

Budget Address

Check against delivery

Introduction

Mr. Speaker, it is my privilege to rise today to present our Government's proposed budget for 2020-21 to this Assembly.

But first, I would like to acknowledge the hard work that has gone into developing this budget. The discussions I have had with my colleagues and the support we have received from our officials have been invaluable.

I would also like to thank my colleagues in this Assembly for your recent Committee work. Your detailed review last month of each department's proposed spending is an important part of our Government's overall approach to budgeting.

Your active engagement is a concrete example of the most important characteristics of our consensus approach to government: civility, respect and accountability to this Assembly as a whole.

Overview

When I introduced last year's budget, I highlighted the great debt we owe to the Elders whose vision continues to guide and inspire us. This is debt that we must acknowledge and respect, but can never repay.

In my prior budget address, I also noted the many areas in which we have achieved success over the years: a growing economy; higher rates of high school graduation and a near doubling of the number of Inuit Government of Nunavut employees; nearly 2000 housing units constructed since 2001; and, \$2.4 billion invested in capital projects that include new schools, learning and health centres and the Qikiqtani hospital.

In the past year, we have trained 73 Inuit employees to be able to fill senior positions within government through our leadership and internship programs, and have supported 44 Inuit through

education leave, helping them advance their education. Further, we have reduced the number of casual positions by direct appointing Inuit into indeterminate positions that they have long held. Our new stand-alone Department of Human Resources has been leading the work in providing Inuit with workplace training and employment opportunities within the civil service.

These types of achievements and public investments are key to the future of Nunavut.

That future will depend to some extent on how we meet our challenges. We are all aware of our need for better housing, better health care - including mental health care and medical travel - better education outcomes, and better job opportunities for our young people, as well as a higher standard of care for the aging members of our population.

We will not triumph over these and other challenges easily or right away. But, we have successfully met them over the last 20 years and have improved our prospects of overcoming them in the future

One reason for this is the determination, resilience and unity we have shown in working to realize the vision of our founders and to achieve the goals set out in our Government's mandate, *Turaaqtavut*.

Another reason is the strong economic growth we are currently experiencing. According to the Conference Board of Canada, Nunavut's economic growth rate will lead the country over the next few years. The Conference Board's newest forecast - released just two weeks ago – suggests our economy could grow by as much as 13% over the year. This growth is driven primarily by the mining sector and could result in many more jobs in Nunavut.

We intend to continue to work hard in the coming years to prepare Inuit and other Nunavummiut to fill these and other jobs so that the benefits of this economic surge stay in Nunavut.

We remain Canada's youngest territory, Mr. Speaker, but Nunavut has moved well beyond its early years and is now growing into young adulthood. Like many young adults, we still rely on the support systems that helped guide us through our adolescence.

However, as a government and society we have gained important skills, experiences and confidence over the past two decades. These attributes, coupled with the ambition and determination

Nunavummiut have always demonstrated, are the tools we will use to achieve our goal of becoming more self-reliant as we mature as a territory.

In short, Mr. Speaker, by persevering and working together we have found our feet and are poised to step into the future with greater self-assurance.

Our budget for the year 2020-21 is therefore a people-oriented budget of optimism about what the future holds for us.

This budget will make key investments in social services like education and job training to help prepare our youth to carry forward the work of building a stronger and more self-reliant Nunavut.

This budget seeks to ensure that our forward movement stays true to our original vision of Nunavut as a distinctive Arctic territory that balances modernity with our Inuit culture and traditions.

And, it looks to social wellness - physical, mental and spiritual - at the individual and community level to better support Nunavummiut today and to help prepare them for tomorrow.

Fiscal Situation

Mr. Speaker, our fiscal situation is better than it has been for several years. I am pleased to report that our projected revenues for 2020-21 are almost \$2.35 billion.

Federal transfer payments account for most of this positive situation. The largest is the Territorial Formula Financing transfer that will provide us with \$1.712 billion, 4.3% more than last year. We are mindful that future growth rates may slow.

A further \$124.5 million will come to us through a variety of other federal transfer payments, such as the Canada Health Transfer. This is of particular significance to me in my other role as Minister of Health.

A total of \$144.9 million will be raised through taxes. With the projected growth of our economy and our emphasis on improved education and skills training, our goal is to help Nunavummiut find good-

paying jobs and to support businesses to create more of them. As our economy expands, so too will our tax base.

The Government of Nunavut will also receive approximately \$90 million from other sources such as the net income from both the Petroleum Products Division and the Nunavut Liquor and Cannabis Commission as well as staff housing recoveries, prior year recoveries and miscellaneous revenues.

At this time, we expect that funding from specific third-party agreements could add a further \$262 million to our revenues. I should note that this forecast is likely to change over the year, as these funds depend on in-year project spending and federal funding decisions.

In terms of spending, we will seek to appropriate just over \$1.816 billion for the core operations and maintenance of our government departments in 2020-21. This is above and beyond the \$143 million already appropriated for capital spending in the fall.

When we consider all the other expenses we expect to take on over the year, like spending through third-party agreements or to account for wear and tear on our infrastructure, we project total operations expenses of about \$2.33 billion.

As in past years, we are setting aside money from the start so it remains available to use during the year for unforeseen events or additional spending needs that may arise. For 2020-21, this contingency fund will be \$50 million.

Assuming we spend this contingency fully, our government is projecting an operating deficit of about \$30 million, just over 1% of our revenues.

We have projected this deficit using accrual accounting instead of the cash accounting approach used in previous years. Simply stated, cash accounting tells you what you have in your bank account, but does not tell you how you will spend it over the longer term.

The accrual method looks not only at our in-year spending, but also considers the expenses we expect at year end. This allows us to provide a more complete picture of our finances.

Planning to spend more than we expect to receive in a year is not a comfortable feeling. It is also not something that we want to repeat year over year. However, given the many pressing issues that this budget seeks to address, our government believes that planning for a small deficit in 2020-21 is a necessary and worthwhile measure to allow us to meet the growing need for better programs and services for Nunavummiut.

I should add in this context that our credit rating continues to be excellent. Thanks to our fiscal discipline, we are rated as one of the most creditworthy provincial and territorial governments.

Let us remember that when we started our journey as a territory in 1999, we were already far behind other provincial and territorial governments in terms of our ability to deliver the programs and services that our people need.

The current federal financing formula provides us with significant funding each year, but it is still not enough to allow us to deliver the range and level of public services that other governments are able to provide.

The good news is that we have gotten much better at using every federal nickel that we get our hands on. We just need more of them – something we will discuss with the Government of Canada as we move forward.

Before I discuss our spending plans, let me add that the figures I have mentioned reflect the projected expenditures of our government's core departments. Once we consolidate all our financial data for our year-end financial statements, we will be able to provide information about additional revenues and expenses from arms-length bodies like the Qulliq Energy Corporation

Budget Priorities

Let me describe how we propose to target the dollars available to us this fiscal year. In keeping with the priorities we set for ourselves in *Turaaqtavut*, this budget aims to foster individual and community wellness, particularly in health care and support to families and individuals in crisis.

Inuusivut

Our way of life depends on healthy, self-reliant and active people. When Nunavut was created, our population was only 27,000, but has now increased by over 35% to 39,000. Nearly one in three Nunavummiut is under the age of 15 and the number of our Elders has doubled in the last 15 years.

These are good signs. Our families are growing. We have many young people who will one day fill the new jobs we are working to create and make the important decisions that will set the direction for our continuing evolution as a territory.

And in a society like ours that values and relies on the wisdom of our Elders, the fact that more of them are living longer, healthier lives can only be seen as an encouraging sign.

A growing population also means a growing demand for housing, jobs, health care, elder care and social services of all kinds. I think we all agree that we need to allocate more financial resources and to devote greater efforts to improve the quality of life of all Nunavummiut.

Our main challenge is that the costs of providing services has outpaced our ability to provide them, let alone make improvements and enhancements to them.

Simply put, while we're able to make mortgage payments on our home, we will never have enough to renovate it. This is particularly the case with health care.

A key reason for this is that the Canada Health Transfer, the federal government's main way to support health care delivery across Canada, does not reflect Nunavut's high costs or unique needs.

For example, we lack the health care infrastructure and population density needed to offer the full range of health care services that our growing population deserves. As a result, about one out of every five dollars we spend on health care is for medical travel.

Instead of investing this money to improve the health of Nunavummiut, we are forced to spend it just to get Nunavummiut to medical treatment that cannot be provided in Nunavut.

This has a serious impact on our finances. Unlike the situation in every other jurisdiction in Canada where over 20% of health care costs are covered by the Canada Health Transfer, the federal transfer to Nunavut accounts for only 9% of our health care costs.

This is unacceptable.

We should not have to choose between offering Nunavummiut levels of medical care comparable to the rest of Canada while at the same time trying to balance a budget based on federal transfers that take insufficient account of the service delivery challenges in our vast territory. Resolving this issue will require in-depth discussions with the Government of Canada.

Until those discussion occur, I will be asking you to approve a total of \$37.9 million in new funding for this fiscal year to help our health care system to keep up.

We propose to allocate a total of \$17.6 million to supplement the medical travel budget while nearly \$5.1 million will be required for out of territory mental health treatment. We will also seek a further \$4 million to offset some of costs borne by the Government of Nunavut related to employee medical travel. Another \$6.3 million will be devoted to meeting the increasing costs of service contracts for physicians.

However, not everything we are doing to improve health requires such large investments to produce positive results.

For instance -- and building on discussions we have had in this Assembly about the importance of a positive, productive and healthy workplace -- the Department of Human Resources is seeking \$720,000 this year to create a new Employee Wellness Division. It will act to establish a wellness strategy, improve employee engagement and other initiatives which, over time, will lead to more productivity, improved employee health, and better retention.

We are also making incremental improvements to other aspects of the territorial health care system that will improve efficiency.

Last year, we implemented a three-year plan to enhance capacity across emergency, operating room, public health, diagnostic imaging, and environmental services. This year we will commit \$630,000 to add another registered nurse, an ultrasonographer, a central sterilizing room technician, and a hospital maintainer to our roster of health care professionals here in Iqaluit.

One of our major health care challenges is the high rate of tuberculosis (TB) in Nunavut. Despite the 2018 pledge by the Government of Canada to eliminate half of all cases of active TB in Inuit Nunangat by 2025 and to eliminate the disease entirely by 2030, we continue to grapple with high TB rates.

According to the Public Health Agency of Canada, the average TB infection rate in Canada's provinces is less than 5 people out of every 100,000. The most recent statistics for Nunavut for 2017 show an infection rate of 265.8 per 100,000 people.

This cannot be allowed to continue.

However, one of the immediate challenges is that the funding for TB elimination provided by the federal government through NTI and ITK has not rolled out as quickly or efficiently as anticipated. We have completed three successful community-wide TB screenings so far. We are now waiting for further funding and support from our federal and Inuit partners on the Inuit Public Health Task Force to continue these efforts when the regional TB action plan is released later this year.

In the meantime, we remain firm in our determination to tackle the underlying social conditions like poverty and residential overcrowding that negatively influence health outcomes in Nunavut.

But, we also know that, without a real commitment by the Government of Canada to address the housing shortfalls and related issues that contribute to TB, this will take time.

We cannot wait to take action. We will continue our own efforts by allocating \$854,000 more this year to hire new staff as part of our TB community capacity-building program. Three public health nurses will be hired for Resolute Bay, Baker Lake, Chesterfield Inlet and three public health assistants will be assigned to Arctic Bay, Sanikiluaq and Whale Cove.

And we will continue to take steps to improve the delivery of other health services. For example, across the territory, community health centres face enormous challenges due to their workload and administrative needs. In response, the Department of Health will conduct an evaluation of the ongoing Supervisors of Administrative Services pilot project with a view to expanding it territory-wide.

An expanded program would allow clinicians to focus more on core clinical duties. To this end, we will request an additional \$44,000 on top of the \$166,000 already approved for 2019-20 to hire a Supervisor of Administrative Services for Baker Lake and another for Rankin Inlet.

As I mentioned, this budget will also assist individuals and families in crisis. Our Government will seek almost \$8.4 million in new funding for the Department of Family Services. This will enable it to advance its crucial work supporting homeless and family violence shelters, youth in crisis and foster parents.

Just over \$2.1 million will go to hire four new workers to facilitate the planning and opening of shelters in Kugluktuk and Rankin Inlet, support the ongoing operations of a low barrier shelter in Iqaluit and enhance homelessness outreach services.

Stable and supportive placements are key to ensuring better outcomes for children and youth in foster care. To this end, we will inject \$1.3 million this year to increase foster care per diems that have remained unchanged since 2004.

Protecting Nunavummiut most at-risk of experiencing family violence is a key commitment of our Government. We will therefore seek just over \$1 million to expand emergency supports for existing family violence shelters and to facilitate the planning and opening of shelters in Gjoa Haven, Baker Lake, Pangnirtung and Pond Inlet.

I am pleased to announce that we also intend to allocate \$645,000 to hire five additional staff to strengthen the Community Coordination for Women's Safety Initiative. This will assist our communities in their ongoing efforts to develop collaborative and effective ways of responding to violence against women.

We are equally committed to protecting our young people, for the future of Nunavut will one day be in their hands. We will therefore invest \$300,000 to develop a program for temporary overnight safe

spaces as one way of ensuring the safety and well-being of young Nunavummiut who find themselves in crisis.

Nunavummiut with complex needs that cannot easily be addressed in their homes will also be supported through an investment of \$2 million in existing residential care facilities. We will also continue to support those who need out-of-territory complex care until we are able to provide these services in Nunavut.

Promoting and strengthening social wellness is a clear priority for our Government. To that end, we will seek \$1.1 million to hire five new Regional Directors in the Family Wellness Branch of the Department of Family Services. This will increase the effectiveness of our regional coverage and enhance service delivery throughout Nunavut.

Problematic substance use and addictions impact the physical and mental health of many Nunavummiut, and together pose significant challenges to social wellness. We are determined to help Nunavummiut who struggle with drug and alcohol dependencies.

With this goal in mind, we are developing plans to construct a culturally-relevant treatment centre to help Nunavummiut to recover from problematic substance use and trauma using Inuit traditional counselling and healing programs.

Our Government recognizes the challenges of providing policing in small, remote communities. Not only are the police in the front lines when it comes to ensuring individual and community safety, they are often first responders to critical and life-threatening incidents.

In recognition of the important role they play and in response to community requests for more, not less police presence, we will seek \$1.5 million to fund six new regular RCMP members across Nunavut this fiscal year and another six over the next two years.

At the same time, and to bolster the capacity of the RCMP to better serve Nunavummiut, we propose to fund the RCMP's hiring of four Inuktitut speaking civilian officials within their Operational Command Centre. They will work directly with the dispatchers to answer calls - for this is often when Nunavummiut need help the most - and will assist the police in a way that better serves the language

and cultural needs of Inuit.

In all these investments in our future, we have not forgotten the past, those whose vision and efforts helped give shape to Nunavut. Of course, I refer to our Elders, the keepers of our traditional values, culture and language.

As we are all aware from past discussions, Nunavut does not have sufficient elder care facilities capable of attending to the needs of those who may need around-the-clock care. The result is that many older Nunavummiut must live in a facility in Ottawa. We must do all we can to ensure their health and to keep them in Nunavut, the place that formed them and which they formed in turn.

And we will. Our plans are now well advanced to build long-term care centres for our Elders in each of Nunavut's three regions. This will begin with the proposed construction of a 24-bed, long-term care centre in Rankin Inlet next summer. The next phase of our elder care plan will include a long-term care facility in both the Kitikmeot and Baffin regions.

Pivaallirutivut

This budget also looks to continue to grow our economy and enhance the infrastructure on which our future rests. Unlocking our economic potential in accordance with our cultural values is essential if we are to continue to grow and prosper.

To do that, we need more than money. We need to foster social wellness because healthy, nurturing and supportive relationships are the glue that holds families and society together. Our acute lack of housing is a matter of particular concern because social wellness is undermined by inadequate housing.

This is particularly the case with children and adolescents. Worldwide research shows that their healthy growth and development depend in large measure on the standard of their housing. Given the emphasis we are placing on educating our young people and preparing them for the future - our future - we are committed to giving them the best chance possible to succeed in life. We must take action to make sure that they have safe, secure and healthy homes.

There are far too many overcrowded houses and houses in need of repair in Nunavut and far too many

people who are essentially homeless and forced to continually seek temporary shelter.

Last year, we pressed the Government of Canada to play a stronger role in helping us deal with this problem. We fully intend to keep these discussions focused on our housing challenges as we go forward.

Until we can reach a satisfactory resolution with the Government of Canada that will enable us to address our housing shortfall, we will increase funding to the Nunavut Housing Corporation. Allocating an additional \$6.4 million will permit it to keep up with the costs of maintaining public and staff housing units.

Our 25 communities are the lifeblood of our territory. Nunavut is only as strong as its component parts and we intend to help make them stronger. We will therefore assist communities to develop their capacity for local decision-making by investing an additional \$1.74 million in the Municipal Funding Program.

We will also strengthen local community economic development initiatives by nearly doubling the amount of funding that can be administered from Department of Economic Development and Transportation regional offices from \$6.7 to \$12.5 million. Strengthening community capacity in this way will allow for greater local decision-making and increase program efficiency.

Nunavut lacks adequate transportation infrastructure. To enhance the crucial links among our communities and with other jurisdictions, the Department of Economic Development and Transportation will reallocate \$1.14 million to enhance airport operations, and is seeking to supplement this with an additional \$1.5 million in new money.

Importantly, we are also expanding our involvement in the design and development of Nunavut's marine infrastructure. We will be seeking \$200,000 in new funding so we can better shape upcoming federal investments in this area. This way, when we finally do get the harbours and ports Nunavummiut have been asking for, we can ensure they are designed to meet our needs.

We must have a coordinated approach if we are to benefit from the strength of our mining sector and provide employment to younger Nunavummiut. In response, we propose to invest \$250,000 to fund the

development of a Nunavut Mine Training Strategy. Once completed, it will help us to coordinate the available funding and other forms of support required to enable a greater number of Nunavummiut to participate in this growing sector of our economy.

Sivummuaqpalliajjutivut

Key to all our efforts is the need to help ensure better educational outcomes for Nunavummiut. The coming generations are vital for our future. They will one day take our places and must be prepared for the leadership roles they will assume.

One way to support better educational outcomes is to ensure that all our students get the support they need to succeed at their studies. At present, the Department of Family Services manages the Financial Assistance for Nunavut Students program in support of our students during their post-secondary studies.

To sharpen its focus on education and increase internal efficiencies, we plan to transfer this program to the Department of Education in April. We will also enhance the program with an additional allocation of \$1.9 million.

Ensuring the learning success of our school-age children also means in-school support services such as occupational, and physical therapies and speech-language pathology in grades K-12. We will therefore allocate a further \$1 million so that every school in Nunavut has access to these support services. Our goal is to make sure that every student has the support they need to succeed at their studies.

Our emphasis on educating young Nunavummiut is complicated, and we are working through a number of issues. They include things like language of instruction, what should be taught as part of school curricula, and how to recruit and train more teachers, particularly Nunavummiut with Inuktitut language skills.

Clearly, we need to keep increasing our high school graduation rates to maintain our forward momentum as a territory and ensure we have enough educated Nunavummiut to take on, create, and benefit from more and better paying jobs.

In 2011, Statistics Canada reported that our high school graduation rate was only 35%, far below the national average. Despite the impressive progress we have made in Nunavut in improving school graduation rates since then, we are still not graduating enough students to fill the skilled jobs currently available in the public and private sectors.

We simply need more skilled Nunavummiut, otherwise we will continue to be reliant on external expertise and workers from outside Nunavut.

Education is important for other reasons. The Public Health Agency of Canada identifies educational attainment as a key determinant of health. Given the health care funding challenges I have identified, promoting better educational outcomes in Nunavut must also be an essential component of our continuing efforts to improve the health outcomes of Nunavummiut.

Inuunivut

Importantly, this budget also aspires to help solidify our sense of who we are and what we have to offer to the diversity of Canada as a distinct territory with a vibrant Inuit culture.

Let us recall that one of the main driving forces behind the creation of Nunavut was our collective desire to protect our distinctive culture and language. For that reason, new Inuktitut resources are being developed, and have been made available in our schools to support the use of the Inuit language in learning.

For example, to improve literacy outcomes in Inuktitut, the Department of Education has created Inuktitut Titiqqiriniq, a comprehensive, balanced literacy program that includes materials for both students and teachers. To date, the department has developed over 600 student books and teacher resources in Inuktitut and over 250 student books and teacher resources in Inuinnaqtun.

I take this occasion to note that the United Nations has declared an International Decade of Indigenous Languages that will begin in 2022. The UN goal is to draw attention to the urgent need to take action to preserve, revitalize and promote indigenous languages worldwide.

Through our Official Languages Act and the Inuit Language Protection Act, Nunavut has become a role model for the protection of Indigenous languages on the national and world stages. However, the relentless pressure exerted on Inuktitut by more widely spoken languages like English means that we must do more.

It is not enough that we be able to speak our language at home or in casual settings. The reality is that, to increase the number of Nunavummiut capable of using Inuktitut as a language of learning, work and service delivery, more financial support will be necessary.

We are now seeking to renew the Canada-Nunavut Agreement on French Services and Inuktitut Language. It provides financial support that is critical to enable us to meet our legal obligations under federal and territorial statutes.

Last year, we received \$5.1 million from the Government of Canada for this purpose, but we need more. This is yet another area where we will continue to engage in discussions with the Government of Canada so we may have the resources required to protect and to promote Inuktitut now and for the future.

A glimmer of hope has been offered by the passage by Parliament last year of the Indigenous Languages Act. One of its main goals is to support Indigenous peoples to reclaim, revitalize, maintain and strengthen their languages.

Under this legislation, the Minister of Canadian Heritage is required to consult with Indigenous organizations about the federal funding needed to support our languages. Once these consultations occur, we are hopeful that, working with Nunavut Tunngavik Incorporated, we will be able to access another source of funds for our efforts to strengthen Inuktitut in Nunavut.

Katujjiqatigiinnivut

Of course, an essential goal of our proposed budget allocations is to strengthen our unity as we review and tighten our relationships with federal, Inuit and commercial partners.

In the same way that we have matured as a territory, so have our relationships. Not that long ago, the reality of our northern location, infrastructure needs and inability to derive revenues from most of Nunavut's lands and resources was overlooked or downplayed by the Government of Canada when it made decisions affecting us.

A good example was the 2016 federal announcement of an indefinite moratorium on offshore oil and gas development. This was done without consultation with either Nunavut or the Northwest Territories.

However, since then there seems to have been a change of attitude on the part of the Government of Canada. Our recent experience helping to develop the Arctic and Northern Policy Framework in partnership not only with Inuit, but also with a variety of Indigenous groups, six territorial and provincial governments, and the Government of Canada, shows that a new way of working together may be on the horizon.

The recognition by the Minister of Crown-Indigenous Relations that "made in Ottawa" policies are not the way to address the long-standing inequalities between the north and the rest of Canada is encouraging.

We look forward to building on this initiative and to moving forward to address the issues. I have already mentioned on a more solid base of increasing partnership and collaboration with the Government of Canada.

One area where this emerging partnership will be put to the test is in connection with Territorial Formula Financing. Without a strong tax base or resource revenues like those that fuel the economies of our provincial and territorial neighbours, we need to find another way of adequately funding our government operations.

Given the high costs of building infrastructure and delivering services to the many communities in our vast territory, a financing formula that recognizes Nunavut's unique expenditure needs would help us better deliver the public services that Nunavummiut - as Canadians - deserve.

The goal of this formula should be to enable Nunavut to catch up, not just keep up.

But no matter which financing model results from the discussions we intend to have with the Government of Canada, we must no longer be put in the position of having to go hat in hand to Ottawa for the funds required for our very existence.

That said, there is one area where our discussions with the Government of Canada have already made progress. As we are all aware, our devolution negotiations are underway and have resulted in an Agreement in Principle. Looking ahead, our focus will remain on securing the best outcomes for Nunavut, and for Nunavummiut. To this end, we will continue to work diligently to complete these negotiations.

Balancing our need for revenues derived from our lands and resources with our traditional Inuit values and the need to protect our fragile environment will not be easy. It will require that we work together with our closest partner, Nunavut Tunngavik Incorporated.

No partnership is more crucial to our future success. When we worked to develop the Arctic and Northern Policy framework, we had many partners. And necessarily so, for the Arctic encompasses many different peoples in many jurisdictions whose needs and aspirations must be reflected in this agreement.

But to ensure the future we all want for Nunavut, the importance of working closely and collaboratively with Nunavut Tunngavik Incorporated cannot be overstated. We have too much in common and too much at stake to allow anything to come between us. If we are truly to move forward as Inuit and as a territory, we must do so together.

In this vein, I am pleased to report that Nunavut Tunngavik Incorporated and the Government of Nunavut have renewed their commitment to work together. This most recent agreement, the Katujjiqatigiinniq Protocol, sends a strong signal about our unity and collective strength of purpose as we enter the next phase of our relationship.

Under our renewed protocol, I foresee a new era of cooperation as we pursue mutual goals, particularly as it concerns language and culture, land use and resource development.

The bilateral mechanisms created with Nunavut Tunngavik Incorporated under this protocol will enable us to pursue shared goals, particularly those related to the design of social and cultural programs and services under Article 32 of the Nunavut Agreement and the joint development of implementation and information-sharing policies.

This agreement can only make us stronger and more united as a territory, Mr. Speaker, and bodes well for the positive future that this budget envisages.

Conclusion

Before I close, Mr. Speaker, I want to return to something I said earlier in this budget address when I listed some of the challenges that we face.

The truth is that most of them remain unresolved and have been addressed in every budget by every minister of finance. And, every year, there is never enough money to deal with them.

But I also said that this was a budget of optimism about the future. That optimism rests on more than the slight increase in the transfer payments we received from Ottawa this year or the current economic surge we are experiencing.

It rests on something far more solid. It rests on who we are and how far we have come over the last 20 years. More and more, it also rests on *Turaaqtavut*, the roadmap we have given ourselves for our future growth.

All this contributes to our strength and maturity as a government. We are no longer young. We are able to stand on our own two feet and to work together with our major partners.

And, of course, we have much left to accomplish by working together - in partnership - with our chief funder, the Government of Canada. As you have heard me say throughout this address, we have much to discuss with the federal government including the TFF, the Canada Health Transfer, housing assistance, education and devolution.

But from now on when we have these discussions, I predict that it will be in the context of a true

partnership, something promised to us over 20 years ago by the former Prime Minister Jean Chrétien. On the first day of our existence as a territory he told our first Assembly:

“I want to assure you of the Government of Canada's commitment to being an active partner in your work and ensuring a new passage to the new millennium.”

We are now well into the new millennium and I look forward to continuing to hold the Government of Canada to its original commitment to work together with us.

Our partnership in getting the Arctic and Northern Policy Framework off the ground is a good example of what we can achieve, but there is a lot more work to be done.

Some of that work is laid out in this budget and we are readier than ever to get on with it.

I know I am.

I still have the work boots I wore when I gave last year's budget address, and plan to keep them on this year as we continue the hard work of moving our territory forward.

Thank you, Mr. Speaker.

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