.

Mr. Qirngnuq (interpretation): Thank you, Madam Chair. Now in your business plan, listed in page 23 under the 2020-21 priority lists, will this review of the beer and wine regulations and operations be included? It would be good to see the results, and of course, that would include lessons learned from the Iqaluit beer and wine store.

I would imagine this includes part of the operations of the sales under the *Cannabis Act* and would this be incorporated into the lessons learned? Is that under consideration? I would like to understand that. That's my question. Madam Chair.

Chairperson: Minister Hickes.

Hon. George Hickes: If we're talking about the beer and wine store, one of the initial really noticeable impacts is the decrease in permits to import hard spirits. I'm going to say a dramatic decrease.

Some of the other discussion items around cannabis, one of the concerns that continues to be raised and there's amendments to the legislation upcoming in this sitting is the lack of retail outlets to be able to be sold where we are not making as much of an impact in the illicit or illegal market as we had hoped.

But noting that, until we actually have retail sales I don't expect to be able to make a dramatic impact in the market sales there. Thank you, Madam Chair.

Chairperson: Mr. Qirngnuq.

Mr. Qirngnuq (interpretation): Thank you, Madam Chair. On that same page, the priorities as outlined on page 23 for 2020-21 and 2021-22, you list your priority. This is the continuance of review of the *Liquor Act* and the review process will commence over the winter and we don't see a definite deadline for the completion of that review.

It triggers thoughts about potential future outlets in one or more of our communities where another beer and wine store is established. Is there reasoning behind the delay in identifying a deadline? Hopefully that was clear. Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. To a certain degree, that information will help as we continue to draft and consult on the *Liquor Act* legislation. I appreciate the member's question because this has been an ongoing priority that I think is a very important initiative. The *Liquor Act* is very outdated. There have been so many changes in practise across the country just to follow updating or modernizing legislation. This has been long overdue and in my opinion I think it's a really good step and it's a really good opportunity for all Nunavummiut to participate during the consultation process of the *Liquor Act*. Thank you.

Chairperson: Mr. Qirngnuq.

Mr. Qirngnuq (interpretation): Thank you, Madam Chairperson. I wish to return to page 22, specifically the bottom bullet, referencing the alcohol awareness campaign to disseminate this information. Is this including the cannabis information? If they are added, what will be the promotion icon or has the department even thought of that? I would like to comprehend this, Madam Chairperson. Thank you.

Chairperson: Minister Hickes.

Hon. George Hikes: Thank you, Madam Chairperson. This project has been, we will say, fast-moving and fluid. Just to give the most recent information, through you, Madam Chairman, if Mr. Carlson could respond to that question to give the member an appropriate level of detail. Thank you.

Chairperson: Mr. Carlson.

Mr. Carlson: Thank you, Madam Chairperson. Thank you for the question. In terms of the work we did to incorporate cannabis into this Ujjiqsuqta concept and work that we have been doing, we started with information to help people understand the new law that the Assembly passed relatively recently. Our first focus was on helping get across the key information that we think Nunavummiut should know about the big picture stuff with the *Cannabis Act*.

We then are moving on to consider other ways that people are using cannabis in a way that isn't helpful. Last summer we worked with our colleagues at the Department of Economic Development and Transportation to put out information related to safe boating. You may have seen the posters around and the pamphlets. We use the term "Don't let alcohol and cannabis rock the boat." The idea there is to help individuals in the summer during boating season just keep in mind that liquor and cannabis can be dangerous when combined with vehicles. It's that type of work that we're working with Justice now. We have started conversations about more information about cannabis, liquor, and firearms.

It's those types of collaboration and partnerships that the Department of Finance and the Nunavut Liquor and Cannabis Commission are looking to get into. We always, of course, work closely with our colleagues at the Department of Health with their public health role generally. Thank you, Madam Chairperson.

Chairperson (interpretation): Are you done? I have no more names on my list. (interpretation ends) Corporate Management. C-4. Total Operations and Maintenance. \$4,000,793. (interpretation) Do you agree?

Some Members: Agreed.

Chairperson (interpretation): Let's proceed. (interpretation ends) C-5. Fiscal Management. Total Operations and Maintenance, to be Voted. \$6,000,898. (interpretation) Questions? Mr. Lightstone.

Mr. Lightstone: Thank you, Madam Chairperson. My first question is in relation to the minister's response and where he gave us updates on FAM directives. There was a number... First I would like to thank you for providing that information. It's great to see that government is addressing a number of these issues. One area that sparked my interest was the new directives in development and specifically the tangible capital assets. The number of tangible assets directives that are being developed.

One of the major issues complicating consolidation of the Government of Nunavut with its territorial corporations and agencies is the fact that the territorial corporations have their own tangible capital asset policies. So will this new FAM directive sort of align all GN and GN related entities under one set of standards? Thank you, Mr. Chairman.

Chairman (Mr. Akoak): Minister Hickes.

Hon. George Hickes: Thank you, Mr. Chairman. I was going to say Madam Chair. My apologies, Mr. Chairman.

>>*Laughter*

In general, yes, there is accounting changes, generally accepted accounting principles that do change on occasion and recognizing that, that's part of the development process of that. I can't speak exactly to how inclusive that would be with the Crown corporations right now, as it stated it is under development. Thank you, Mr. Chairman.

Chairman: Mr. Lightstone.

Mr. Lightstone: Thank you, Mr. Chairman. Thank you, minister. I'll move on to my next topic then, in relation to the Nunavut Liquor and Cannabis Commission. I'm looking at the annual report. There is a substantial increase in excess revenues that are transferred to the GN consolidated revenue fund. As the liquor commission is mandated to operate at a break-even point, my question is: how is it that the liquor and cannabis commission was able to produce so much excessive revenue? Thank you, Mr. Chairman.

Chairman: Minister Hickes.

Hon. George Hickes: Thank you, Mr. Chairman. In general, the bulk of it would come through previous customers importing beer, as an example, or importing wine. Now that it is available to be purchased locally the profits that would be made by other jurisdictions, like liquor boards or liquor commissions, are now available to us as we are providing that service. Basically, it increases our revenue from that standpoint because we are the ones selling it versus letting other people sell it.

That being said, we have had a very strong direction right back from the liquor task force to not put unnecessary profits in there, to make sure that controlled, measured types of alcohol are available at a reasonable price to people.

If you look comparisons, percentage-wise of other jurisdictions, we're still a very low percentage compared to what we purchased and what we sell. Our profit margins are a lot lower than other jurisdictions. Thank you, Mr. Chairman.

Chairman: Mr. Lightstone.

Mr. Lightstone: Thank you, Mr. Chairman. So the commission itself on page 3 of the annual report identified that there was a significant increase in excess revenues which were transferred over to the GN, and 235 percent as indicated in the annual report... and looking at the sales of \$16 million and the surplus of \$4 million that's 25 percent. That is a huge profit ratio. Are these excess revenues being derived from overpriced products? Thank you, Mr. Chairman.

Chairman: Minister Hickes.

Hon. George Hickes: Thank you, Mr. Chairman. Again, I'm going to respectfully disagree with the member when I looked at recently, at another jurisdiction's annual report of their liquor commission in the billions of dollars not millions of dollars. So it's obviously a larger jurisdiction but if I recall correctly the amount of investments that they made in their product was about \$2 billion and yet the revenues were over \$6 billion. So that's three times.

We're talking about a 25 percent according to the member's numbers that he used. No, from the feedback that we've got from previous surveys that has not been a concern. Thank you, Mr. Chairman.

Chairman: Thank you. Today being Friday, I'm sure that the Minister of Education would agree that "gonna" and "wanna" is not a word. Thank you. Mr. Lightstone.

Mr. Lightstone: Thank you, Mr. Chairman, and happy Friday. I just want to reiterate the fact that the liquor and cannabis commission generated 25 percent profit on sales. That is extraordinarily high. The private sector is lucky to get a return of final profit of 5 or 10 percent. But the cannabis commission is generating a 25 percent profit.

Does the commission intend to maintain that profit ratio going forward? Thank you, Mr. Chairman.

Chairman: Minister Hickes.

Hon. George Hickes: Thank you, Mr. Chairman. Likely. But again, like I have mentioned, there is an ongoing survey if people have concerns with the pricing model that is used right now. I would recommend that they put their comments to that survey. Thank you, Mr. Chairman.

Chairman: Mr. Lightstone.

Mr. Lightstone: Thank you, Mr. Chairman. As the liquor and cannabis commission is mandated to operate at a break-even point or operate as a not-for-profit, wouldn't that itself be... By generating this amount of revenue, wouldn't that be contravening the *Liquor and Cannabis Act*? Thank you, Mr. Chairman.

Chairman: Minister Hickes.

Hon. George Hickes: Thank you, Mr. Chairman. I'm not sure what section in the Act the member is referring to. To my knowledge there is no requirement legal or otherwise for a break-even liquor and cannabis commission. Thank you, Mr. Chairman.

Chairman: Mr. Lightstone.

Mr. Lightstone: Thank you, Mr. Chairman. I'll move on. I notice that the Liquor Enforcement and Inspection Division or program within the Department of Finance is no longer on the accounting structure chart, the org chart of the department. So I would like to inquire what happened to those positions. Thank you, Mr. Chairman.

Chairman: Minister Hickes.

Hon. George Hickes: Thank you, Mr. Chairman. Those positions were moved to corporate policy. Thank you, Mr. Chairman.

Chairman: Mr. Lightstone.

Mr. Lightstone: Thank you, Mr. Chairman. Moving on to the beer and wine store pilot project, as the three-year mark is approaching, what is the government's timeline for making a final decision on the success of this pilot project and when will that be conveyed to the Assembly and the public? Thank you, Mr. Chairman.

Chairman: Minister Hickes.

Hon. George Hickes: Thank you, Mr. Chairman. Anecdotally with most of the feedback we're getting, there has been a lot of feedback basically acknowledging the success of the beer and wine store here in Iqaluit. There are ongoing challenges. We are going to work with our partners to mitigate that. After this survey is completed, we're looking at having a final product this summer. Thank you, Mr. Chairman.

Chairman: Mr. Lightstone.

Mr. Lightstone: Thank you, Mr. Chairman. I thank the minister. Moving on, the business plan indicates that in 2023 sales of cannabis through the Liquor and Cannabis Commission's online agents have been lower than anticipated and that an interdepartmental working group has been working to develop the required regulations to introduce cannabis retail stores in Nunavut and that new regulations are expected in early 2020. We're currently at that stage. We're almost a quarter of the way in to 2020. Would the minister be able to provide us with an update on the status of those regulations? Thank you, Mr. Chairman.

Chairman: Minister Hickes.

Hon. George Hickes: Thank you, Mr. Chairman. There will be legislation brought forward to this House to help expedite that process during this sitting, which will allow us to move that file forward. Thank you, Mr. Chairman.

Chairman: Mr. Lightstone.

Mr. Lightstone: Thank you, Mr. Chairman. In relation to opening up cannabis stores itself, our other territorial counterparts had begun the process by submitting a request for qualifications and then a subsequent request for proposals. My next question is: what is the department's intention? What are the steps that are going to be taken and when will they be taken to begin this process? Thank you, Mr. Chairman.

Chairman: Minister Hickes.

Hon. George Hickes: Thank you, Mr. Chairman. The upcoming legislation that we will be looking at during this sitting will determine that. Thank you, Mr. Chairman.

Chairman: Mr. Lightstone, you're done? Before we go on to the next person, we will be taking a 10-minute break.

>>*Committee recessed at 10:32 and resumed at 10:46*

Chairperson (Ms. Angnakak): I would like to call the meeting back to order, once I stop the bells going. Next person on the list is Ms. Towtongie.

Ms. Towtongie: I'll be proper. Thank you, Madam Chairperson. The department's proposed 2020-23 indicates on page 30 and I read that the Government of Nunavut's budget for capital leases was \$6,884,000 in the 2019-2020 fiscal year. However, no funding has been allocated for subsequent fiscal years. Does that mean the Government of Nunavut now owns all of the infrastructure previously leased, including the Arviat Health Centre, the Winnipeg Boarding Home, and the Sivummut Building? Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. I don't know exactly which facilities, but I know we don't own the boarding home in Winnipeg. With that being said, there are, I believe, nine buildings or pieces of infrastructure across the territory that previously was leased through the Department of Finance and now there are lease-to-own arrangements that are made and that budget has been transferred to Community and Government Services. Thank you, Madam Chairperson.

Chairperson: Ms. Towtongie.

Ms. Towtongie: Thank you, Madam Chairperson. Earlier I asked about carbon tax. Again on page 30 the budget for energy subsidies is projected to increase from

\$10,938,000 in the 2019-2020 fiscal year to \$19,038,000, that's almost \$9 million more, in the 2020 fiscal year. How much of this increase is accounted for the new carbon rebate program? My final question. Thank you, Madam Chairperson.

Chairperson: Mr. Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. Right now new in 2020-21 is \$4.5 million. Thank you, Madam Chairperson.

Chairperson (interpretation): I have no more names on my list. Oh, Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) Are we on fiscal management? Yes. (interpretation) Thank you.

(interpretation ends) On page 25 it mentions an assessment of payroll tax rates. Our payroll taxes are pretty low already. What's the next step after? When will we see movement in terms of taxes or taxation in Nunavut? I'm asking about the revenue side of government. (interpretation) Thank you, Madam Chairperson.

Chairperson: Mr. Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. There's no timeline associated with it. As an exercise, we have been looking at different ways to increase revenue. As members are all aware, we rely very heavily on the federal government and there are steps that we need to take and impacts on our territorial funding formula where the federal government, in some respects, penalizes us because we don't have a sales tax or our income tax or payroll tax is low. There are continual exercises in examining that, but I can't put a time frame to that, Madam Chairman. Thank you.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) The minister mentioned the lack of a sales tax in the territory and the federal government, the word the minister used was penalizing. Are we being encouraged by our federal partners to consider a sales tax in Nunavut when we go to them and have funding requests or when you're discussing funding arrangements? (interpretation) Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. It's not pressured. It is an acknowledgement that it does have an impact that they do allow us to determine on how that would be applied or not applied. Like I said earlier, it is something that we're continuing to explore. One of the obvious impacts is the cost of living in Nunavut is obviously very high and we have to think very seriously on any additional tax measures and really take a good, hard look on the impact, which was why some of the tax measures

that we did take in this previous year using carbon tax revenue to... . As we know, there is an obvious impact of carbon taxes on the cost of living, so we try to mitigate that to people who were impacted by it through tax measures. Thank you, Madam Chairman.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) I understand that the government would be very or your department would be very conscious of the cost of living issue, but one of the things with the sales tax is that the more you consume and arguably the more money you have, the more you pay. Implementing a sales tax in Nunavut, in theory, would see the higher income earners pay more.

When it comes to a sales tax in Nunavut, does the department have an established position along the lines of a sales tax is not an option or is the department in the middle of the road where it's something that is being looked at? I just wanted to know in terms of the department's position on the sales tax. (interpretation) Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. Realistically we do the analysis and look at the impacts, but realistically it would be this House as a whole to politically decide on whether to implement a sales tax across the territory. Thank you, Madam Chairman.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) Thank you, minister. Do you have any modelling in terms of potential revenues from a sales tax that could be raised? (interpretation) Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. There has been work done on it. Maybe just to have the actual people who are working on it respond to the question through you, Madam Chairman, if Mr. Carlson could respond to that question, please.

Chairperson: Mr. Carlson.

Mr. Carlson: Thank you, Madam Chairperson. Thank you for the question. Many years ago when I wasn't in this position but I was still at Finance, I did a little bit of off-the-desk homework just to see what a sales tax might look like. That was fairly informal. It was a bit of a side project for me. We do have some sense based on very old data of what it might be, but as Minister Hickes pointed out, a sales tax tends to be quite political.

There are many good reasons for a sales tax. Many economists like me like a sales tax. There are very good things about it, but it tends not to be popular. Essentially when it comes time to us deciding where our time has gone in terms of analysis, we haven't dove into a sales tax significantly yet. Thank you, Madam Chairperson.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) I'm just looking at the fiscal indicators presented in the budget and we're getting crushed with the medical travel bills, the different expenses related to, I'll call it, the continual increase of the civil service and the size of our civil service. We either need to cut our costs or we need to find a way to bring in more money. That's the reason why I brought this up and I understand that it would be quite controversial.

I'm moving on. On page 26 of the business plan it mentions improving infrastructure planning and on the status update it says that Finance "supported the development of a Government of Nunavut...ten-year capital plan..." Is this ten-year capital plan finalized and available to committee members? I have seen the long-term infrastructure plan submitted to the federal government, but that's just kind of a laundry list of different capital concepts. (interpretation) Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. Just for the level of detail, like we do still have our five-year capital planning process, but to respond directly to the question through you, Madam Chairperson, if Mr. Chown could respond to that. Thank you.

Chairperson: Mr. Chown.

Mr. Chown: Thank you, Madam Chairperson. The Government of Nunavut still does our regular annual capital plan on a five-year window, but we have been working actively with Community and Government Services to try to develop not quite as detailed and formal as our capital plan but a longer term plan that helps take a look not only at our own resources but all the federal resources that are coming in. We've had a couple of major pots of money with ten-year envelopes on them for spending.

What we're referring to here is some of the work we have been doing with Community and Government Services to try to get a better ten-year window to get a sense of our fiscal availability and how we would roll out projects and funding over that time period. There's not a formal ten-year document in place at this point, but that's what we're working on. Thank you, Madam Chairperson.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) Just one more question on capital planning, does the department track the number of times or the number of capital projects that exceed that 25 percent... ? I believe there's a 25 percent threshold for budget increases.

I'll use for example the fibre optic project, which saw the expenditure estimates shoot up by I think it was over \$80 million or roughly \$80 million in the course of one year. In terms of expenditure management and fiscal management, if you just look at it from a financial perspective, it shows either a weak estimation process or it shows a lack of planning when you see a cost escalation of that manner.

I'm not asking specifically about that project, but when it comes to capital planning, does the department track how many times this is happening within the government, whether you're building schools or what have you? (interpretation) Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. I appreciate the question. I think it's a very valuable one to respond to. When we're looking at our estimates on capital projects, it's one of the reasons why we have worked so hard to go towards this preplanning funds availability so that we can get better cost estimates. Instead of the class "X" estimates, we're coming in with pretty much at least class "D" estimates to have a better idea.

There are occasionally circumstances beyond our control. When iron prices went up dramatically a couple of years ago, we got bit by that where it was unexpected, tariffs that were brought in by the United States and we have to adjust to market conditions some times.

As far as tracking, we do work with Community and Government Services, maybe not in a formal tracking method. But there have been discussions on that with Community and Government Services. So it is something that my officials are sitting right beside me here and they are listening to this. So it is something they'll continue to work towards with Community and Government Services. Thank you, Madam Chairperson.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. Thank you minister. (interpretation ends) Are you planning to look at formalizing that tracking and you know, I think it could be something that has the potential to strengthen a government's management of the capital dollars if you are able to track how many projects are coming in over budget or how many projects for example skip the preplanning stage? (interpretation) Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. I know CGS has...Community and Government Services has their finger on it. As for formalizing the tracking like a reporting nature I guess if you want to call it that with Finance, that's something we can take a look at. I appreciate the suggestion. Thank you, Madam Chairperson.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) My final questions are on the Rankin Inlet beer and wine store which is going to be coming into operation in this fiscal year is my understanding.

So, did the department consider taking a different approach in terms of allowing the private sector to operate that beer and wine store as opposed to what we're proposing; having government liquor and cannabis employees operating the store? (interpretation) Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. Again, just to provide the history of how we came to that conclusion through the Chair, if Mr. Carlson could respond to that, as he was directly involved in that process leading up to the decision being made. Thank you, Madam Chairperson.

Chairperson: Mr. Carlson.

Mr. Carlson: Thank you, Madam Chairperson. It's a good question and yes. The quick answer is yes. We looked at two different models. One would involve the way that we are choosing to go forward as it is. We have a great team of employees already in Rankin Inlet. We have a facility and that's where the Nunavut Liquor and Cannabis Commission's headquarters are. That's where our warehouse is. So, for Rankin Inlet, it'd be an easy approach was to work with all the great things we have there and build off that.

In terms of the member's question about involving the private sector, there is a mechanism in our *Liquor Act* that would allow us to have something called an agency store. Many other jurisdictions have this as well and many other jurisdictions use this agency model.

In that type of model, the government, the Nunavut Liquor and Cannabis Commission would partner with a private sector retail operator and come to some arrangement for responsible, controlled sales of limited products.

We see it in provinces across the country, especially in small communities where it may not make sense for the provincial liquor board to set up a store they partner with a local convenience store or grocery store.

When deciding to go forward with using the commission's assets, we did this because our focus is on responsibility. When we spoke to the community a few years ago ahead of the referendum and again when we spoke to the council who are very strongly in support of this, we are using the Iqaluit model as our model, that's what we know. But we are aware of other possibilities. Thank you, Madam Chairperson.

Chairperson: Mr. Main.

Mr. Main: Thank you, Madam Chairperson. (interpretation ends) Thank you for the additional information. Putting on my hat as, let's say, an advocate for private business, there's an argument to be made that by saying we're going to do this through our warehouse which is government-owned and funded and by doing this with our employees, the government has taken away an opportunity for some local business in Rankin Inlet. Rankin Inlet is one of the most entrepreneurial communities, I believe, in Nunavut and so it's something to keep in mind in terms of the operation of that store.

I just wanted to flag for your attention, I'm sure it has already been considered, but there will be issues with medical travellers coming to communities like Arviat, for example, stopping in Rankin Inlet, filling up their suitcase with wine or beer or whatever they want and travelling home. I understand it is personal responsibility not to break the law when it comes to prohibition of alcohol, but when they're travelling on a medical travel ticket, then it becomes a little bit of, I think, the government's responsibility to also make sure that they're minimizing those occurrences.

I just wanted to flag that. I don't have an answer to that one. I know that Pangnirtung is dealing with similar issues here with the Iqaluit Beer and Wine Store. It is concerning and I wanted to flag it for the department's consideration. (interpretation) I'm done. Thank you, Madam Chairperson.

Chairperson (interpretation): Thank you as well. I believe that was just a comment. I don't think I have any more names on my list. (interpretation ends) Fiscal Management. C-5. \$6,898,000. (interpretation) Do you agree?

Some Members: Agreed.

Chairperson (interpretation): Let's continue. (interpretation ends) Comptrollership. C-6. Total Operations and Maintenance, to be Voted. \$19,722,000. (interpretation) Questions? Mr. Lightstone.

Mr. Lightstone: Thank you, Madam Chairperson. I would like to express my gratitude to the Department of Finance on including the financial statement discussion and analysis portion to the public accounts, explaining to the public a year in review of government operations. I just want to also say that I was extremely pleased with the level of detail that was included in that.

So far, the Department of Finance has set the bar with your first set of discussion and analysis and it was great. You set the bar pretty high. I just want to encourage the department to maintain that current level, if not expand on it. I just want to get the minister to commit that the government will not go the other way and see details diminish in that segment of the public accounts. Thank you, Madam Chairperson.

Chairperson: Thank you, Mr. Lightstone. I would just like to remind members to please keep your preambles shorter. We are really trying to complete, hopefully, this department today. Mr. Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. I'm going to give the member some credit where it's due. His questions in previous years have accelerated it. There was work being done on this project already, but it has accelerated by giving proper pressure to, I think, a very valuable information piece on our budgeting process. We're not looking at taking away... This is our first kick at the can, if you want to call it that, Madam Chairperson, or I guess I just did, but at the same time, as feedback comes and as we get feedback as members use the information, we will continue to adapt to that as best we can, but this is the format that we're looking at pursuing continuing ongoing. Thank you, Madam Chairperson.

Chairperson: Mr. Lightstone.

Mr. Lightstone: Thank you, Madam Chairperson. I'll keep my question short. I would like to ask the minister for an update on the newly created Financial Management Development Program, for example, if all three positions have been filled and what have they done so far. Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chair. I will say that as long as it is very positive feedback the member's preambles can go as long as they want.

Madam Chair, the manager of that division has been hired. The two other PYs have not been filled as of yet. Once those are filled that is when the real work, if you want to call it that, it's very preliminary right now, once those positions are filled then we can continue to work forward.

We do have a contract in place to develop some of the mandate or the development of the programs out of that division right now, so we are still working on it but we are looking forward to filling those two positions to assist with implementation. Thank you, Madam Chair.

Chairperson: Mr. Lightstone.

Mr. Lightstone: Thank you, Madam Chair. Thank you for that response minister. Moving on to my next topic, and it is relating to Internal Audit Services Division. I would

like to enquire, how exactly is it that the topic of audits are determined? Thank you, Madam Chair.

Chairperson: Minister Hickes.

Hon. George Hickes: Madam Chair, there is a number of different factors of scheduled concerns about perceptions. Maybe just again to get into the level of detail on all the different factors that go into determining an internal audit's focus, if Mr. Chown could respond to that through you Madam Chair.

Chairperson: Mr. Chown.

Mr. Chown: Thank you, Madam Chair. The central accountability committee, which is a subcommittee of deputy ministers primarily of the central agencies and a couple of the line departments, is responsible for the internal audit function.

Internal audit brings their audit results to the central accountability for review and annually internal audit would prepare a proposed work plan for the year that they would bring through central accountability committee for approval, we'd provide them feedback, they would make suggestions based on past audits that may be warranted further follow up and we would discuss potential areas that deputies might have of concern and that would be the basis of the initial plan for the year.

From there it will adjust depending, you know, if a special situation comes up where a department requests internal audit to go in we would look at it, consider the validity of the request and if it was necessary send internal auditors or other resources in to do that work. Thank you, Madam Chair.

Chairperson: Mr. Lightstone.

Mr. Lightstone: Thank you, Madam Chair. My next question is: once an audit is determined, would you elaborate a bit further upon the next steps? For example, once an audit is initiated, what is the average length of time and then once the audit is completed, what happens with the final product? Recommendations? Or even further, if there is any follow-up to that. Thank you, Madam Chair.

Chairperson: Mr. Hickes.

Hon. George Hickes: Thank you, Madam Chair. With regard to the length of time it is really case specific. There is a lot of variability depending upon the depth of the audit itself.

Once the audit is completed, it is worked on internally as well as shared with the Office of the Auditor General of Canada. So if there any additional concerns it might stimulate them to look at a deeper audit or under their audit authority. So the information is for

internal use but it is shared with the Office of the Auditor General of Canada. Thank you, Madam Chair.

Chairperson: Mr. Lightstone.

Mr. Lightstone: Thank you, Madam Chair. Does the department know the average length of time for audits in general? Do all audits produce recommendations and thirdly, for audits that provide recommendations, is there follow up at a later date and subsequent years to ensure that those recommendations have been followed through? Thank you, Madam Chair.

Chairperson: Mr. Hickes.

Hon. George Hickes: Thank you, Madam Chair, and through you just to give the member a fulsome, detailed response that is more operational, through you, Madam Chairperson, if Mr. Chown could respond to that question. Thank you.

Chairperson: Mr. Chown.

Mr. Chown: Thank you, Madam Chairperson. I don't have statistics specifically on the average length of each audit, but yes, every audit does result in audit recommendations. Those recommendations along with the draft audit report would go to the deputy minister and their staff of each department for review. Each department is then given a period of time to respond to the internal audit and that response is provided in the audit report.

Generally the Internal Audit Division would provide some certain level of follow-up on the audit, but again, depending on the significance of the results of that audit and the response from the department, it would determine whether we would actually go in and do a follow-up audit. Our resources are limited in Internal Audit; it's a difficult division to staff, so we prioritize those follow-up audits based on the severity of the recommendations. Thank you, Madam Chairperson.

Chairperson: Mr. Lightstone.

Mr. Lightstone: Thank you, Madam Chairperson. Thank you, Mr. Chown, for that information. Now, for the audits that are severe enough to necessitate a follow-up, is it Internal Audit's findings that the recommendations are always followed up on? Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. Again, for the level of detail, maybe if Mr. Chown could respond to that through you, Madam Chairperson.

Chairperson: Mr. Chown.

Mr. Chown: Thank you, Madam Chairperson. I guess the short answer would be not always. Generally departments do take these audits seriously and generally when we come back in, we do find that they have taken actions towards the audit recommendations. Sometimes those actions are very effective, other times our follow-up audit suggests that maybe further work is required because the actions haven't been effective enough to address the initial recommendations. Thank you, Madam Chairperson.

Chairperson: Mr. Lightstone.

Mr. Lightstone: Thank you, Madam Chairperson. Returning to my previous question about how the audits are decided upon, I'm curious: does a standing committee have the ability to make a recommendation for an audit? Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. I guess anyone can make a recommendation for the committee to meet, the Internal Audit Committee, to decide on the value and determine whether it should fit into the queue of the Internal Audit Division. Thank you, Madam Chairperson.

Chairperson: Mr. Lightstone.

Mr. Lightstone: Thank you, Madam Chairperson. Thank you, minister. If a standing committee of the Legislative Assembly were to recommend a topic for consideration by the Central Accountability Committee and if they were to approve of that and actually create an audit under this topic, would the results of that audit then be able to be shared with the committee upon completion? Thank you, Madam Chairperson.

Chairperson: Thank you, Mr. Lightstone. You're veering off a little bit. Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. These internal audits are still internal. Thank you, Madam Chairperson.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) This financial management development work is really encouraging. It's great to see. On page 29 the status update says that a contractor has been secured to implement a financial training program. Who is the contractor, and what does this financial training program entail? (interpretation) Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Mr. Chairman. I will take the opportunity to celebrate the creation of this. The Department of Finance as a central agency has informally done

this over the years basically through attrition in some respects. We have employees that come to work for the Department of Finance build up their skill set and then go out to other line departments and bring that expertise out there. This really formalizes that process. It's something that's really worth celebrating and I'm very happy to see it move forward.

I know that is not answering the member's question, but I had to throw a plug in there on the great work that I am anticipating out of this.

With regard to the contract itself, it is with KPMG. Thank you, Madam Chairperson.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) And so I am looking at the Inuit employment plan, I am looking for a number as to how many employees, or how many trainees would go through this program in the next fiscal year.

Does the department have targets set, in terms of how many staff would be trained up? (interpretation) Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. It is still a work in progress on the implementation side of things. It is a... One of the things that we will want to do is prioritize departments that have lower capacity levels.

Basically, when we are at looking putting this out there, some of it is still going to be online, where it is available to outlying communities, but one of the main purposes of this is to balance the theory that is understood with GN actual practice.

So it is to improve the efficiencies of government-wide practices. Thank you, Madam Chairperson.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) One of the responsibilities of this division is the Financial Administration Manual, or updating the Financial Administration Manual, does the department track how many times the manual has been, I'll say contravened, or occurrences when there is a clear, there is a transaction within the department or within a certain budget where there has been direct contravention of the Financial Administration Manual?

Is that is something that is tracked? Ideally you would want to see that number. They would be stable or go down, as a general measure of financial administration across the government. (interpretation) Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. I appreciate the question. I think it is important to recognize that, first of all as, if and when any information comes to the Department of Finance that the Financial Administration Manual or the *Financial Administration Act* has not been strictly adhered to, we take immediate corrective measures working with the department involved.

We do not keep a naughty list, if I may use that term, Madam Chairperson. It is continuously evaluated. Anytime that there is an issue identified we work very closely with the department to make sure that, for one, it does not happen again.

In some cases, as one of the earlier questions, you can see the list of the different FAM directives that have been modified, updated, in development. It is a continuously evolving document itself.

Keeping up with the times, I guess. Making sure that We are making sure that the rules that we are creating are working with current practices. Thank you, Madam Chairperson.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) Thank you, minister.

So, you mentioned corrective measures. I do not want to get too far into details, I know we are pressed for time, but when corrective measures are taken, does that... Is that noted in an employee's... . Say if it is a supervisor that had directly contravened the financial administration manual do something wrong, does that go on their record?

As a general question would it go into their file, in terms of contravening administration manual? (interpretation) Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. I would say typically no. Most of the time it is just through training and education is a corrective measure. Maybe in a circumstance, and I don't like talking hypotheticals here, but in a circumstance where it was purposely, flagrantly not followed, there might be some type of further action, I guess if you want to call it that. The severity of that would depend on whether it would go into the employee's file or not, but typically what we see is that it's just through error or lack of training or lack of information. Thank you, Madam Chairperson.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) In the letter provided to the committee, the department provided a list of positions within Finance without a permanent employee for more than 18 months. Some of the longest vacant were these auditor positions: senior auditor, internal audit services and auditor, internal audit services.

In the letter it mentions that there are two auditor positions being re-profiled to focus on training. I just wanted to clarify that by doing this... I understand training is important. By doing this and re-profiling these two positions, is the department comfortable that their internal auditing processes won't be weakened? (interpretation) Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. I guess the member's previous question kind of feeds into this one where, when we recognized the level of training that's needed across the territory to avoid some of these financial rules not being followed as closely as they should be and how difficult it has been to fill those internal audit positions themselves. We took those positions and that's where the two positions under the training program come from. I hope that answers the member's question appropriately. Thank you, Madam Chairperson.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) Just a comment, I note that you have some positions here, finance clerk, Cambridge Bay, there are two positions that have been vacant for over 18 months, and data entry clerk, Cambridge Bay, vacant for over two years. I find it interesting that clerk positions, like these are lower level positions within the department would be vacant for that long. I would encourage the department to consider allocating staff housing units to these positions using the precedent that has been set with other departments choosing to allocate staff housing for housekeeping assistant positions. That's just a suggestion.

I have one final question and that's the effects of ransomware in terms of the comptrollership work. What was the effect of the ransomware attack and are there any lingering issues up 'til today? (interpretation) Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. Just allow me to just respond very briefly to the member's comment. With a lot of the clerk positions and positions that the member had mentioned, they are filled with casuals, in some circumstances for a while for most of the reasons to be able to give them the exposure and the training in the positions so that when we do post it, they would qualify for it. Secondly, we are looking at direct appointment options as well and have done that in some cases.

With regard to the member's question specifically on the ransomware, through you, Madam Chairperson, Mr. Chown could respond. Thank you.

Chairperson: Mr. Chown.

Mr. Chown: Thank you, Madam Chairperson. Financially for the Department of Finance, the costs associated with this event were primarily the replacement of certain computers and the overtime costs that were put in by our very dedicated staff in compensation and benefits and financial operations to ensure that payroll and accounts payable across the government continued to occur. Our financial systems management division as well, who are responsible for our financial systems, certainly had overtime costs in those three divisions to ensure things were up and running as quickly as possible.

We are basically back to normal now. We lost no data from our financial system or from our payroll system. They're up and running well. We've had a few minor issues with subsystems or connections to outside entities such as connecting to the federal government pension system that took a little longer. But we are now up again connected to the federal pension system.

Other than that, a few minor things with, we just recently got our email notification back up so when a vendor receives a payment from us they get an email saying the money has been deposited into your account here is the invoice it was paying. That just recently got up and running again. Other than that, we are pretty much back to normal. Thank you, Madam Chairperson.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) If we are hit with another ransomware attack tomorrow is the finance department better prepared than it was in November? Are you doing your backups in a different way or are your systems set up in a different way now months after the first that 2019 incident so that, I just want reassurance that things are stronger than when they were before in terms of learning from what happened. (interpretation) My final question, Madam Chair.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. As this has all been a very fluid developing issue through you, Madam Chair if Mr. Chown could respond to the latest information. Thank you.

Chairperson: Mr. Chown.

Mr. Chown: Thank you, Madam Chairperson. I would have to yes. Our system backup and our network as a whole are still lead by the Department of Community and Government Services. So they provide those backup services to us.

But in the meetings that I have been in with Community and Government Services IT Division and my own financial systems staff, we have been reassured that from a network perspective our networks is better than it has ever been.

Internally for us, this event was a great learning opportunity. I think we reacted well. But as an after the fact review, we've had meetings internally with our senior management and looked at how things went and tried to identify ways that we could make things better if this were to happen again just from the perspective of , I'll call it disaster management I guess. I think if this was to happen again we would be even in a better place from the department perspective whether it be a ransomware attack or maybe satellites go down and we don't have a network. We have I think a much better understanding of how to react to that disaster mode. Thank you, Madam Chairperson.

Chairperson: Ok. With no more names on the list. Comptrollership. C-6 Total Operations and Maintenance to be voted, \$19,000,722. Agreed?

Some Members: Agreed.

Chairperson: We'll go on to Centrally Administered Funds. C-7. Total Operations and Maintenance. \$68,516,000. Questions? Mr. Lightstone.

Mr. Lightstone: Thank you, Madam Chairperson. My questions are in relation to the employee benefits under this branch. I see that again there's an increase due to employee medical travel. Is this program, employment medical travel is it seen cost increase at the same pace as the Department of Health's medical travel program? Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. Yes. It is the same program. So any costs increases in one would be applicable to the other. Thank you, Madam Chairperson.

Chairperson: Mr. Lightstone.

Mr. Lightstone: Thank you, Madam Chairperson. Does this program utilize the Department of Health's medical travel employees or is it conducted internally? Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. It's still done through medical travel staff and Finance just pays their applicable portion. Thank you, Madam Chairperson.

Chairperson: Mr. Lightstone.

Mr. Lightstone: Thank you, Madam Chair. Does this employee medical travel program face similar issues such as the Department of Health's medical travel? For example, same rate of missed flights or appointments and a number of travellers going down without appointments. Thank you, Madam Chair...Mr. Chairman.

Chairman (Mr. Rumbolt): Thank you, Mr. Lightstone. Minister Hickes.

Hon. George Hickes: Thank you, Mr. Chairman. To my knowledge, that differentiated tracking, I'm not aware of it being tracked.

I will take the opportunity, if the Chair will just indulge me just for a moment, it is a fairly noticeable increase in this budget. Whereas typically in the past Finance has been able to absorb the increases as they have been incrementally coming, which because of the continued pressures on the medical travel budget this has led to the step where we've actually had to make a budgetary allotment to it. Thank you.

Chairman: Thank you, Minister Hickes. Mr. Lightstone.

Mr. Lightstone: Thank you, Mr. Chair. My next question is: in your opening comments you indicated that \$7.4 million of this increase will be due to liabilities related to employee retirement benefits. If the minister would be able to clarify, which employee retirement benefits would this be related to? Would it be severance or relocation out or any other programs? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Lightstone. Minister Hickes.

Hon. George Hickes: Thank you, Mr. Chairman. The majority of it is medical and dental. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Lightstone.

Mr. Lightstone: Just to confirm, the employee retirement benefits, that is medical and dental? Thank you, Mr. Chairman.

Chairman: Thank you. Minister Hickes.

Hon. George Hickes: Thank you, Mr. Chairman. Correct. Thank you.

Chairman: Thank you. Mr. Main.

Mr. Main (interpretation): Thank you, Mr. Chairman. (interpretation ends) Just continuing on the employee benefits, page 30, so over the past two fiscal years it is about a 64 percent increase for this line item.

In terms of modelling and projecting it forward what we have here in front of us, basically shows it increasing from \$38.6 million to \$38.8 million the next fiscal year and then staying at \$38.8 million up to 2022-23.

Is the department confident that these figures are accurate or that they have been modelled properly. We won't see another big jump in this expense? (interpretation)
Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Main. Minister Hickes.

Hon. George Hickes: Thank you, Mr. Chairman. To put it bluntly, with the sudden increase in this it is basically due to an accounting adjustment. So we do have full confidence that going forward our numbers will level off. Thank you, Mr. Chairman.

Chairman: Thank you, Minister Hickes. Mr. Main.

Mr. Main (interpretation): Thank you, Mr. Chairman. (interpretation ends) So with this line item, say in the case that your medical travel costs for your employees is lower for whatever reason in this upcoming fiscal year by say \$1 million, I'm trying not to be hypothetical I'm trying to understand what happens to this money. If you come in under budget on this line item, does that money just go back in to be used for other purposes or is it paid anyways?

I'm trying to understand, you know, there are premiums and other benefits such as health insurance. Does all the money always get allocated and put somewhere or is it a different situation? (interpretation) Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Main. Minister Hickes.

Hon. George Hickes: Thank you, Mr. Chairman. I guess initially it is non-cash item and maybe through you, Mr. Chairman, if Mr. Chown could explain it in more detail. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Chown.

Mr. Chown: Thank you, Mr. Chairman. So these ones are just, as the minister indicated a budgeted amounts, so they are our best estimates at the time.

These ones are appropriated within the Department of Finance and are generally available within the department within the rules of the FAA and Financial Administration Manual.

Within centrally administered funds, if one of these line times did not consume all the funds that were available to it, those funds would either lapse, or if elsewhere in department they were cost pressures rather than coming forward for 'sups', we could use them to cover those overages in other areas.

Historically what has happened is centrally administered funds as a whole has seen the cost pressures of potentially going over budget, whereas the rest of our department generally stays within budget.

So if anything, our true operations have on occasion had to subsidize centrally administered funds as opposed to centrally administered fund subsidising departmental core operations. Thank you, Madam Chairperson.

Chairperson (Ms. Angnakak): Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) Your voice changed very suddenly Mr. Rumbolt.

>>*Laughter*

My final question or suggestion on the Energy Subsidy's item, the Nunavut carbon rebate, which is a new measure. We were all involved in putting that in place. I think it is something that this government needs to promote, or needs to spread information about.

In the carbon tax itself in Nunavut is not what I would say is popular. Any increase to the cost of living of course, right? I think it is an example of our government or this department taking lemons and making lemonade with it.

So my question is, in terms of communicating with Nunavummiut, look this is what government has done to offset the increase of gasoline, for example. We have doing this offset it for Nunavummiut.

What is the government done, or the department to communicate that to people at the gas pump? (interpretation) Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson. Just going back to the earliest questions during this endeavour today the website we are looking updating some of that information on the website.

I know of a very recent example here in Iqaluit, with the billing services with our fuel provider there are still some challenges with their software on their invoice of how it looks. Where it looks like the full carbon tax is being implemented on the bill, but you do not see the 50 percent rebate, where it is adjusted directly in the fuel price. It is not communicated that way.

I do agree with the member, we are going to have to better ways to continue to have a communications strategy to really show Nunavummiut how we are making that impact.

It is easy for us to say in here we are only charging half the increase at the pump, but how does that look? And that is for the average consumer to be able to see that. I think there is an important step.

As we continue to look at different software opportunities with some of our contractors what opportunities they have, I am looking forward to progress in that. Thank you, Madam Chairperson.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) I just wanted to bring forward a suggestion; it does not have to be complicated as a website perhaps. I know one provincial government using stickers. Stickers at gas pumps across the province and I guess this was taking a different angle on the issue of carbon tax.

You know if there were stickers, or signs that went up at the gas stations in Nunavut it said federal government imposed this carbon tax which was going to your cost of gas by this much and the Nunavut government is trying to reduce the cost of gasoline, we have put this much towards.

Just a suggestion in terms of, not everybody goes on the website to look at the Department of Finance detailed information on a Saturday night, so I'll just put that out there for suggestion. (interpretation) That's it. Thank you, Madam Chairperson.

Chairperson: Minister Hickes.

Hon. George Hickes: Thank you, Madam Chairperson, for allowing me to comment on the comment. Madam Chairperson, this is exactly why these exercises are so valuable to us. Like I had mentioned earlier, Mr. Lightstone's pressure on providing more detail in our financial reporting, this idea for stickers, there are different ideas that get brought up in these discussion that are great ideas and I appreciate the member's suggestion. It's something we will take a look at. Thank you.

Chairperson: I don't have any more on my list. Centrally Administered Funds. Total Operations and Maintenance, to be Voted. \$68,516,000. Agreed?

Some Members: Agreed.

Chairperson: Go to C-3. Department Summary. Finance. C-3. Total Operations and Maintenance, to be Voted. \$99,929,000. Agreed?

Some Members: Agreed.

Chairperson: Do members agree that we have concluded the Department of Finance?

Some Members: Agreed.

Chairperson: Closing comments, minister?

Hon. George Hickes: Thank you, Madam Chairperson. I'll make them very brief. I would first like to thank all the staff. I know Mr. Chown mentioned that during the ransomware, the overtime and the commitment of the staff from the Department of Finance to help provide our central agency role as well as making sure that our staff across the civil service got paid, so I would like to take this opportunity to publicly thank and I'm sure all of us appreciate that work.

I also would like to take the time to thank the members. I know sometimes the suggestions that are brought forward in this House are not always implemented as fast as everyone would like to see, but I appreciate the members' patience, but I also appreciate the members' suggestions as they come forward and the level of understanding.

When you look at the Government of Nunavut from our perspective, it's a great, big super tanker and it doesn't turn on a dime. There are all kinds of positive success stories that I don't think we have the time to talk about. We're so focused on putting out fires or dealing with issues as they arise that we don't take the time to step back and celebrate the successes that we're achieving. I just want to put it out there that I think it's a really important component to recognize. There are a lot of people working really hard for Nunavummiut to make everything more efficient. Thank you, Madam Chairperson.

>>Applause

Chairperson: Thank you. Sergeant-at-Arms, please escort the witnesses out and we will break for lunch. Back at 1:30 to review the Department of Health...sorry, Environment.

>>Laughter

>>Committee recessed at 11:48 and resumed at 13:30

Bill 39 – Appropriation (Operations & Maintenance) Act, 2020-2021 – Environment – Consideration in Committee

Chairperson: Welcome back. I would now like to ask Minister Savikataaq: do you have officials that you would like to appear before the committee? Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Madam Chairperson. Yes, I would. Thank you.

Chairperson: Does the committee agree to let the minister and his officials go to the witness table?

Some Members: Agreed.

Chairperson: Sergeant-at-Arms, please escort the witnesses.

For the record, Minister Savikataaq, please introduce your officials and then proceed with your opening comments. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Madam Chairperson. To my left is the DM of Environment, Mr. Jimmy Noble Jr., and to my right is Director of Corporate Services Nikki Nweze.

Thank you, Madam Chairman. I am pleased to have this opportunity to present my department's proposed 2020-21 operations and maintenance budget to the standing committee.

The Department of Environment's proposed budget for 2020-21 is \$24,709,000. There has been no budget increase from the 2019-2020 fiscal year. I would also like to point out that the budget for the Fisheries and Sealing Division has been transferred to the Department of Economic Development and Transportation.

By partnering with other organizations whenever possible, the Department of Environment continues to be successful in maximizing the impact of our funds. In the last fiscal year we were able to leverage approximately \$7.5 million from outside sources for various projects. This amount was consistent with funding obtained in previous years and has been used for programs in all divisions within the department. We expect to be equally successful in the year 2020-21.

More than ever we are seeing the devastating global impacts of the climate crisis, and we all know firsthand how drastic the impacts are here in Nunavut. In the coming year the department will continue to work with the Government of Canada to implement the new *Pan-Canadian Framework on Clean Growth and Climate Change*.

Avatittinnik Kamatsiarniq, or environmental stewardship, remains a key focus of the department, as does our commitment to recruit and retain a representative workforce. In the coming year we will continue to work to increase Inuit employment in the department through several initiatives.

As I announced during our 2019 fall session, I have accepted the Nunavut Wildlife Management Board's final decision for the Nunavut Polar Bear Co-Management Plan. It was a true partnership developed in cooperation with co-management partners, including Nunavut Tunngavik Incorporated, the Nunavut Wildlife Management Board, regional wildlife organizations, and hunters and trappers organizations.

Madam Chairperson, the Department of Environment's proposed 2020-23 business plan identifies our intent to develop and implement several wildlife management initiatives over the next three years. This includes surveys of the Foxe Basin and Lancaster Sound polar bear subpopulations.

Caribou management continues to be a high priority for the department over the next three years. In 2020-21 the department will initiate research on Peary caribou movement

ecology in order to better protect and guide the recovery of this endangered species. Additionally, the department will undertake a large survey of the northeast mainland caribou populations to determine the population and distribution of smaller herds that have not been previously surveyed.

Wildlife harvesting plays a vital role in the economic, cultural and physical health of our communities. We will continue to develop education resources to promote safe and responsible hunting practices in our territory. We will also continue to support local businesses trading in seal and fur products to help guide this sector of our economy in the future.

In the coming fiscal year our Territorial Parks and Special Places Division will proceed with the implementation of the approved park master plans for Agguttinni, Kugluk, Kinngaaluk, Ovayok, Katannilik, Sylvia Grinnell/Qaummaarviit and Iqalugaarjuup Nunanga territorial parks. The division also plans to begin developing heritage appreciate and interpretive plans for Kekerten and Malikjuaq territorial parks.

Mr. Chairman, the Department of Environment balances the need for resource-based economic growth with the conservation of our wildlife and ecosystems for future generations of Nunavummiut. Our work is guided by *Inuit Qaujimagatuqangit* and scientific research to ensure meaningful progress in achieving our important goals to benefit the territory.

Thank you for this opportunity to share our business plan with you, and I will be pleased to take any questions. Thank you, Madam Chairperson.

Chairperson (interpretation): Thank you, Mr. Savikataaq. (interpretation ends) Does the chair of the standing committee have opening comments? Mr. Rumbolt.

Mr. Rumbolt: Thank you, Madam Chairperson. I am pleased to provide opening comments on behalf of the Standing Committee on Community and Economic Development on its review of the proposed 2020-21 Main Estimates and 2020-23 Business Plan of the Department of Environment.

The department's proposed 2020-21 operations and maintenance budget is \$24,709,000. The number of positions in the department is decreasing by 9.0 PYs to 132.5 PYs. This is a reflection of the transfer of the department's Fishing and Sealing Division to the Department of Economic Development and Transportation.

Members raised a number of issues and concerns during the minister's recent appearance before the standing committee. The department's Support for Harvesters and Wildlife Co-Management Policy and its Seal and Fur Programs Policy were approved in May 2017 and expire on March 31, 2022. A number of different funding programs fall under the provisions of these policies, including the Active Harvester Program. It is the standing committee's expectation that responsibility for the Seal and Fur Programs Policy will be modified as a consequence of the transfer to the Department of Economic

Development and Transportation of the Fisheries and Sealing Division. The standing committee continues to recommend that the minister begin the practice of tabling a comprehensive annual report in the Legislative Assembly on the administration of the Support for Harvesters and Wildlife Co-Management Policy. This information would be of use to all members and the public in clarifying such matters as the department's rationale for the eligibility criteria in respect to a number of its programs, including the Disaster Compensation Program.

Nunavut's current *Wildlife Act* was passed by the Legislative Assembly in 2003. Section 176 of the legislation requires the minister to prepare and table in the Legislative Assembly a comprehensive report every five years concerning wildlife management programs and related matters. The 2018 report was tabled in the Legislative Assembly on June 5, 2019. The report indicates that "...some of the greatest threats to the long-term viability of Kivalliq caribou herds include development effects, such as roads; internet sales of caribou meat and the associated increased harvest." This is an issue that has been raised in the Legislative Assembly by a number of members. The standing committee notes that this is a complex issue and recognizes that the engagement of all parties, including Nunavut Tunngavik Incorporated, regional wildlife boards, hunters and trappers organizations, and airlines operating in Nunavut, will be required to address it.

The Department of Environment is responsible for the government's Climate Change Secretariat. In 2018 a televised standing committee hearing was held on the Auditor General's report on climate change in Nunavut. One of the standing committee's recommendations was that the department report annually to the Legislative Assembly on its actions and expenditures related to climate change adaptation and mitigation, including actions and expenditures taken to implement territorial commitments made under the *Pan-Canadian Framework on Clean Growth and Climate Change*. The standing committee continues to look forward to the tabling of the first annual report. The department's proposed 2020-23 business plan indicates that the Climate Change Secretariat is "...currently working on a review of fossil fuel subsidies in Nunavut for the Government of Nunavut." It also indicates that the Climate Change Secretariat is "...working in partnership with the Qulliq Energy Corporation on energy options for communities." It also indicates that one of its priorities is to "...investigate options for developing an Energy Efficiency Rebate Program for Nunavummiut." The standing committee will be monitoring progress in these areas.

The department's proposed 2020-23 business plan indicates that it has included \$150,000 in funding for its "Water Program." The proposed 2020-23 Business Plan of the Department of Community and Government Services indicates that one of its priorities for the 2020-21 fiscal year is to "...work with the Departments of Health and Environment, in conjunction with the Government of Nunavut's Sustainable Development Advisory Group, to complete the Government of Nunavut's Water Strategy and the Drinking Water Strategic Framework and Action Plan." The standing committee will be monitoring progress in these areas. The 2018-19 Public Accounts, which were tabled in the Legislative Assembly on November 6, 2019, indicates that "...as of March 31, 2019, there were 6 sites identified as requiring environmental remediation...the

government has identified an additional 71 sites on Commissioner's land for which liabilities for contamination may exist for assessment, remediation and monitoring." The department's 2020-23 business plan indicates that it has included \$1.5 million in funding for its "Contaminated Sites Program." The Minister of Environment is responsible for administering the territory's *Environmental Protection Act*, which includes provisions concerning the discharge of contaminants into the environment. The standing committee continues to recommend that the minister begin the practice of tabling an annual report in the Legislative Assembly that contains comprehensive information regarding the administration of the *Environmental Protection Act*, including detailed information regarding enforcement actions against entities suspected of contravening the law and expenditures related to contaminated sites.

Madam Chairman, that concludes my opening comments on the proposed 2020-21 Main Estimates and 2020-23 Business Plan of the Department of Environment. Thank you, Madam Chairperson.

Chairperson: Thank you, Mr. Rumbolt. I'll open the floor to general comments. Mr. Lightstone.

Mr. Lightstone: Thank you, Madam Chairperson. In the minister's opening comments in the fourth paragraph, the minister said that "More than ever we are seeing the devastating global impacts of the climate crisis." I would like to first start by thanking the minister for using that specific wording. I agree that we are at a tipping point and we are in a climate crisis. When I had asked the minister previously whether or not the government considered this a climate crisis, I did not get a clear answer. I just wanted to thank the minister and the government for stating its position on paper. Thank you, Madam Chairperson.

Chairperson: Ms. Towtongie.

Ms. Towtongie: Thank you, Madam Chairperson. As you know, as the Legislative Assembly knows, I am very concerned about the Internet sales of caribou. The report did indicate that some of the greatest threats to the long-term viability of Kivalliq caribou herds include Internet sales of caribou meat. It's not monitored nor is the caribou monitored. What am I trying to say in English?

(interpretation) The subject of caribou management shows the mismanagement of the internet sales, and without some oversight, it becomes disconcerting as there is no management on hunting, and without limits, our caribou herds will dwindle too.

Now, as the MLA, I will be writing to the Nunavut Tunngavik Incorporated board to ask them to reconsider this matter and to ask them to deal with this challenge. I would ask my colleagues, if they share in this concern they should also sign the letter and I would gladly welcome them.

I would like to say that I have asked questions about this matter in the House. I just seem to be spinning my wheels since I am going nowhere with this. Thank you, Madam Chairperson.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. I share Cathy's concern and the hunters are also concerned. I have also heard from the elders who are worried about the caribou population and what the Department of Environment should be doing. I'm sure there are going to be questions.

Again, I have been making this statement in the House about making money out of wolves and foxes in the Nunavut area. I think they are economically viable. We hear from the communities that there are too many foxes roaming around the communities and the dumps. There's potential for economic viability in that area.

I thought this would be dealt with by the Department of Economic Development and Transportation, but if it's going to be under the Department of Environment, we won't be focusing on the economic side of it. I would like to know how the Department of Environment and the Department of Economic Development and Transportation are going to be working together.

Again, with the climate change, I am very pleased that the department has brought this subject up and it has had impacts on the caribou. I'm not a wildlife expert, but we hear that it's spreading disease among the various animals in the north. We're wondering if climate change has any effect on the fish population. There has been a decrease. I know it's under the Department of Fisheries and Oceans, but there is a decrease in the population of the fish in my area. I'll leave it at that. Thank you, Madam Chairperson.

Chairperson: Mr. Kaernek.

Mr. Kaernek (interpretation): Thank you, Madam Chairperson. Good day, minister.

I thought I would see more *Inuit Qaujimajatuqangit* in your opening comments and I think that your department should include *Inuit Qaujimajatuqangit*. Our hunters are losing their equipment or damaging their equipment. That's part of the reason why they can't go hunting anymore with the high prices of snowmobiles and outboard motors. I would like to urge the department to focus more on *Inuit Qaujimajatuqangit*. Ask more questions to the elders.

When people come into the communities they do not know my environment, and that is one of my areas of concern. They are going into our communities to do some studies but they don't know the environment. I would just like to urge the minister to put more focus on *Inuit Qaujimajatuqangit*. Thank you, Madam Chairperson.

Chairperson: Thank you. General comments. Mr. Qirngnuq.

Mr. Qirngnuq (interpretation): Thank you, Madam Chairperson. I am also concerned. This \$24.7 million is too small because there is a change in the caribou population, but we're going to have to work on that. With scientific research, it is going to be a heavy project. It is under his opening comments.

With the chairman's opening comments he was talking about Nunavut Tunngavik, the Nunavut Impact Review Board, Nunavut Wildlife Management Board, including airlines will also require some heavy lifting.

Further, the environment can be impacted by health hazards that are invisible to the naked eye, but still need to completely cover by land remediation efforts. That is why, in my estimation, the overall fund is too small, Mr. Chairman, thereby my comments here. Thank you.

Chairperson (interpretation): I have no more names on my list. (interpretation ends) Before we get to corporate management, on I-4, I just want to remind members that we are dealing with a proposed 2020-2021 main estimates, so I encourage you to focus your questions on this proposed budget, please. I'm looking at somebody in particular.

Okay. Corporate Management, I-4. Environment. Total Operations and Maintenance to be voted on is \$5,880,000. Questions? Ms. Towtongie.

Ms. Towtongie: Thank you, Madam Chairperson. My question is: in 2018, a televised standing committee hearing was held on the Auditor General's Report on Climate Change in Nunavut. One of the recommendations was that the government should report, an annual report to the Legislative Assembly on the government's actions and expenditures related to climate change.

As of today, what is the status of developing this annual report? Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq

Hon. Joe Savikataaq: Thank you, Madam Chairperson. We're still working. We take recommendations seriously but as of right now it's not completed. Thank you, Madam Chairperson.

Chairperson: Ms. Towtongie.

Ms. Towtongie: Thank you, Madam Chairperson. My final question, the department propose 2020-2021 main estimates include funding for 9.0 positions in the Climate Change Secretariat as of today, how many of these positions are filled by indeterminate employees? How many of these positions are filled by casual employees? And how many positions are vacant? Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Madam Chairperson. We have two indeterminate and I believe, I think three or four casuals and the rest are still vacant. Thank you, Madam Chairperson.

Chairperson: Next person on my list is Mr. Lightstone.

Mr. Lightstone: Thank you, Madam Chairperson. Before I get into the 2020-2021 estimates, I was just curious if I can ask... .

>>*Laughter*

Staying on the topic of 2020-2021 the business plan makes mention of the Climate Change Secretariat outreach initiatives which include development of a youth advisory committee. I was wondering if the minister would be able to provide us with a status update on the progress in that area. Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Madam Chairperson. As of this fall, I believe that we were still trying to recruit young members to be part of this youth committee for climate change and I can't recall offhand if they actually had a meeting yet or not whether it would be in person or televised. I am pretty sure it was not televised, through phones. I'm pretty sure that they haven't had an in-person meeting. But we are working on it because it's one of the issues that we said that we want to take the youth view in terms of climate change. Thank you, Madam Chairperson.

Chairperson: Mr. Lightstone.

Mr. Lightstone: Thank you, Madam Chairperson. Thanks for that response. Moving on. One of the items mentioned in the business plan is that Climate Change Secretariat would collaborate with the Department of Community and Government Services and Finance to incorporate climate change considerations in the capital planning process.

The status indicates that climate change considerations have been incorporated into the ranking system for the GN's capital planning application process.

Would the minister be able to elaborate a little bit further what exactly does that mean? Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Madam Chairperson. It means that we know that climate change is affecting our infrastructure and any new infrastructure or anything that we are building could be through severe weather or thawing permafrost.

I know one of the things that CGS is doing there, they're doing some permafrost mapping in the communities and we help them out with that. We want to make sure when we build infrastructure that it's in good stable ground or the most stable ground that we can have. There is a ranking system in terms of, if the permafrost is too elasticity or moves too much in this area then it's not recommended that they build in that area. But they build in this area or it may be building roads that are higher. It's that kind of stuff.

So, that we can mitigate the negative effects of climate change in the beginning so that we don't have to repair them or fix them once they're done. Thank you, Madam Chairperson.

Chairperson: Mr. Lightstone.

Mr. Lightstone: Thank you, Madam Chairperson. So under this would capital projects that are LEED certified would those have a higher priority ranking? Or other capital projects that might have energy initiatives for example renewable energy aspects to it? Would projects like those have an increase in the ranking system? Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Madam Chairperson. If I understood his question right, I'll try to answer it as best as I understand it. It wouldn't increase the ranking of a project as the projects are ranked by safety, need, and stuff like that, but the stuff that we work with CGS with would build it in so that whatever is being built will be built to the standards and the less likelihood of having negative effects due to climate change. We want to get in at the beginning of the project, not at the end, like I said, so that we don't have to pay the consequences of climate change. It's to build it proper in the first place. Thank you, Madam Chairperson.

Chairperson: Mr. Lightstone.

Mr. Lightstone: Thank you, Madam Chairperson. Over the last few years I have been pointing out that many capital project substantiation sheets do not include incremental O&M such as energy usage or consumption. I also pointed out that without that information, we will never know how beneficial or how the potential renewable energy aspects to a project could offset or potentially save the government in O&M funding.

What I'm trying to get at is when capital projects are being put together, would the Climate Change Secretariat encourage departments to incorporate...well, first of all, fill out that incremental O&M and then use that to add a renewable energy aspect to the project to see if there could potentially be any cost savings to those projects? Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Madam Chairperson. Usually when a renewable energy component is added to a project, it increases the cost, but the plan would be to recover your costs in the long run and those are looked at.

The one project that I can remember offhand was not our project, but one example I can come up with is the arena here and they put solar panels on there. Through their research, I guess they dictated that the recovery of the cost of the solar panels would take 16 years. I know they are doing that for the power plant in Kugluktuk. They're adding solar panels, not so much as to recover the costs but to use less diesel fuel for that power product.

Generally when you add a renewable energy component to any project, it does increase the cost initially. Thank you, Madam Chairperson.

Chairperson: Mr. Lightstone.

Mr. Lightstone: Thank you, Madam Chairperson. To follow up on Ms. Towtongie's question about the annual report, the minister indicated that it's not completed. Would you be able to give us an idea of when that would be completed and when you would be able to share it? Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Madam Chairperson. I can't give you a timeline, but we are working on it. I'm sorry I can't give you a timeline right now. Thank you, Madam Chairperson.

Chairperson: Mr. Lightstone.

Mr. Lightstone: Thank you, Madam Chairperson. Moving on to another item under the priorities, which is to "Investigate options for developing an Energy Efficiency Rebate Program for Nunavummiut," I couldn't be happier to see this. I just want to say "thank you" for that and I'm sure that many other people are going to be very excited once the callout or once the program is released. My first question would be: is the minister able to provide us some examples as to what options are being considered? Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Madam Chairperson. We're looking at all options right now. This is very new as it's connected to the government's share of the carbon tax that will be coming back and rebated back to the government from the federal government.

We're looking at different options through Environment where if someone wants to do a renewable energy project, it could be like a rebate program, it could be a percentage of

the cost program, or it could be an installation help program. We're looking at all these options, but it's not narrowed down yet.

We're just at the beginning stage of trying to figure out what program would best fit Nunavummiut and most Nunavummiut could benefit from. That's why we're working on it and it will come out, but I'm not sure when. We want to make sure that we do it right and the money that we spend is well spent. Thank you, Madam Chairperson.

Chairperson (interpretation): Are you done? (interpretation ends) Next person on my list is Mr. Qirngnuq.

Mr. Qirngnuq (interpretation): Thank you, Madam Chairperson. I would like to welcome the minister and his staff. In reading the correspondence from the committee to the minister and prior to moving to the opening comments, I would like to pose this question that speaks to the first page.

The letter has this portion that speaks to the *Wildlife Act* as being passed in 2023 which speaks to existing legislation, and there is a figure written stating there are 176 pieces of legislation the minister has to abide with, even to meeting with Dene representatives over a species.

This is included in the proposed and anticipated priorities over the five years. Due to the wildlife management issues, what is happening on that front? Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq (interpretation): Thank you, Madam Chairperson. It was in 2018 that it was tabled in the Assembly. There was a report that was tabled. Thank you, Madam Chairperson.

Chairperson: Mr. Qirngnuq.

Mr. Qirngnuq (interpretation): Thank you, Madam Chairperson. This is specifically because of concerns being voiced about caribou today. Polar bears are another major cause of concern, albeit they are not listed here. Polar bears. However, caribou is becoming a larger concern.

I would like to ask what the plans are from his department regarding overlapping caribou and whether issues can be dealt with. Thank you, Madam Chairperson.

Chairperson: Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Madam Chairperson. With respect to the caribou and its development was under the department in the past few years there has been research and counts as to the caribou population.

In the upcoming winter season, in the Kivalliq region, on the mainland, there is going to be another count of the population. It is going to start in June. What usually happens is that if there is too low a population then a quota is instated. Also the Bluenose-East caribou and the Bathurst caribou. Thank you, Madam Chairperson.

Chairperson: Mr. Qirngnuq.

Mr. Qirngnuq (interpretation): Thank you, Madam Chairperson. In the Kitikmeot, you list the Bluenose-East caribou. Have you identified the current situation? Some of the herds as well will cross over to the Kivalliq so that may become an issue.

With respect to the Baffin region, I imagine some herds cross on occasion, but can he speak to that? Thank you, Madam Chairperson.

Chairperson: Mr. Savikataaq.

Hon. Joe Savikataaq (interpretation): Thank you, Madam Chairperson. With the Bluenose-East caribou in the Kitikmeot, we know the population does not move much in terms of distance. They are a separate herd from the Kivalliq herds. We know that for the Bluenose caribou their population remains in that region in the Kitikmeot. Now, 38,500 was the estimated population last month. In Cambridge Bay the hunters and trappers association is going to have a meeting with regard to their quota. Thank you, Madam Chairperson.

Chairperson: Mr. Qirngnuq.

Mr. Qirngnuq (interpretation): Thank you, Madam Chairperson. When you identified that the status, but have you provided any information or support to those communities affected? Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq (interpretation): Thank you, Madam Chairperson. I am not clear on his question. If he can restate question. Thank you, Madam Chairperson.

Chairperson: Mr. Qirngnuq.

Mr. Qirngnuq (interpretation): Thank you, Madam Chairperson. In the communities like Kugaaruk for example, the hunters and trappers there, have you provided the information for the communities that are affected by the caribou and the status of the population there? If you understand my question. Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq (interpretation): Thank you, Madam Chairperson. Our dialects are perhaps too different. And if I understand his question, if there is going to be a public meeting for the Kugaaruk? I am not too clear if they are going to go there to attend.

As for the caribou population and decline, with the caribou population in the Kugaaruk whether they are declining or not, if they are stable? I am not sure. With the Kugaaruk caribou, but I do know the Bluenose-East, they do not go to Kugaaruk region. Thank you, Madam Chairperson.

Chairperson: Mr. Qirngnuq.

Mr. Qirngnuq (interpretation): Thank you, Madam Chairperson. Because of this, I know that Nunavut Tunngavik Incorporated and the smaller boards and the organizations within our community, but if you can give us a status update on what kind of concerns have you been hearing? Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq (interpretation): Thank you, Madam Chairperson. If you have been asking about, I am not too clear on your question, if you can clarify your question. Thank you, Madam Chairperson.

Chairperson: Mr. Qirngnuq.

Mr. Qirngnuq (interpretation): Thank you, Madam Chairperson. My apologies, Madam Chairperson.

I am going to try to clarify my question. Because as you know that communities' greatest concern are caribou herds, and we think about the sale of caribou meat I want to know has there been supports?

For example, you have had discussion with the Nunavut Tunngavik Incorporated and the wildlife management boards and hunters and trappers concerning the issue with regard to the status of the caribou populations if you understand my question, Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq (interpretation): Thank you, Madam Chairperson. If I understand his question, are you asking about the population, or are you asking about how often or how many caribous are caught?

We count the population and we also find out where their breeding... How often they are breeding with these kinds of information. Thank you, Madam Chairperson.

Chairperson: Mr. Qirngnuq.

Mr. Qirngnuq (interpretation): Thank you, Madam Chairperson. I am going to move along. In your business plan with respect to, there is \$150,000 that you have identified that you are going to use for March 31, 2019 and for 20 years that it's going to be, is it going to be a new water program, the business plan this one and you are working with the other department. Can you give us a status update on the water strategy and drinking strategic framework action plan? Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq (interpretation): Thank you, Madam Chairperson. We are working on the water strategy with Community and Government Services and water quality, it's not within the community but we're looking at the water. It's the sort of the flow of the water and where they're obtaining their water from and the water sources so the NWT is one of the people that we're working with to ensure that what we're doing is to ensure that the quality of water is going to be maintained for years to come. Thank you, Madam Chairperson.

Chairperson: Mr. Qirngnuq.

Mr. Qirngnuq (interpretation): Thank you, Madam Chairperson. This will be my last question. Water is very important. Like everybody needs water. We want to make sure that there are no surprises. My question, there was lead found inside water tanks in people's homes and the reservoirs. I know they are looked at to make sure that there are no contaminants in them or do they make sure that there are no contaminants in the reservoirs? Thank you.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq (interpretation): Thank you, Madam Chairperson. Water within the communities is not our responsibility; the Department of Health does that, water quality work. CGS will send out the water samples that will be studied by the Department of Health. We have nothing to do with the water quality in the communities, our department. Thank you.

Chairperson: Mr. Qirngnuq.

Mr. Qirngnuq (interpretation): Thank you. So, outside the communities, what about outside the community's water? If there was a problem with the water source outside the community like for example if there had been lead or mercury in the water has any of that been found near any of the communities? Thank you.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq (interpretation): Thank you, Madam Chairperson. The Canadian government water department, they look at lakes and ponds to see if how deep they are, what's in the water, and how dynamic the water is. We don't do that study. But if there

was a problem with a water source, we would be notified. Thank you, Madam Chairperson.

Chairperson: Ms. Kamingoak.

Ms. Kamingoak: Thank you, Madam Chairperson. Welcome minister and your officials. On page 185 of your business plan the fourth bullet it states that “Develop community energy plans in communities across Nunavut and the status is Grise Fiord, Sanikiluaq, Arctic Bay and Kugluktuk have been engaged to start developing community energy plans and have been formally invited to participate in the clean energy gathering in the fall of 2019 to launch the project.

My question is: what are the main elements of the community energy plans? Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Madam Chairperson. This is to do with energy plans. These energy plans are to try and figure out how renewable energy can be incorporated into the communities’ energy plans.

For example, would a windmill work good here, would solar panels work good here. And it’s to work with conjunction with the diesel generators that are there to generate energy for the community. Thank you, Madam Chairperson.

Chairperson: Ms. Kamingoak.

Ms. Kamingoak: Thank you, Madam Chairperson. When will a report on the Canadian energy gathering be ready for tabling in the Legislative Assembly? Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Madam Chairperson. I can’t give the member a timeframe at all right now, Madam Chairperson. Thank you.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) First, I am going to turn to the department’s Inuit employment plan. Maybe, just on behalf of the entire committee, if the minister can give us an update on which communities have vacancies in the wildlife officer position? Just a summary across Nunavut. (interpretation) Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Madam Chairperson. Well, it seems that Mr. Noble is looking for the thing, I will go off my memory. Right now, we have a vacancy in Whale Cove and I believe that they are in the final stage of hiring.

In the Baffin, Cape Dorset is vacant, are Qikiqtarjuaq, Pangnirtung and Grise Fiord.

In the Kitikmeot, I don't remember offhand, I think the ones are full in the Kitikmeot but I'm not totally sure. Thank you, Madam Chairperson.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) I hope that the Whale Cove position gets filled soon. I know you have somebody in there temporarily, which is good.

When it comes to filling those positions and staff housing... I'm trying not to get too far into the details but I want to understand; how many of the vacant positions have staff housing assigned to them? Or, how many of them are vacant due to issues around staff housing? (interpretation) Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Madam Chairperson. All of them are vacant due to staff housing. We have real issues where, when a position goes vacant, we lose the staff housing that was assigned and then, and then we have to get in queue to apply for more staff housing in order to advertise the position.

Generally, we don't advertise until a staff house is assigned, so all vacancies are staff-house related.

I can rephrase that: All current vacancies did not become vacant because of the staff housing, but because of the length of time it takes to fill is due to staff housing.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) That's concerning. These positions are important for a community. It is my understanding that under the new staff housing policy, those wildlife officer positions are category one. They are supposed to be at top of the list.

I'm trying not to get into capital, but if you cannot get a staff house in a community for a wildlife officer, how does that feed into the allocation process or decision-making process in terms of where you build new staff housing units? I do not want to get into capital but does that get taken into consideration when the government is developing their capital budget for the fall? (interpretation) Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Madam Chairperson. That would be a good question for the minister, when the housing department minister is in front of you, because we are not in charge of building them and allocating them. We just put in our request to get them.

The problem is when there is no staff housing in the community, even if you are priority one, if there is none there is none. It is a hard situation when there is no staff housing, but it is a question that can be asked as to how the allocation process is done in terms of what community gets what staff housing when the appropriate department is here. Thank you, Madam Chairperson.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) It seems kind of like a real ridiculous situation where you have positions where wildlife officers cannot get staff housing units in one community, and then in another community, there is enough staff housing to provide even for housekeepers.

So it does not seem to make sense. I am sure it is more complicated than my understanding, but I will move-on.

On your Inuit employment plan, I note that this fiscal year, you increased department's involvement in the Environmental Technology Program. On the status update it gives some details about the work that you did. I note that a priority for this upcoming year, it mentions "Strengthening cooperation with Nunavut Arctic College."

So when it comes to environmental technology program graduates they, I just wanted to confirm with the minister, they are ready to become wildlife officers when they graduate that program, or is there additional training that is needed after they complete environment technology? (interpretation) Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Madam Chairperson. They are ready for the non-supervisor conservation officer. For example, they are ready for Conservation Officer II. They would not be ready to fill-in for a Conservation Officer III unless they had prior experience with supervision, but if they have not had any with supervision experience then they would not qualify for the higher positions.

When they graduate from there, they are ready to be a wildlife...Conservation Officer II. Thank you, Madam Chairperson.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) Right at the end of your business plan, the very last bullet point on page 203, it says “Create additional summer student employment opportunities in regional offices” including Arviat, but it is listed under 2022-23. I was going to ask if that could be done sooner, like in the upcoming fiscal year, this upcoming summer. It sounds like a great item. Is it possible to do this any quicker? And look at doing it in the upcoming fiscal year? Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Madam Chairperson. Yes, it is possible to do it quicker. I think it is just the way that it is written. We do have summer students every year, this one is just targeted at the regional office level, but we do, we generally hire summer students every single summer just not at the regional office level.

I guess, that is just the way this is written out. So, we will be hiring summer students again, and we could look at making that sooner. It is just saying that they will be placed at the regional office instead of at the conservation offices, or at the biology section. Thank you, mister, I mean, thank you, Madam Chairperson.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) That is why I always say *Iksivautaq*, you do not have to say Mr. or Ms. before.

>>*Laughter*

I mean, the thing I like about this priority is that it says “additional opportunities.” So, it gives me the understanding that there are “additional” students that are being hired on.

Again, I will ask that question; can the department look at, or commit to creating these additional opportunities within this upcoming fiscal year as opposed to two years from now? (interpretation) Thank you, Madam Chairperson. (interpretation ends)

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Madam Chairperson. Yes, we can look into that. Thank you, Madam Chairperson.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) On page 185, it mentions working, supporting QEC, Qulliq Energy Corporation, on renewable energy projects.

There is a very exciting renewable energy project being planned in my home community of Arviat and I know that there, it is being worked on between the Municipality of Arviat and the Qulliq Energy Corporation. What is the Department of Environment's involvement in projects like that? (interpretation) Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Madam Chairperson. In this particular project, the one in Arviat, we're not involved at all. It's between the hamlet and a private company that they are working a proposal to, I believe, supply 50 percent of Arviat's energy needs through renewable energy. Thank you, Madam Chairperson.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) That is a project that has no involvement from the Department of Environment. What does this priority item mean then? It says, "Support the Qulliq Energy Corporation," so what types of supports is the department giving to Qulliq Energy? (interpretation) Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Madam Chairperson. We work with them and it could be projects like solar panels onto diesel generator plants or LED lighting in communities to reduce the amount of power that is used. It is projects like that and we work with them. Well, with projects like that, those are the two main ones. Thank you, Madam Chairperson.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) There was a meeting held in Rankin Inlet not too long ago and it was focusing on renewable energy. I don't recall what the meeting was called, but it was the Kivalliq region and there was a lot of interest from community-level engagement in that meeting from what I understand.

I wonder if the Department of Environment was involved and, if so, if there was anything produced from that gathering in terms of a report or action plan, next steps. (interpretation) Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Madam Chairperson. Yes, we had officials over at that meeting there and it was well attended; there were a lot of people. They agreed that they're going to have another meeting in the near future to talk about the stuff that they talked about during that meeting. Thank you, Madam Chairperson.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) It sounds familiar.

Is there a name for that group, the gathering? I was not personally able to attend that meeting. It is an area of interest for my constituency. That's my final question. What's the name of this group and is there anything that's produced following these meetings in terms of minutes or suggestions, meeting summaries? (interpretation) Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Madam Chairperson. It doesn't have an official name. It's just the Kivalliq Energy Forum and I'll just read here, it says their goal was to express interest in having a second edition of the Kivalliq Energy Forum next year. They want to meet again to talk about it again, but the closest I can come to having a name for it is the Kivalliq Energy Forum. Thank you, Madam Chairperson.

Chairperson: Mr. Kaernek.

Mr. Kaernek (interpretation): Thank you, Madam Chairperson. (interpretation ends) When it comes to Avatittinnik Kamatsiarniq, or environmental stewardship, you mentioned several initiatives when it comes to Avatittinnik Kamatsiarniq. What are those several initiatives in your opening statement? (interpretation) Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Madam Chairperson. Well, some of the initiatives could be like the anti-litter campaign, which we work with Community and Government Services, and one that's ongoing all the time is the oil spill program and just having conservation officers going into the schools and talking about how we should respect the environment when we go out to our popular fishing spots, popular hunting spots, we don't leave litter out there, that we take our litter, our garbage back home with us. That's some of the stuff that I can think of right now. Thank you, Madam Chairperson.

Chairperson: Mr. Kaernek.

Mr. Kaernek (interpretation): Thank you, Madam Chairperson. (interpretation ends) Lots of good initiatives. The other community that I represent is an island and so you mentioned that... . No, let me put it this way: when it comes to several initiatives, pretty Nunavut communities are on the coastline, so in wintertime the sea ice freezes. In the business plan, the program of monitoring smart ice, how many communities have had the department initiate this program? (interpretation) Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Madam Chairperson. It is not a program that is under our environment, but I believe there are four communities that are involved. I think ED&T might be involved a bit, but it is... I think there is Pond Inlet, Iqaluit, Qikiqtarjuaq and there is one more.

Like I said, it is not under Environment that is why I am not familiar exactly with all the details. (interpretation) Thank you, Madam Chairperson.

Chairperson: Mr. Kaernek.

Mr. Kaernek (interpretation): Thank you, Madam Chairperson. (interpretation ends) Also like I mentioned, we live on the coastline, and due to climate change, erosion is happening more often happening here. Is the department making it a priority when it comes to climate change in regard to the erosion that is happening in my community? (interpretation) That is my last question. Thank you, Madam Chairperson.

Chairman: Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Madam Chairperson. The erosion problem in Hall Beach is... I am well aware of it, and I believe housing and CGS does look at it. We do not, we are not involved in terms of exactly working on, but this is where we talked about the mitigation part of doing our share with climate change, in terms of making sure things are built in the proper place, or built properly so that we do not have to deal with the after effects of climate change.

As a department, we are not involved in the restoration of the eroding shoreline, but we would work the departments for any advice that they might need, whether it be CGS or housing. Thank you, Madam Chairperson.

Chairperson: Ms. Nakashuk.

Ms. Nakashuk (interpretation): Thank you, Madam Chairperson. (interpretation ends) I only have a couple questions in regard to the wildlife officers in the community of Pangnirtung has been one that has not had one for a few years now. I know that there is a guy that works there currently (interpretation) he is not a conservation officer. (interpretation ends) Can you let me know what that position is? Because I know that there is more than one community that has that position, and it is to fill the office just to operate and maintain the office. (interpretation) That is my first question. Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Madam Chairperson. The member is correct, that when we... when a community is vacant of a conservation officer for an extended

period, we hire what is called a wildlife guardian. They are there to fill in and buy furs. They do not have the powers of a conservation officer, but they can do the basic duties; buying fur and reporting any complaints that are made, and answer any questions or forward any concerns that the community would have. Thank you, Madam Chairperson.

Chairperson: Ms. Nakashuk.

Ms. Nakashuk (interpretation): Thank you, Madam Chairperson. (interpretation ends) I am curious to know how many communities have guardian officers than. I know... (interpretation) this is the first time I've heard this... (interpretation ends) It is my first time as someone in that position in the community, so I am wondering if the department is leaning towards having more guardian officers in the communities if they cannot fill the positions? (interpretation) Thank you.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Madam Chairperson. In the past we did not have so much trouble filling positions. They were not vacant for so long, so we did not have to hire wildlife guardians, but it is not right to leave a community empty with no one there from our department to help with the community, so it is something we worked on.

I believe we have three or four communities right now that have wildlife guardians. We hire them when a position is vacant for too long, or we figure that it will be vacant for a long period of time due to staffing issues.

In her community, in the member's community of Pangnirtung, it is in staffing and we are working on filling that position permanently. Thank you, Madam Chairperson.

Chairperson: Ms. Nakashuk.

Ms. Nakashuk (interpretation): Thank you, Madam Chairperson. It's true that Pangnirtung hasn't had a conservation officer for a long time. It seems like four communities are going through that with... .

(interpretation ends) I'm curious to find out what the department is doing to ensure that there are wildlife officers hired. This issue has been ongoing going on three years, if not, over two years, but what is the department doing to ensure that those positions are filled so this kind of issue will not happen again in other communities? (interpretation) Thank you.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Madam Chairperson. The member is correct that Pangnirtung has been vacant for a long time. When a conservation officer position goes vacant, our first priority is to fill it with a qualified Inuk candidate and, if we can't do that, then sometimes we advertise or we go to pile 2, and at some times housing is an

issue. There are many different scenarios why we can't fill, but we do our best to fill and we do our best to fill with an Inuk candidate when at all possible who is qualified. Thank you, Madam Chairperson.

Chairperson (interpretation): Are you done? I have no more names on my list. (interpretation ends) Environment. Corporate Management. Total Operations and Maintenance, to be Voted. \$5,880,000. (interpretation) Do you agree?

Some Members: Agreed.

Chairperson (interpretation): Continuing on. (interpretation ends) Environment. Program Management. I-5. Total Operations and Maintenance, to be Voted. \$18,829,000. (interpretation) Questions? Mr. Keyootak.

Mr. Keyootak (interpretation): Thank you, Madam Chairperson. All kinds of different accidents occur out on the land. In the 2020-21 main estimates they requested \$100,000 in funding. They spent only \$3,000 in 2018-19. What accounts for this low expenditure? Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq (interpretation): Thank you, Madam Chairperson. For disaster compensation, if they sink or break equipment accidentally, we budget \$100,000. There's uptake on the program, but if there are few or no applicants for compensation, then the budget doesn't get used up much and if there are many applicants, then the budget is depleted in some years. To say it in English, it's (interpretation ends) application based. (interpretation) That's how it is set up. Thank you, Madam Chairperson.

Chairperson: Mr. Keyootak.

Mr. Keyootak (interpretation): Thank you, Madam Chairperson. I also thank you for the clarification. Some harvesters' property gets damaged by wildlife. The 2020-21 main estimates include \$40,000 in funding for the Wildlife Damage Compensation Program. However, your department only spent \$11,000 under this program, so there's not much wildlife damage now or not that many applications were submitted? What accounts for the low expenditures? Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq (interpretation): Thank you, Madam Chairperson. It's the same case. That's in the budget and it is application based. Sometimes there are many applicants and they receive compensation and some years there are fewer applicants. As there have been fewer applicants to the program, but all the applicants in 2018-19 received compensation. Thank you, Madam Chairperson.

Chairperson: Mr. Keyootak.

Mr. Keyootak (interpretation): Thank you, Madam Chairperson. In the 2020-21 main estimates there is \$115,000 for the Active Harvest Program. How much has your department spent to date under this program during 2019-2020 fiscal year? Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq (interpretation): Thank you, Madam Chairperson. It's still under the year, but if I recall correctly the wolves, they compensate \$300 each and we expect to spend all of it. Thank you, Madam Chairperson.

Chairperson: Mr. Keyootak.

Mr. Keyootak (interpretation): Thank you, Madam Chairperson. My last question, if it's under capital if he doesn't want to respond to it he doesn't have to if it's under capital. Some of us communities haven't had conservation for many years. Qikiqtarjuaq hasn't had a conservation officer for a long time.

However, it might be under capital if he doesn't want to they have two boats now that are not being utilized in my community and they are just collecting boats and the position is never filled and the other boat has been there for a long time and there is a new one there now. Are there any plans if it's under capital he doesn't have to respond I am just asking about it? Thank you, Mr. Chairman.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq (interpretation): Thank you, Madam Chairperson. It is capital. But we have released the older boat and it now belongs to Community and Government Services.

Chairperson: Mr. Keyootak.

Mr. Keyootak (interpretation): Thank you, Madam Chairperson. I will keep that in mind and I usually have my birthday just before ice breakup. Thank you, Madam Chairperson.

>> *Laughter*

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you Mr. Chairman. (interpretation ends) I'm going to talk about trapping and it's not just because my dad traps or that used to trap before I was a MLA. It's about the whole territory. I note that the department is working on a trapper education program that's great and I hope to see that rolled out from the previous year's budget.

When we look at the support that's provided to trappers across Nunavut and we compare it to what's done in our sister territory in the NWT, they have trapper awards every year. They give out trapper awards and youth, seniors highest sales, highest quantities and even done by different regions so there is a whole bunch of people who are recognized including women trappers and youth.

I wonder if the department considered adopting a similar award process or looking at doing something similar. Thank you, Mr. Chairman.

Chairperson: Thank you, Mr. Main. Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. We are looking at how to encourage and revitalize the trapping industry in Nunavut because it is a renewable resource. There's lots of changes year to year but there is generally a lot of foxes and other fur-bearing animals.

Right now we're not looking at any kind of system like that. We're just trying to get more people involved and try to figure out more ways to get people involved in trapping because I think as all of us knows there's fewer and fewer trappers now as the old trappers quit trapping. There's not too many younger people picking up the trade. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Main.

Mr. Main: Thank you, Mr. Chairman. I think that's the reason I was suggesting these awards like it raises the profile of trapping in the territory, encourages younger people to get into it and another part of their Genuine Mackenzie Valley Fur Program is a branding piece. I know you cannot just pull that out of your back pocket and say "okay we have a program in place," but does the department have any plans to, I'll say revamp or strengthen, the services offered to fur harvesters in Nunavut beyond the trapper education program, which is in the business plan?

Chairman: Thank you, Mr. Main. Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. We can look at it. I am aware of the Mackenzie Valley Fur Program and it is because there is very good quality fur in that one area. We could look at it and see if we could do something similar here if we have good quality. This has outstanding quality for certain species that we have here. It is something that we can look at. Generally, if you brand something then it brings a higher price. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Savikataaq.

Mr. Main (interpretation): Thank you, Mr. Chairman. (interpretation ends) Thank you, minister. I think there is some opportunity there and I'll also add that I think there may be some opportunity as well in terms of doing additional processing on the fur in Nunavut.

What started happening, in Kivalliq anyways, is that a lot of the fur has been started to be shipped out raw, meaning that it is not fleshed and ends up going down to Winnipeg. I just wanted to flag that as another possible opportunity if there is a way to encourage the processing to happen with Nunavut, that employs more people and keeps more of the value here in the territory, if there is a way we can do that.

On page 189, it mentions a polar bear guard training. That is a priority for the upcoming fiscal year, community-based polar bear guard training, with implementation in this year. I wonder if we could learn a little bit more about that priority. (interpretation) Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Main. Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. Yes, it is a priority. I believe we did put on one course here and we're aiming to put more as polar bear and human encounters are complex and can be more and more in certain communities.

We want to make sure that if anyone is hired as a bear guard that at the bare minimum they have some training because there are liability issues involved here. We want to make sure that if we hire a bear guard, at the very basic that they have some kind of training so that they will know what to do in a situation and what to expect. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Savikataaq. Mr. Main.

Mr. Main (interpretation): Thank you, Mr. Chairman. (interpretation ends) Do you have a community selected as to where this training will be offered or is there a way for communities to apply to have training held in their area for their residence? (interpretation) Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Main. Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. We do not have any plan in the communities right now. We are still working on this. It will be a bit to do with the demand, but I can see this as progressing to something more because mining and exploration camps also have wildlife guards, stuff like that. This could be more than just bear guards for within communities. This could actually create employment for people in exploration camps. Thank you, Mr. Chairman.

Chairman: Thank you, Minister Savikataaq. Mr. Main.

Mr. Main (interpretation): Thank you, Mr. Chairman. (interpretation ends) I am going to move to the wildlife research. First of all, I would like to say that I think it is great that the Beverly Qamanirjuaq Caribou Management Board had a meeting in Arviat recently. That was their first meeting in Nunavut in quite a while, I think. That is great. I know the department does give money to that organization.

When we look at the line item for wildlife research, it is \$4.7 million, but it's my understanding that the department leverages this money to get money from other sources. How much money from outside sources was secured for wildlife research in the past fiscal year? (interpretation) Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Main. Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. It's not broken down, but in the last fiscal year, a total of \$7.5 million was leveraged to help out with research and other projects that we do, and we suspect to get about the same amount because it's usually roughly the same amount every single year. Thank you, Mr. Chairman.

Chairman: Thank you, Minister Savikataaq. Mr. Main.

Mr. Main (interpretation): Thank you, Mr. Chairman. (interpretation ends) I encourage the department to continue leveraging that money because the wildlife research is important and I think it's best done in the territory and under our government's direction as opposed to by outside organizations or by outside jurisdictions who may be getting money from who knows where and may have certain agendas under their research. I'll just leave that there.

The money for hunters and trappers organizations, it says here on page 187 that this is "core operating funding" to the HTOs. In the letter to Mr. Rumbolt dated January 30, the minister mentioned that the Government of Canada is obligated to fund the operation of HTOs and regional wildlife organizations, but when you look at it here in the business plan, it says "core operating funding." How much does this work out to per HTO? It's only \$438,000. (interpretation) Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Main. Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. I'm not sure what it comes out to each, but our share goes to the Nunavut secretariat plus they get more money from the federal government and it is part of the land claims agreement. They're obligated to fund it, but I'm just thinking at the top of my head. A figure I kind of remember is about \$70,000, I think, but that's just from my memory, so don't hold me to that. Thank you, Mr. Chairman.

Chairman: Thank you, Minister Savikataaq. Mr. Main.

Mr. Main (interpretation): Thank you, Mr. Chairman. (interpretation ends) I know that this money is coming from the Government of Canada, but hunters and trappers organizations are key partners for a lot of what the Department of Environment does or certain things. Has the minister been made aware from any of the HTOs in Nunavut regarding issues around not enough funding to fulfill their mandates? Is it a general issue across the HTOs or is it a non-issue? (interpretation) Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Main. Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. I haven't heard it, but generally if they're underfunded, they would go to the regional wildlife board and that would go to the secretariat and it would be dealt through in that manner. Thank you, Mr. Chairman.

Chairman: Thank you, Minister Savikataaq. Mr. Main.

Mr. Main (interpretation): Thank you, Mr. Chairman. (interpretation ends) Has the department given any consideration to increasing this \$438,000 line item or is it a case where "No, this is an obligation with the federal government and if there are going to be any funding increases, it should come from the Government of Canada"? (interpretation) Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Main. Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. No, we haven't taken it into consideration and the member is right in the second part, but we do work with them and when they need help, we can suggest how they can get the help that they need. Thank you, Mr. Chairman.

Chairman: Thank you, Minister Savikataaq. Mr. Main.

Mr. Main (interpretation): Thank you, Mr. Chairman. (interpretation ends) I don't know if I'm on the right page for this question, but it's regarding the Natural Resources Conservation Trust Fund, which the minister just tabled the annual reports recently. Based on the annual report here it says there's about a million dollars sitting in the trust fund. Is any of that money available to be used for projects at the community level? Is there an application process by which organizations can apply for money under this? (interpretation) Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Main. Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. The member is correct. I think it is at \$1.27 million and we are still... we haven't put out any money. There are two things that we are working on.

One, is that we are trying to figure out what level it should be at before we actually start releasing the funds, and the second part is, what criteria to use, what projects can it be used on?

We want the funds to be sufficient enough so that if there is a big multi-year project, that the money will not be depleted before the project is done.

Like I said, there are two things that we are working on; what amount it should get to before we start releasing it, and then second is the criteria for who, what, where, when on how to use it.

The funds were growing; this fund grows by hunting license fees, trophy fees. When we first got it from the Northwest Territories it was not growing very much until a few years ago, when we put all licensing and trophy fees into it, and it was growing rapidly and then the sports hunting business is not as good as before so there is less money going into it now. Thank you, Mr. Chairman.

Chairman: Thank you, Minister Savikataaq. Mr. Main.

Mr. Main (interpretation): Thank you, Mr. Chairman (interpretation ends) I do not see that trust fund mentioned anywhere in the business plan, so in terms of what the minister mentioned, in terms of developing procedures or policy programs where you could give out money, what is the timeline for seeing that put in place? (interpretation) Thank you, Mr. Chairman.

Chairperson (Ms. Angnakak): Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. This is not in the budget because I believe the title is "Special Purpose Funds." I can go back to the last government where the regular members were talking and we did put a proposal in to do a recycling project; and the idea was to put into a Special Purpose Fund and that is was a special purpose fund does. The MLAs have no control over that fund.

That is why I asked that time to actually discourage that we go that route, because with the special purpose fund we spend the funds how we want, and it is not debated by the regular MLAs. Thank you, Mr. Chairman. At least that is my understanding.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Mr. Chairperson (interpretation ends) My final questions are regarding surveys, wildlife surveys on Qamanirjuaq Caribou Herd.

It was mentioned in the recent Beverly-Qamanirjuaq Caribou Management Board newsletter that the herd is slowly declining. That has been the trend for a while and I am just paraphrasing, but there was an idea or a recommendation to increase the survey frequency during the period of decline, and bumping it up from every five years to I believe every two years.

I wondered if that suggestion or idea had been brought to the department and what the department's position is on that. (interpretation) Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. We are looking at that... Sorry, Madam Chairperson, I did not... you guys switch so much.

>>*Laughter*

We are looking at that some, we are looking at intervals of some two and some three years; but we have so many different caribou herds that...and we do not have the resources to do it as often as I might entail.

So, the ones that are more critically going down drastically, those are the ones that we give the most attention.

The Qamanirjuaq herd is on a slow decline, but not as much as the Bluenose-East, or the Bathurst, or the South Baffin. So, the ones... . The herds that are the most volatile get more attention generally. Thank you, Madam Chairperson.

Chairperson: Mr. Main.

Mr. Main (interpretation): Thank you, Madam Chairperson. (interpretation ends) Just a suggestion that, if the minister could maybe reach out to that organization to discuss their position or their suggestions on increasing the survey frequency.

My final suggestion is I think it's about time that the government revisited the uranium policy, which was released about ten years, I believe it was 2010, and I believe that the Department of Environment has a role to play in reviewing that policy and going forward for Nunavut. That's just a suggestion and I'll leave it there. (interpretation) Thank you, Madam Chairperson.

Chairperson (interpretation): Thank you. Ms. Kamingoak.

Ms. Kamingoak: Thank you, Madam Chairperson. During its review of your department's 2019-2020 main estimates, the standing committee recommended an annual report concerning the administration of the programs under your department's Support for Harvesters and Wildlife Co-Management Policy be tabled in the Legislative Assembly. What is the status of developing this annual report? Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Madam Chairperson. We're working on it and as soon as it's ready, we will table it. Thank you, Madam Chairperson.

Chairperson: Ms. Kamingoak.

Ms. Kamingoak: Thank you, Madam Chairperson. The Government of Nunavut provides funding to allow organizations such as municipalities and district education

authorities to meet annually in order to collectively discuss issues of concern. Do you support providing funding to allow Nunavut's 25 hunters and trappers organizations to meet annually as a group? Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Madam Chairperson. If I had the *Blues* here, I would read my answer that I did a few days ago because this exact question was answered during question period, but the HTO presidents meet, I believe it's yearly, with their regional boards. The regional wildlife boards pass their concerns on to the NWMB.

Whenever there is a specific hearing going on, whether it be like the last one I can remember was the Nunavut-wide polar bear management plan and two HTO members from every community came here and we worked on that and it was very successful. When they had their caribou meetings before, the HTO members were also flown in.

It is wildlife issue related, so we wouldn't support having one big meeting with everybody just for general discussions, but when there are issues, we're open to that. Thank you, Madam Chairperson.

Chairperson: Ms. Kamingoak.

Ms. Kamingoak: Thank you, Madam Chairperson. Moving on, on December 10, 2018 you issued a news release in response to the recent changes made by the Government of Canada to the federal Nutrition North Canada Program. In the release you stated that "I sincerely hope the Harvesters Support Grant will take into consideration the delicate balance required to maintain sustainable harvests for generations to come." What specific concerns do you have in this area and how has the federal government responded to them? Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Madam Chairperson. That comment was directed at if you have a full-scale subsidy on caribou being shipped. Some caribou herds would not be able to sustain a harvest that could happen if it's a full, free subsidy. That's how the federal government has responded. They're still working, I believe, on Nutrition North, so they have not responded back on that. Thank you, Madam Chairperson.

Chairperson: Mr... (interpretation) Hold on. Mr. Qamaniq.

Mr. Qamaniq (interpretation): Thank you, Madam Chairperson. Good day, minister and your staff.

One of your priorities for 2019-2020 was to "Initiate a survey of the Lancaster Sound polar bear sub-population to estimate distribution and abundance." In 2020-21 you want to "Continue to survey the Lancaster Sound polar bear subpopulation..." Perhaps the

polar bears will be tranquilized with darts shot from helicopters and then they will be collared to track the population of the animals. Can you give us a status update on that? Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq (interpretation): Thank you, Madam Chair. When there's a polar bear population survey we don't use the targets now and we don't use helicopters now. We use them to just get to the area and we use a crossbow to target and use that to sedate them so they're handled and then taken a sample of a DNA sample. Thank you, Madam Chairperson.

Chairperson: Mr. Qamaniq.

Mr. Qamaniq (interpretation): Thank you, Madam Chair. Within the Lancaster Sound area, the surrounding communities and hunters and trappers are they involved in this project? That polar bear population research that's happening around Lancaster Sound in your 2020-21. Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq (interpretation): Thank you. When the hunters and trappers are not always involved and the research though when it's completed they are informed and brought the information to them. Thank you, Madam Chairperson.

Chairperson: Mr. Qamaniq.

Mr. Qamaniq (interpretation): Thank you, Madam Chairperson. The North Baffin, the Peary caribou you had mentioned that you were going to do a research into the population. Also, the Nuluujaat area, have you considered the impact of the mine on the population because it would be nice to include them include that group of caribou whether they are mixing with other populations or the way they are moving around and is it possible where a community would request for a project in 2020-23 between those years just an example? Thank you, Madam Chairperson.

Chairperson: Minister Savikataaq.

Hon. Joe Savikataaq (interpretation): Thank you, Madam Chair. If I understand, there's only collaring done and the communities' hunters and trappers, if the research is requested from the local community hunters and trappers so if they wanted to get research done on the population we could look into it. Thank you, Madam Chairperson.

Chairperson: Mr. Qamaniq.

Mr. Qamaniq (interpretation): Thank you. My last question. On page 189 with regard to the polar bear monitors and you had identified in your priorities that you were going to

initiate that. Is it possible at the community level that they could request to be considered or your planning something else where the community that has the most population affected by polar bears that are going into the communities, are you thinking that way. Thank you, Madam Chair.

Chairperson (interpretation): Thank you. Are you done? Okay. I have no more names on my list. (interpretation ends) Environment. Program Management. I-5. Total Operations and Maintenance, to be Voted. \$18,829,000.

Some Members: Agreed.

Chairperson: I know I forgot to say “Do you agree?” Do members agree that we have concluded... ? Oh, wait a minute. I’ll go back to that. Sorry. Environment. I-3. Total Operations and Maintenance, to be Voted. \$24,709,000. Agreed?

Some Members: Agreed.

Chairperson: Do members agree that we have concluded the Department of Environment?

Some Members: Agreed.

Chairperson: Does the minister have closing comments? Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Madam Chairperson. Yes, I do. I would like to thank my staff that are here with me and all the other staff that are not here that produced the material and information that I use here. It’s only with their help that I am able to answer the members’ questions. I thank the members for being engaged.

The Department of Environment is a very important program. I know all the animals are very important for all the people who live in Nunavut. We use them and we want them here for a long, forever, if possible, and I thank everyone for their time. Thank you, Madam Chairperson.

Chairperson: Thank you, Minister Savikataaq. Sergeant-at-Arms, please escort the witnesses out. We will take a 15-minute break.

>>*Committee recessed at 15:16 and resumed at 13:36*

Bill 39 – Appropriation (Operations & Maintenance) Act, 2020-2021 – Executive and Intergovernmental Affairs – Consideration in Committee

Chairman (Mr. Rumbolt): I would like to call the committee meeting back to order, please. We are now moving on to the Department of Executive and Intergovernmental Affairs. We will start by asking Premier Savikataaq: do you have officials that you would like to appear before the committee? Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. Yes. Thank you.

Chairman: Thank you. Does the committee agree for the witnesses to go to the witness table?

Some Members: Agreed.

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

Thank you. For the record, Minister Savikataaq, if you could please introduce your officials and then continue on into your opening comments. Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. To my right is Bill MacKay, the DM for EIA, and to my left is Phyllis Kanayuk, Manager of HR.

Thank you, Mr. Chairman. I welcome the opportunity to present the 2020-21 Main Estimates and the 2020-23 Business Plan for the Department of Executive and Intergovernmental Affairs (EIA).

Mr. Chairman, EIA works to provide overall management and support to the executive branch of the Government of Nunavut. As a central department, our department leads the coordination of *Turaaqtavut*'s implementation by working closely with all of our government's departments and agencies. EIA also ensures the GN's priorities and interests continue to be at the forefront of policy discussions and are represented at the national and international levels.

Mr. Chairman, the department's current main estimates for the 2020-21 fiscal year total \$19,064,000. This amount includes \$14,093,000 allocated for salaries and benefits, \$365,000 for grants and contributions, and \$4,608,000 for departmental operations and maintenance. EIA will have a total of 106 PYs in the 2020-21 year, 19 of which are dedicated staff for cabinet and the Commissioner of Nunavut.

EIA has four lines of core business:

1. The Directorate Division provides overall management and coordination of activities for the executive branch of government, as well as advisory services regarding access to information and privacy protection issues, and [broad] communications advice and support across government.
2. The Strategic Planning Branch provides comprehensive policy advice on priorities, strategies, policies, and legislation to the Premier and all of cabinet. The branch also participates in the collection of statistical data and ensures availability of current and accurate statistical information about Nunavut.
3. The Intergovernmental Affairs Division leads the management and development of strategies, policies, and initiatives relating to international, federal, provincial and

territorial relations. It liaises with indigenous and circumpolar organizations and also provides support for each of the Nunavut communities via the government liaison officers' network.

4. Finally, the Devolution Secretariat is responsible for the devolution process to transfer control over Nunavut's public (Crown) lands and resources to the Government of Nunavut.

Mr. Chairman, thank you for the opportunity to present EIA's departmental main estimates and business plan. I welcome comments from my fellow members and look forward to answering your questions. (interpretation) Thank you.

Chairman: Thank you. Does the co-chair of the standing committee have opening comments? Ms. Towntongie.

Ms. Towntongie: Thank you, Mr. Chairman. I am pleased to provide opening comments on behalf of the Standing Committee on Oversight of Government Operations and Public Accounts on its review of the proposed 2020-21 Main Estimates and 2020-23 Business Plan of the Department of Executive and Intergovernmental Affairs.

(interpretation) The department's proposed 2020-21 operations and maintenance budget of \$19,064,000 is unchanged from its 2019-2020 main estimates. The number of positions in the department remains unchanged at 106.0 PYs.

In 2015 the previous government awarded a contract for its "operational audit" initiative. (interpretation ends) On March 16, 2016 the *Summary Report on Phase I of the Operational Audit* was tabled in the Legislative Assembly. The standing committee continues to urge the minister to ensure that a final report from the operational audit be tabled in the Legislative Assembly at the earliest opportunity.

(interpretation) The department's proposed 2020-23 business plan indicates that the bureau of statistics completed a survey on "child care services and facilities in Nunavut" in March 2019. The standing committee looks forward to the results of the survey being tabled in the Legislative Assembly. (interpretation ends) The department's business plan also indicates that the bureau plans to undertake a territory-wide infrastructure survey during the 2020-21 fiscal year. (interpretation) The standing committee also looks forward to the release of these findings.

(interpretation ends) The department's proposed budget for the Government Liaison Officer Program for the 2020-21 fiscal year is \$3,652,000. The standing committee urges the Department of Executive and Intergovernmental Affairs to work closely with the Department of Economic Development and Transportation to address ways of utilizing GLOs in the delivery of driver's licences and other identification documents.

On March 13, 2017 the government's Strategic Framework [for] Addressing the Needs of Seniors was tabled in the Legislative Assembly. (interpretation) Although ministerial

responsibility for seniors was recently transferred to the Minister of Health, the proposed 2020-21 Main Estimates of the Department of Executive and Intergovernmental Affairs include \$150,000 in contribution funding for the Nunavut Seniors Society. (interpretation ends) The standing committee encourages the minister to table the society's annual reports in the Legislative Assembly so that all members can review how the society's funding is being utilized.

The department's 2019-2022 business plan indicated that "...a new formalized Federal-Provincial-Territorial Indigenous engagement structure will be established in the near future." The importance of achieving greater clarity in this sphere can again be illustrated by the issue of how federal funding is allocated towards the elimination of tuberculosis in Nunavut and other parts of the country. Although the goal of eliminating tuberculosis is one with which all parties unanimously and strongly agree, the lines of accountability with respect to how parties expend public funds and resources continue to be unclear.

(interpretation) On January 21, 2020 the Government of Nunavut and Nunavut Tunngavik Incorporated announced the signing of the new Katujjiqatigiinniq Protocol. The protocol commits both parties to entering into a new "Information-Sharing Agreement" and a new "Article 32 Policy." The standing committee looks forward to these being tabled in the Legislative Assembly in a timely manner.

(interpretation ends) The Nunavut Implementation Panel's 2012-13 annual report was tabled in the Legislative Assembly on November 5, 2019. Given the infrequency with which the panel produces annual reports, the standing committee encourages the minister to provide periodic updates to the Legislative Assembly on its activities and initiatives. The Katujjiqatigiinniq Protocol states that the Nunavut Implementation Panel "...has an important role to play in the day-to-day implementation of the *Nunavut Agreement*." The standing committee encourages the panel to engage with relevant entities to address the issue of so-called "paper firms" in respect to the Inuit Firm Registry in order to better achieve the objectives of the NNI Policy.

On August 15, 2019 the Government of Canada, the Government of Nunavut, and Nunavut Tunngavik Incorporated announced the signing of a devolution agreement in principle. The announcement indicated that "...the next step is a Final Agreement, which is expected within five years." (interpretation) The standing committee continues to urge the government to publicly clarify the number of federal positions that are envisioned to be transferred to the territorial public service as part of the devolution process.

(interpretation ends) The standing committee continues to emphasize the importance of being mindful that the transfer of significant numbers of federal positions and personnel may not necessarily have a positive impact on the territorial government's efforts to achieve a fully representative workforce. It also emphasizes the importance of approaching the devolution of positions as an opportunity to enhance the government's decentralization targets and objectives.

Mr. Chairman, this concludes my opening comments on the proposed 2020-21 Main Estimates and 2020-23 Business Plan of the Department of Executive and

Intergovernmental Affairs. I'm just the co-chair; our chair had to go to the airport. Thank you, Mr. Chairman.

Chairman: Thank you, Ms. Towtongie. I just want to remind members that there are six branches to this department and there are not a lot of budget dollars in each of them compared to the other departments, so I ask members not to get too bogged down on any particular page and I'll start by asking if there are any opening comments and, if there are, keep them brief, please. Opening comments? That's pretty brief. Thank you.

>>*Laughter*

Page B-4. Directorate. Total Operations and Maintenance, to be Voted. \$3,552,000. Mr. Lightstone.

Mr. Lightstone: Thank you, Mr. Chairman. First I would like to go to page 3 of the business and the second priority listed is "Implement a comprehensive communications plan to realize the goals of Turaaqtavut, with measurable benchmarks, timelines and specific deliverables."

Last year Mr. Main, I believe, had brought up the topic or the issue that the Northwest Territories practices of utilizing a mandate tracker that lists all achievables and what progress has been made or shortfalls to date. At that time last year the minister had committed to looking into a similar mechanism. I would like to follow up on that question and ask: over the last 12 months, what progress has been made in this area? Thank you, Mr. Speaker...Mr. Chairman.

Chairman: Thank you, Mr. Lightstone. Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. We're still looking at it and we're looking at the pros and cons of it and that's about all I can say to that is we haven't implemented it. Thank you, Mr. Chairman.

Chairman: Thank you, Premier Savikataaq. Mr. Lightstone.

Mr. Lightstone: Thank you, Mr. Chairman. I believe that this is an important priority to share with the public the progress that our government has made in achieving *Turaaqtavut*, but unfortunately this priority is not listed in 2021 or future years. As the minister has indicated, such a mechanism, a mandate tracker, it has not been determined whether or not it will be utilized. Will that be a priority going forward? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Lightstone. Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. I don't know if it will be in the priorities, but our priority is the best way to communicate with Nunavummiut and sometimes the website is not always the way. It's one of the ways, but we're looking at

all communication ways to communicate best to Nunavummiut. Thank you, Mr. Chairman.

Chairman: Thank you, Premier Savikataaq. Mr. Lightstone.

Mr. Lightstone: Thank you, Mr. Chairman. Thank you, minister. I do believe that the business plan and the priorities are a great way to communicate the government's intentions, but I also believe that something that is simple and straightforward and shows real, measurable actions would be a more ideal way than a several hundred-page document. I'll bring forward this question again at a later date and hope that the minister will be able to provide an answer, but I'll move on.

I'm returning to another topic that was brought up last year and it's...sorry. The minister had indicated that the previous government had allowed DMs the option to work in communities for two weeks a fiscal year and last year the minister had committed to looking into it to see if it would be something feasible within this current government. I would like to ask again: over the last 12 months, what has been done on this front and what has been determined? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Lightstone. Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. Like you said, it was a mandate from the last government and it was a requirement. We looked at it and we haven't implemented it, but if any DM makes a request to do that, then we can most certainly look at it as long as it doesn't affect the operations. There are certain DMs where it is not practical or feasible, but others are... . Are more... . Other DM positions are more plausible. Thank you, Mr. Chairman.

Chairman: Thank you, Premier. Mr. Lightstone.

Mr. Lightstone: Thank you, Mr. Chairman. This was a topic of much discussion last year as it is important that the decision-making power does not operate in a vacuum and does have firsthand experience of communities across the territory.

So, my next question is, do DMs know that this option is available to them? As the Premier, or the...sorry, has the Department of EIA conveyed that message to DMs? Thank you, Mr. Chairman.

Chairman: Thank you. Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. We encourage them to go to community visits, even if they are not there for a two-week work experience.

We encourage the DMs, and as the Premier I encourage the ministers to go to communities too. We are here for the people and we should be accessible to all the people of Nunavut. Thank you, Mr. Chairman.

Chairman: Thank you, Premier. Mr. Lightstone.

Mr. Lightstone: Thank you, Mr. Chairman. I will move on to my next topic, and it is regarding the senior management personnel secretariats, which was another topic of much discussion last year.

Last year the minister had explained to some great extent, the methodology behind the “Performance and merit bonuses” I believe it was termed. I had mentioned that its been a topic of much discussion for several years including yourself, when you were a regular member.

With which is why I was so glad to hear the explanation behind the formulas that are used to determine those amounts, but I also requested that the minister consider making that information public by posting it on the GNs website.

So, I would like to ask, what progress has been made on that front over the last 12 months? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Lightstone. Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. We are looking at what some people call the “sunshine list,” where if you make a certain amount...over a certain amount a year that that list be published. We are still working on that.

I cannot just publish what senior management get for bonus and merit, as there are privacy issues involved. But once we have a policy in place to do that overall, then that could, most definitely be looked at. Thank you, Mr. Chairman.

Chairman: Thank you, Premier. Mr. Lightstone.

Mr. Lightstone: Thank you, Mr. Chairman. I have to apologize; I did not make myself completely clear.

So, the discussion last year was that the GN has a handbook, available online, that pretty much outlines everything. And the senior personnel handbook, the senior managers handbook, does have a lot of information, but does not have any information about performance and merit bonuses.

So last year, I had requested to make that information public. Not the actual list of amounts paid, just the formulas behind it. I would like to ask again, would the minister, has the minister made that public? And if not, will he? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Lightstone. Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. Yes, I can do that. We are a transparent government and it is not an issue to do that. Thank you, Mr. Chairman.

Chairman: Thank you, Premier. Mr. Lightstone.

Mr. Lightstone: Thank you, Mr. Chairman. Thank you, minister. Moving on to page 4, my first priority, something that I brought up quite recently; it is the priority to “Ensure the government structures, processes, and programs operate in a fiscally responsible manner...” I would like to ask: what resources within the department are allocated to ensuring that this priority is accomplished? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Lightstone. Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. In the DM’s mandate letter, it’s part of the mandate letter that they had to be in a fiscally responsible manner, a bit of a tongue-twister here, but it’s all in their mandate letter and it is looked at. Any program that is out there or policies, it can’t be just wasting government money, so each department individually looks after their own department on that and I have full trust in the ministers that this is accomplished. Thank you, Mr. Chairman.

Chairman: Thank you, Premier Savikataaq. Mr. Akoak.

Mr. Akoak: Thank you, Mr. Chairman. Welcome, Premier and staff.

I just have one question or a couple of questions on page 3 in the third bullet from the bottom, which says “Initiate a thorough review of GN communications tools including the Government of Nunavut website, the GN branding programs, and the Visual Identity Program.” I just need to know what those two last ones are. What are they? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Akoak. Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. That one is easy to answer. Just to make sure we have a consistent GN logo so that if they see a GN logo, it’s all the same GN logo no matter where you go within Nunavut. Thank you, Mr. Chairman.

Chairman: Thank you, Premier. Mr. Akoak.

Mr. Akoak: Thank you, Mr. Chairman. In the status section it says you will have a final report anticipated to be completed and presented by this month of 2020. Will that be happening? That’s my final question. Thank you.

Chairman: Thank you, Mr. Akoak. Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. We have the draft report ready and we’re just working on the final copy. Thank you, Mr. Chairman.

Chairman: Thank you. We’re on page B-4. Directorate. Total Operations and Maintenance, to be Voted. \$3,552,000. Agreed?

Some Members: Agreed.

Chairman: Thank you. Page B-5. Strategic Planning. Total Operations and Maintenance budget, to be Voted. \$2,686,000. Any questions? Ms. Towtongie.

Ms. Towtongie: Thank you, Mr. Chairman. I just have one question and it's with regard to the survey on child care to examine the demand for and use of child care services and facilities in Nunavut because the proposed business plan 2020 indicates that the Nunavut Bureau of Statistics did work with Statistics Canada. It also indicates that the survey was completed in March 2019. What did the survey conclude and how will the government be utilizing its findings? Final question. Thank you, Mr. Chairman.

Chairman: Thank you, Ms. Towtongie. Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. I remember reading it and I'm just going from memory here, but if I can recall correctly, it concluded that there was not enough child care space within Nunavut and I guess the findings would be that we need more child care space within Nunavut.

I can read it here, but it takes a while. It's in the letter that we wrote to the chairman of the committee, but it's quite an extensive letter on the reply. In a sense it just means that we need more daycare space within Nunavut to accommodate the child care needs that are within Nunavut. Thank you, Mr. Chairman.

Chairman: Thank you, Premier Savikataaq. Strategic Planning. Total Operations and Maintenance, to be Voted. I'll ask members if they could get their hands up right away, please, instead of waiting. Mr. Kaernerker.

Mr. Kaernerker (interpretation): Thank you, Mr. Chairman. I'll know that now. On page 5 it indicates that you're going to be working with the Departments of Justice and Culture and Heritage to ensure that government programs and services are more effective and relevant to *Inuit Qaujimagatuqangit* and Inuit societal values. What is the status at EIA? Thank you, Mr. Chairman.

Chairman: Thank you. Minister Savikataaq.

Hon. Joe Savikataaq (interpretation): Thank you, Mr. Chairman. We are still working on this, and we hope to conclude it by the end of the month. Thank you, Mr. Chairman.

Chairman: Thank you, Premier Savikataaq. Mr. Kaernerker.

Mr. Kaernerker (interpretation): Thank you, Mr. Chairman. And again, right underneath them participating in the revisions of human resource policies and programs to include Inuit employment plans? that's my final question. Thank you, Mr. Chairman.

Chairman: Premier Savikataaq.

Hon. Joe Savikataaq (interpretation): Thank you, Mr. Chairman. I didn't quite understand your question, if you would repeat it please. Thank you.

Chairman: Thank you. Mr. Kaernerck.

Mr. Kaernerck (interpretation): Thank you, Mr. Chairman. (interpretation ends) Will you be moving to other our departments in regard to policy and legislation plannings, to the other departments like HR and other departments, Finance and EIA in the planning stages on that too? *Qujannamiik*.

Chairman: Thank you. Premier Savikataaq.

Hon. Joe Savikataaq (interpretation): Thank you, Mr. Chairman. Yes, that is the direction we're taking. Thank you, Mr. Chairman.

Chairman: Thank you. Ms. Kamingoak.

Ms. Kamingoak: Thank you, Mr. Chairman. Welcome minister and your officials. Your department's proposed budget 2020-2023 business plan indicates on page 7 that one of the priorities of the Nunavut Bureau of Statistics from the 2020-2021 fiscal year is to collaborate with Statistics Canada and Community Government Services to undertake the Canada Core Public Infrastructure Survey to identify available assets and infrastructural facilities, their existing worth and the state of use or disrepair in all Nunavut communities.

What type of facilities are considered to be core public infrastructure and what types of facilities are not considered core public infrastructure? Thank you, Mr. Chair.

Chairman: Thank you. Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. I'm just going from memory and common sense; I would think that that core infrastructure would be stuff like airports, nursing stations, schools, stuff that are needed, and that every community has to have. And non-core infrastructure would be stuff like. those that are not as needed, like a community hall and housing would also be one of the core infrastructures that are needed. Thank you, Mr. Chairman.

Chairman: Thank you. Ms. Kamingoak do you have another question? No. Okay, thank you. Strategic Planning. Total Operations and Maintenance to be voted. \$2,686,000. Agreed?

Some Members: Agreed.

Chairperson: Thank you. B-6 Nunavut Cabinet. Total operations and maintenance to be voted \$4,390,000, Mr. Lightstone.

Mr. Lightstone: Thank you, Mr. Chairman. Before getting into my current questions, I would like to return to some discussions that were made last year regarding performance evaluation mechanisms for ministers.

Last year, the minister had indicated that the only performance mechanism currently is us regular members, and I would like to first start off by asking whether that is still the method being utilized by the minister. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Lightstone. Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. In general yes, that is all there is. If the members feel there is a... Or I will start off. If I feel there is a performance issue with a minister, I can talk to the minister and bring up with the issue that I feel is not being addressed.

If the members feel that there is a performance issue with a minister, they can talk to that minister, or they can talk to me; and if there is any other, I guess like a conflict of interest, of or other performance issue they can bring that up with the Integrity Commissioner if it goes... I do not think that is considered performance, but maybe ethics, I guess. The ultimate performance is by Full Caucus. Thank you, Mr. Chairman.

Chairman: Thank you, Premier. Mr. Lightstone.

Mr. Lightstone: Thank you, Mr. Chairman. Thank you minister. I believe if I recalled... if I recall correctly, the minister had stated that he may approach ministers if there are any concerns.

Now, I am not going to ask for any specifics or details, I would just like to confirm whether or not the minister has approached other ministers encouraging improvement. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Lightstone. Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. I talk with my ministers on a daily basis, all of them. We all communicate and we all work as a team. Thank you, Mr. Chairman.

Chairman: Thank you, Premier. Mr. Lightstone.

Mr. Lightstone: Thank you, Mr. Chairman. Thank you, minister for indicating that you do have daily discussions with the ministers, but I asked specifically if you have ever had specific conversations about...regarding performance management, and encouraging improvement. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Lightstone. Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. If those conversations ever happened, they would be kept private from, other than myself and that minister. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Lightstone.

Mr. Lightstone: Thank you, Mr. Chairman. I will move onto my next topic and it is regarding ministerial travel.

I understand that minister's do have a very difficult job, and that it has a great demand, but my question is regarding when ministers are out of town for personal or duty travel, what is the process in place for running their portfolios?

When a minister is out of town for an extended period of time, does the minister run the department through their cell phones, or is it assigned to another individual? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Lightstone. Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. The minister is responsible for their portfolios until there is a reason as to why they cannot be. It could be medical, they are stressed and they cannot do the work, they are incapacitated, or they have no communication skills. In general, as long as there is communication and the minister in the right state of mind and willing to work, then he or she is the minister.

If they leave the country, then it is automatic that the portfolio is given to another minister for the time being, but as long as there is communication, then they are the minister of that portfolio. Thank you, Mr. Chairman.

Chairman: Thank you, Premier. Mr. Lightstone.

Mr. Lightstone: Thank you, Mr. Chairman. Recently I posed a question, a written question on duty travel and home travel and I was quite surprised by the response that I received.

From the figures that I did receive, I was able to calculate that some ministers were away from the office for as much as 40 percent of the time; 40 percent of the year, for example. Isn't it difficult to run a department while being away for that amount of time? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Lightstone. Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. If the member could clarify whether it's 40 percent that's duty travel and home travel or one of each, if he can clarify what the 40 percent is. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Lightstone.

Mr. Lightstone: Thank you, Mr. Chairman. It was a combination of the two.

Chairman: Thank you, but I think the Premier was asking what percentage of home travel and what percentage of duty travel you were talking about. Mr. Lightstone.

Mr. Lightstone: Well, from the response that I received, the majority of time away was due to home travel and I didn't get the exact percentage for home travel; I just did a quick calculation for the total days away out of the office and still responsible for running our government. Given that an individual is out of the office 157 out of a total of 365 days, for example, that's where I got the calculation of 40 percent of the time being out of office. My first question is: given that individuals are out of the office for as much as 150 days of the year, is there any difficulty in running departments while not doing so from the office? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Lightstone. Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. I'll tackle this the best way I can. Ministers travel a lot on duty travel quite a bit and then they get home travel. They try to get home in between being here and doing duty travel. Since it's not broken down into how much is duty travel and home travel. It's hard to calculate, but duty travel is stuff that they have to go and home travel is just you have to go home, you have to go see your constituents. If you never go home, you don't get re-elected, you don't come back here, and that's just a sad fact of being a minister.

We have to balance our home travel and our workload and generally we work with our computers and our smart phones to make sure and our emails get done. I know all ministers try to be here as much as they can because it's a tough job and it is harder to do when you're not here, I'll admit that, but you have to also be able to get home and make sure that you are re-elected to come back here if you so choose. Thank you, Mr. Chairman.

Chairman: Thank you. We are on B-6. Nunavut Cabinet. Total Operations and Maintenance, to be Voted. \$4,390,000. Agreed?

Some Members: Agreed.

Chairman: Thank you. Page B-7. Commissioners of Nunavut. Total Operations and Maintenance, to be Voted. \$327,000. Agreed?

Some Members: Agreed.

Chairman: Thank you. Page B-8. Intergovernmental Affairs. Total Operations and Maintenance, to be Voted. \$5,866,000. Ms. Towtongie.

Ms. Towtongie: Thank you, Mr. Chairman. I just have a couple of questions on B-8. The department's 2019-2022 business plan indicates that "a new formalized Federal-Provincial-Territorial Indigenous," and we are a public government, "engagement structure will be established in the near future." I'm curious: as of today, what is the status of this initiative, Mr. Chairman?

Chairman: Thank you. Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. We do meet with our NIO partners. Ours here is Nunavut Tunngavik Incorporated. We meet with them, we talk with them, and part of this is that through the, interpreters won't like this, ICPC funding that goes through, we want to make sure that we're a part of the equation. We don't want any doubling of services. We want to make sure that the money that is coming to Inuit and Nunavut is spent properly. It doesn't make sense to have duplicate services. That's about the best way I can explain this. Thank you, Mr. Chairman.

Chairman: Thank you. Ms. Towtongie.

Ms. Towtongie: Thank you, Mr. Chairman. This is very close to the Kivalliq. The department's 2019-2021 indicated that the Government of Nunavut was finalizing its implementation plans with the Ghotelnene K'odtineh Dene, I hope I pronounced that correctly, and Athabasca Dene overlapping treaties, that's around Arviat, Churchill, way up, and related *Nunavut Agreement* amendments. "A reference question is currently before the Nunavut Court of Justice on whether or not the GN's consent is required..." I'm curious: at what stage is the proceeding that's between *Nunavut Agreement* amendments and the two Dene treaties? My final question, Mr. Chairman.

Chairman: Thank you. Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. The courts are still considering the decisions, but on a side note to that, the northern Manitoba Dene settlement land claims have stalled. The federal government is not negotiating right now. They abruptly stopped negotiating and that's the state of it, but in terms of the court case that we have, it's still before the courts. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Akoak.

Mr. Akoak: Thank you, Mr. Chairman. Your department's proposed 2020-23 business plan indicates on page 10 that "Government Liaison Officers continue to look at opportunities to expand its services by working collaboratively with external partners such [as] Service Canada and the Canada Revenue Agency and encouraging them to expand outreach initiatives to ensure that Nunavummiut are accessing their programs and services." What specific actions have been taken in this area over the past year? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Akoak. Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. One of the things that the GLOs are involved in are the Indian Day School payments, the forms are there, and they can either help the clients fill it out or direct them to Service Canada for more assistance. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Akoak.

Mr. Akoak: Thank you, Mr. Chairman. How they doing income tax services for the Nunavummiut? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Akoak. Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. I didn't mention that because he said within the last year from the previous government. I believe the previous government, it has been I think two years at least or three since. The GLOs do help Nunavummiut fill out their income tax forms. If Nunavummiut want help, the GLOs have been trained in filling them out. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Akoak.

Mr. Akoak: Thank you, Mr. Chairman. From what I understand, is this the basic income tax like people on income support, that's the only people they do help? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Akoak. Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. My understanding is it's for anyone, but if it's a very complicated one where there is business and stuff involved, then I would think that they would not be able to do that, but for the basic working person's income tax, they should be able to help individuals out. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Akoak.

Mr. Akoak: Thank you, Mr. Chairman. This is just a comment. When people in Nunavut do need help is when they get their income tax done by people who are in that business. They charge quite a bit. They do need help and it would be nice if all the GLOs could help with all Nunavummiut. Thank you, Mr. Chairman.

Chairman: Thank you for your comment. Mr. Qamaniq.

Mr. Qamaniq: Thank you, Mr. Chairman. Pardon me if I'm on the same page are we talking about the intergovernmental affairs section? Thank you, Mr. Chair.

On page 11 under the priorities of 2019-2020, on page 11 the second bullet it goes on to say that establish a process to incorporate advice for local elders in government service delivery at the community level and the status is that the department has under gone an

organizational review and is considering options for establishing a process to incorporate advice of local elders in government service delivery at the community level. And on page 12 under priorities 2020-2021 they still want to continue this initiative.

Can the minister elaborate a little bit about what it means and whether or not the Government of Nunavut has already selected options to establish a process to incorporate advice for local Inuit I mean elders in government service delivery at the community level? Thank you, Mr. Chairman.

Chairman: Thank you. Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. Any services that are provided, there is usually a policy that goes with it. What we want to do is, we want to incorporate *Inuit Qaujimajatuqangit* in the beginning of the policy, not at the end of the policy so it's at the beginning at the foundation when the policy is being developed for the program that it's going to deliver not as an afterthought that's what we're talking about there. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Qamaniq.

Mr. Qamaniq: Thank you, Mr. Chairman. It says that this department is considering options. Are you still considering options or are you going to implementing this (interpretation) what we're talking about are you going to proceed? Thank you, Mr. Chairman.

Chairman: Thank you. Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. We are developing a policy that will make us able to do that. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Qamaniq.

Mr. Qamaniq: Thank you, Mr. Chair. Does the Premier have any idea which department will be the first one to go through this process? Thank you, Mr. Chairman.

Chairman: Thank you. It's Friday, we'll let you get away with that one. Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. It's a government-wide policy so it wouldn't be targeted at this one here, or this one or this one in a timely manner. We are developing a policy so that it'll be a government-wide policy that's the way the government will be going. Thank you, Mr. Chairman.

Chairman: Thank you. We are on page B-8 Intergovernmental Affairs. Total Operations and Maintenance to be voted. Mr. Main.

Mr. Main (interpretation): Thank you, Mr. Chairman. (interpretation ends) I have a question about this bullet point on page 11 regarding a comprehensive seniors' strategy and under the status update it says please see the Department of Health business plan for follow up on this priority.

I didn't see that in the Department of Health's business plan. So, I wonder if the Premier could clarify this. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Main. Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. Health used to be responsible for elder care, and seniors advocacy was with EIA, but advocacy was turned over to Health because I just thought it made more sense that the person in charge of elder care should also be the advocacy so that the health minister could just talk to himself instead of me talking to him to get things done. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Main.

Mr. Main (interpretation): Thank you, Mr. Chairman (interpretation ends) Interesting to look at the history of this.

Why was, I know we are focusing on this year's business plan and this year's budget, but why was it that EIA was previously, or the premier was previously minister for seniors?

I am just looking at the two different approaches, having it under Health, or having it under the Premier. (interpretation) Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Main. Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. That was the decision of the past government and I cannot speak as to why they did what they did. Thank you, Mr. Chairman.

Chairman: Thank you, Premier. Is it working? Yes. Mr. Main.

Mr. Main (interpretation): Thank you, Mr. Chairman. (interpretation ends) And I understand it was the decision of the previous government and my understanding is the rationale behind that was that the elders file, the seniors file was seen as being so important and such a key important issue for the entire territory that it was placed under the direction of the Premier of the day a chance, or to guide things.

The fact that this seniors... comprehensive senior strategy seems to have dropped off the radar is concerning.

I mean it says right here in the business plan, it is either the Department of Health business plan for follow-up. So when we turn to the business plan of the department of health, it is not there.

So is this just a, like a type of a typographical placing? Was it just like a mix-up when the file is being transferred from EIA to Department of Health? Can the Premier look into where that senior comprehensive senior strategy item went? Because I mean it was a priority past fiscal year. (interpretation) Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Main. Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. The reason why the advocacy is not with EIA anymore is with Health because in my way of thinking it did not make sense that you get a portfolio with no money and there is not much you can do.

If you put the advocacy to health, where they have the funds and they have elder cares responsibility then stuff could get done. If the member does not think it is a priority one of the priorities we have is to bring elder care to Nunavut and try to bring our elders home as quickly as possible, and the ones that are here, try to keep them within Nunavut if possible.

We may not state that, but through our actions we are showing that it is a priority for us. We have...this House voted on and we are one elder care facility and we are going to build two more hopefully within the term of this government. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Main.

Mr. Main (interpretation): Thank you, Mr. Chairman (interpretation ends) And I understand the Premier's position on this, but it seems like this file is managed in a rather ad-hoc manner.

It seems like the current approach had not taken into account the existing elders care facilities in the territory. You just have to look at the math in terms of the numbers of bed that are being planned for.

I believe that is the reason why I governments in general develop strategies on important files. I believe that it is important to not just include this Assembly's opinion on a matter such as this.

It is important to take this Assembly's plans and wishes and then to go out and then to consult and to understand if what this Assembly is trying to do is in line with what people of this territory want, especially on a file that's this important.

I would have to say that I'm disappointed that this seniors strategy item seems to have dropped off the radar and I guess it's no longer EIA's responsibility after the transfer over to the Department of Health, but in my opinion, it reflects poorly on the government

as a whole in terms of the need for a strategy and for a plan not just to guide the actions of this government and the Fifth Assembly but decades into the future.

That's just a comment, Mr. Chairman. (interpretation) That's it. Thank you.

Chairman: Thank you, Mr. Main. We are on page B-8. Intergovernmental Affairs. Total Operations and Maintenance, to be Voted. \$5,866,000. Agreed?

Some Members: Agreed.

Chairman: Thank you. Page B-9. Devolution Secretariat. Total Operations and Maintenance, to be Voted. \$2,243,000. Are there any questions? Ms. Towtongie.

Ms. Towtongie: Thank you, Mr. Chairman. I have one question. It's regarding the Government of Canada, Government of Nunavut, and Nunavut Ting... Tunngavik, I'm tired, Incorporated announced the signing of a devolution agreement in principle. The announcement indicated that the next step is a final agreement which is expected within five years. That's a very narrow time frame, but as of today, what is the status of these negotiations? My final question.

Chairman: Thank you, Ms. Towtongie. Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. We signed the AIP, I believe, on August 15 and then they had the federal election, so everything just sort of more or less came to a standstill until after the elections, until portfolios were given out. Since then, we are negotiating with the feds, with NTI... Well, that's the tri-party for the final agreement and if all goes well, we expect the final agreement to be signed within two years and then implementation and all the final transfers done within five. That's our goal. Thank you, Mr. Chairman.

Chairman: Thank you, Premier Savikataaq. Mr. Lightstone.

Mr. Lightstone: Thank you, Mr. Chairman. I would like to follow up on Ms. Towtongie's questions. I am very concerned about this expected completion date for a final agreement. Devolution is such an important topic, I understand, and I'm glad that an agreement in principle is signed and I look forward to the day that the transfer of responsibility does eventually fall under Nunavut's jurisdiction, but I would hate to see this rushed.

My concerns are further elevated due to the fact that we suffer capacity issues as is. I believe we're at 25 percent vacancy and there are numerous other issues surrounding our program service delivery, and I feel that would only be multiplied once we take on these additional responsibilities. I just wanted to again express my concern over devolution. I do look forward to it being completed at some point in time; I just would hate to have that rushed and I think it's more important to focus on developing our own operations before taking on additional responsibilities.

My next question is going to be along the grants and contributions. If we look at the budget there are no grants and contributions, but every year there are grants and contributions being spent under Devolution, and it says that it's in payment to Nunavut Tunngavik Incorporated. My question is: what is this contribution agreement? Can you please explain or provide us a little bit of detail about what it is and why it's being paid? Thank you, Mr. Chairman.

Chairman: Thank you. Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. I'll address his concerns first about timing. Once the AIP was signed, the \$5 million a year training fund kicked in, so that is a very good thing. We have \$5 million a year to train Inuit to take over the jobs that will be coming over. In terms of timeline, our goal is five years and that's what it is, but it's not "We're going to get it no matter what." It's a goal. We're going to get the best possible deal that we can because, like I have stated before, this deal is forever. We are going to negotiate and get the best possible deal.

Going back to what the grants and contributions are, we give NTI money and the feds give them the same amount to be a part of the negotiation team for devolution. Thank you, Mr. Chairman.

Chairman: Thank you, Premier Savikataaq. Mr. Lightstone.

Mr. Lightstone: Thank you, Mr. Chairman. Thank you for that response. The GN and the federal government contribute funds to NTI so that they can hire legal support to be a part of that negotiating team. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Lightstone. Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. We don't have any conditions on how they want to spend the money in terms of the devolution team. They can spend it on salaries. They can spend it on lawyers. They can spend it however they want, but it's to be a part of the negotiation team. Thank you, Mr. Chairman.

Chairman: Thank you, Premier. Mr. Lightstone.

Mr. Lightstone: Thank you, Mr. Chairman. There seems to be a recurring budget transfer every year. Every year the Department of EIA takes funds out of other expenses and puts it into grants and contributions to fund this agreement with NTI. As it happens every year and the negotiations are set to continue, will these contributions continue and, if so, why are they not incorporated into the budget? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Lightstone. Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. Yes, these will go on every year until devolution is complete. We don't know the amounts every year, so that's the reason why it's not in there. We just fund within. Thank you, Mr. Chairman.

Chairman: Thank you. I have no more names on my list for questions. We are on page B-9. Devolution Secretariat. Total Operations and Maintenance, to be Voted. \$2,243,000. Agreed?

Some Members: Agreed.

Chairman: Thank you. Go back to page B-3. Executive and Intergovernmental Affairs. Total Operations and Maintenance, to be Voted. \$19,064,000. Agreed?

Some Members: Agreed.

Chairman: Thank you. Do members agree that we have concluded Executive and Intergovernmental Affairs?

Some Members: Agreed.

Chairman: Thank you. Any closing comments? Premier Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. I would like to thank my staff again as always that are here and the staff that aren't here that are behind the scenes that get the information to me. I thank everyone for holding us to account on our budgets here. We do our best to spend the money wisely and responsibly. I thank everyone for being interested in this. I know it's a small budget, but it's a vital part of our government's system here. Thank you, Mr. Chairman.

>>*Applause*

Chairman: Thank you, Premier. On behalf of the committee, I thank you and your staff for being here to answer our questions. Sergeant-at-Arms, if you could please escort the witnesses out.

I'll ask members to remain in their seats. We are going to move on to opening comments in the next department, which is Economic Development and Transportation. Minister Akeegok, are you ready to do your opening comments? Please go ahead.

Bill 39 – Appropriation (Operations & Maintenance) Act, 2020-2021 – Economic Development and Transportation – Consideration in Committee

Hon. David Akeegok (interpretation): Thank you, Mr. Chairman. It is my pleasure to be here before Committee of the Whole to present the 2020-21 operations and maintenance budget and the 2020-23 business plan for the Department of Economic Development and Transportation.

This will be a very important year for the department. We are proposing to make significant improvements to the way we operate the department and to the way we represent our operations to this committee and the public.

(interpretation ends) In addition to the internal changes, we are also welcoming the Fisheries and Sealing Division back into the department, and we're expanding our involvement in the design and development of marine infrastructure across Nunavut.

The total proposed budget for 2020-21 is \$92,046,000. This is an increase of \$1,914,000, or 2.1 percent, over the restated budget for 2019-2020, the restatement being required due to the inclusion of the Fisheries and Sealing Division.

The budget introduces significant improvements to the financial and organizational structure of the department.

- First, in response to requests from members, the main estimates and business plan for the department have been restructured to be directly comparable to each other.
- A primary focus of this proposed budget is to address the long-standing structural shortfall in funding provided to the Nunavut Airports Division. The department's average annual midyear transfer to the Nunavut Airports Division has been \$1.6 million per year. This \$1.6 million average midyear transfer served to cover essential operations that could not practically be deferred. Our airports are critical infrastructure for every community. We believe that committing the resources that are needed upfront and [correcting] for the deferred costs will lead to improvements in performance and management and will allow them to address accrued deferred maintenance as opposed to the past practice of transferring funds into the branch midyear.
- Another theme that members will have observed is our proposal to increase the responsibility of our Community Operations Division which operates out of our regional offices in Kugluktuk, Rankin Inlet, Pond Inlet, and Pangnirtung. We are proposing to decentralize decision-making authority for programs implemented to our regional offices by increasing economic development funding distributed through our regional offices from \$6.7 million to \$12.5 million. Our regional offices have demonstrated the ability to understand community priorities and to deliver programming that is relevant to communities' needs.
- Mr. Chairman, another improvement is the rationalization of partner organizations' funding. Funding for partner organizations will be grouped under the new program partnership budget line to allow the department to work with our partner organizations to strengthen the funding allocation process to ensure that funds intended for economic development are fully utilized and allow for greater accountability and understanding of the important contributions that our partner organizations make to Nunavut's economy.

- We are excited to be expanding our involvement in the design and development of marine infrastructure across the territory and are seeking \$200,000 in new funds to support marine infrastructure planning. These funds will support the department in actively shaping upcoming federal investments in marine infrastructure and will help ensure that when we finally get the harbours and ports that we have been asking for, they will have been designed in a way that meets the needs of Nunavummiut.
- The department is looking for \$250,000 as a one-time funding item to complete a mine training strategy. The department has a significant role to play in ensuring that Nunavummiut are trained and able to take advantage of the opportunities created by new and ongoing mining and exploration activities.

Mr. Chairman and members, I recognize there is still much room for growth. Having said that, I am proud to present a budget that makes significant improvements to a number of program areas.

Members will recall the Fisheries and Sealing Division had previously rested in the Department of Economic Development and Transportation and was transferred out in 2009. The decision to transfer the division back into Economic Development and Transportation includes an important difference. Operation, administration and responsibility for fur programming will remain with the Department of Environment. The Department of Environment's wildlife officers play a central frontline role in the administration of these programs, and our trappers will be better served by continuing those important relationships in the communities. My department will remain engaged to ensure appropriate supports are available to individuals who choose to approach trapping from an employment perspective.

(interpretation) That concludes my opening comments. I would be happy to answer any questions my fellow members may have. Thank you, Mr. Chairman.

Chairman: Thank you, Minister Akeegok. Does the Co-Chair of the Standing Committee on Economic Development and Transportation have opening comments? Ms. Towtongie, please go ahead.

Ms. Towtongie (interpretation): Thank you, Mr. Chairman. I'm just the co-chair, but our Allan Rumbolt is our chair.

I am pleased to provide opening comments on behalf of the Standing Committee on Community and Economic Development on its review of the proposed 2020-21 Main Estimates and 2020-23 Business Plan of the Department of Economic Development and Transportation.

The department's proposed 2020-21 operations and maintenance budget is \$92,046,000. The number of positions in the department is increasing to 155.0 PYs. This is a primarily a reflection of the transfer of the Fisheries and Sealing Division from the Department of Environment.

Members raised a number of issues and concerns during the minister's recent appearance before the standing committee.

On June 8, 2016 the Government of Nunavut's *Report on the Review and Reform of Income Assistance and Economic Development* was tabled in the Legislative Assembly. (interpretation ends) The report was prepared by the Department of Family Services and the Department of Economic Development and Transportation. The report indicated that the Department of Economic Development and Transportation will "place a greater focus on job creation when reviewing EDT programs." And I apologize to the interpreters. The Department of Economic Development and Transportation's proposed 2020-21 main estimates include a total of \$23,767,000 in grants and contributions expenditures. The Department of Finance publishes an annual, government-wide report on grants and contributions expenditures. Although this report provides a listing of what amounts of funding recipients received during a given fiscal year under different programs, very little information is published with respect to the purpose of the funding or the results that it actually achieved in such areas as job creation, especially in relation to funding that is provided to for-profit businesses.

A number of policies administered by the Department of Economic Development and Transportation, including the Strategic Investments Program Policy, contain specific annual reporting and tabling requirements regarding expenditures undertaken under these programs. However, these reporting and tabling requirements are not currently being met in all cases. The standing committee applauds the department for having begun the practice of tabling comprehensive annual reports under its Community Transportation Initiatives Program Policy and its Country Food Distribution Program Policy.

The standing committee notes that the department has made a number of significant changes to the administration of its grants and contributions programs. The standing committee supports the department placing a greater emphasis on job creation, especially in relation to funding that is provided to for-profit businesses. The standing committee also emphasizes the importance of funding recipients being in compliance with the terms and conditions of their contribution agreements with the department.

The Department of Economic Development and Transportation administers a number of policies, including the NNI Policy. Again I apologize to the interpreters. (interpretation) It's the Nunavummi Nangminiqqtut policy. (interpretation ends) The standing committee supports efforts on the part of the government to engage with Nunavut Tunngavik Incorporated to reform the administration of the Inuit Firm Registry in order to address the issue of so-called "paper firms."

The department's 2019-2020 main estimates included \$900,000 in contribution funding for its "Community Engagement Support Program," the stated purpose of which is to "position Nunavummiut to understand developing projects more thoroughly and to create a means for communities to derive significant direct benefits from mineral exploration." However, it is unclear how these funds have actually been spent to date. The department's proposed 2020-21 main estimates also include \$900,000 in proposed

contribution funding for this program. The standing committee supports work to develop a new Nunavut mine training strategy. The standing committee notes that the department's business plan indicates that a number of memoranda of understanding with different companies in the mining sector have been signed or are under development. The standing committee looks forward to these MOUs being tabled in the Legislative Assembly.

The proposed 2020-21 Main Estimates of the Department of Economic Development and Transportation include \$3,358,000 in core funding for the Nunavut Development Corporation and \$900,000 in core funding for the Nunavut Business Credit Corporation. The standing committee looks forward to the minister's 2020-21 Letters of Expectation to these entities being tabled in the Legislative Assembly in a timely manner. The standing committee looks forward to seeing progress on the part of the government regarding such matters as amending section 37 of the *Nunavut Business Credit Corporation Act* to increase its loan limit threshold, in addition to amending the legislation to provide for greater public disclosure of its lending activities. The standing committee also looks forward to monitoring progress in respect to ongoing discussions regarding the potential of merging the two corporations into a single entity.

Mr. Chairman, Members of the Legislative Assembly have been raising concerns for a number of years regarding the lengthy delays that are experienced by residents of smaller communities in obtaining driver's licences and general identification cards. The department's proposed 2020-23 business plan indicates that one of the Motor Vehicles Division's priorities for the 2020-21 fiscal year is to "...conduct a full review of the division's organizational structure and develop recommendations for improving service delivery at the community level." The standing committee will continue to carefully monitor this issue.

That concludes, on behalf of our Chair, Allan Rumbolt, my opening comments on the proposed 2020-21 Main Estimates and 2020-23 Business Plan of the Department of Economic Development and Transportation. Thank you.

Chairman: Thank you, Ms. Towtongie. Mr. Akoak.

Mr. Akoak: Thank you, Mr. Chairman. I move a motion to report progress. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Akoak. There's a motion on the floor to report progress. The motion is not debatable. All those in favour. Opposed. Motion carried. I will now rise to report progress to the Speaker. Thank you.

Speaker (interpretation): Good afternoon. Report of the Committee of the Whole. Mr. Rumbolt.

Item 20: Report of the Committee of the Whole

Mr. Rumbolt: Thank you, Mr. Speaker. Your committee has been considering Bill 39 and would like to report progress. Mr. Speaker, I move that the Report of the Committee of the Whole be agreed to. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you. There is a motion on the floor. Is there a seconder? Ms. Kamingoak. (interpretation ends) The motion is in order. To the motion.

An Hon. Member (interpretation): Question.

Speaker: All those in favour. Opposed. (interpretation) The motion is carried.

Item 21. (interpretation ends) Third Reading of Bills. (interpretation) There are none. (interpretation ends) 22. *Orders of the Day*. Mr. Clerk.

Item 22: Orders of the Day

Clerk (Mr. Quirke): *Orders of the Day* for March 9:

1. Prayer
2. Ministers' Statements
3. Members' Statements
4. Returns to Oral Questions
5. Recognition of Visitors in the Gallery
6. Oral Questions
7. Written Questions
8. Returns to Written Questions
9. Replies to Opening Address
10. Petitions
11. Responses to Petitions
12. Reports of Standing and Special Committees on Bills and Other Matters
13. Tabling of Documents
14. Notices of Motions
15. Notices of Motions for First Reading of Bills
16. Motions
17. First Reading of Bills
18. Second Reading of Bills

19. Consideration in Committee of the Whole of Bills and Other Matters

- Bill 39
- Bill 40
- Bill 41
- Bill 42

20. Report of the Committee of the Whole

21. Third Reading of Bills

22. Orders of the Day

Thank you.

Speaker (interpretation): Thank you. Before we proceed further, I would like to say that you worked hard this week and I am proud of you. Please have a good rest on the weekend as we will proceed.

>>*Applause*

(interpretation ends) In accordance with the authority provided to me by Motion 62 – 5(2), this House stands adjourned until Monday, March 8, at 9:00 a.m. (interpretation) I'm sorry. It's March 9. I made a mistake...

>>*Laughter*

(interpretation ends) ...at 9:00 a.m.

Sergeant-at-Arms.

>>*House adjourned at 17:06*

