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For Immediate Release

Achieving our goal; **Budget 2008 focuses on the future**

In keeping with its commitment to ensuring financial accountability, the Nunatsiavut Government has handed down a budget that lays the foundation for an economically-sound future for all Beneficiaries of the Labrador Inuit Land Claims Agreement.

“Our department must perform a balancing act of providing funding to operate for today, as well as ensure there are funds available for the future,” Finance Minister Diane Gear stated when delivering her budget speech to the Nunatsiavut House of Assembly on March 6. “Items included in this budget... will assist the Nunatsiavut Government to achieve our goal of implementing the Labrador Inuit Land Claims Agreement.”

Of the \$51,232,598 million budgeted for the 2008-09 fiscal year, which begins April 1, a total of \$22,065,168 will be used for the administration of Government. Of that amount, a total of \$9,052,000 will be used to offset costs associated with the construction of an administration building in Nain.

A total of \$29,169,430 is aside to deliver programs and services under the Fiscal Financing Agreement, as outlined in the Labrador Inuit Land Claims Agreement. (The Fiscal Financing Agreement is negotiated between the Nunatsiavut Government and the governments of Canada and Newfoundland and Labrador every five years, or at other intervals agreed to by the parties. It ensures funding is provided to the Nunatsiavut Government for the provision of programs and services to Inuit and other persons living in Inuit communities, at levels reasonably comparable to those generally prevailing in communities of similar size and circumstances in Labrador.)

Following is a breakdown of expenditures:

	<u>Administration</u>	<u>Fiscal Financing Agreement</u>
House of Assembly	\$ 1,632,461.00	
Nunatsiavut Secretariat	1,668,443.00	
Nunatsiavut Affairs	10,632,963.00	
Finance and Human Resources	3,685,372.00	3,187,337.00
Lands and Resources	2,485,028.00	230,000.00
Health and Social Development	133,077.00	12,783,000.00
Education and Economic Development	841,854.00	5,923,857.00
Tourism, Culture and Recreation	835,970.00	109,415.00
Inuit Community Governments		6,935,821.00
Inuit Community Corporations	150,000.00	

On the revenue side, the Nunatsiavut Government will receive about \$6 million in interest on the Labrador Inuit Land Claims Agreement fund; \$2.8 million from personal income tax (as per agreement with the Government of Canada and as outlined in the Labrador Inuit Land Claims Agreement); \$830,000 from the federal Goods and Services Tax (as per agreement with the Government of Canada); \$2.65 million from mining royalties, \$1,306,000 from the Fiscal Financing Agreement; and about \$430,000 from various projects. About \$8 million will be drawn from the Nunatsiavut Government Implementation Fund.

Other highlights include:

- establishing the language co-ordinator, currently funded through Government of Canada program dollars, as a core position with the Nunatsiavut Government;
- the hiring of a Director of Lands to help facilitate land transfers, assist in developing a Land Use Plan and to monitor activity taking place on the land;
- the hiring on an environmental assistant, on a contract basis, to alleviate additional work as a result of increased mining exploration activity within Labrador Inuit Lands, as well as the Labrador Inuit Settlement Area;
- the hiring of a website developer;
- a full-time position for the Membership Office to assist with day-to-day operations;
- the hiring of a Director of Economic Development;
- funding to enable a family to reside in Hebron and surrounding area for a three-month period this summer; and
- funding for community enhancement projects for Inuit Community Governments.

As well, the Member Services Committee of the Nunatsiavut Government is recommending a three (3) per cent annual wage increase for Assembly members, to be capped off at four years, resulting in the same salary scale format as management and similar to one applied to members of the Nunatsiavut Government Civil Service.

The Committee is also recommending that a severance package be paid to Assembly members upon termination, equivalent to one month's salary for each year of service. This is similar to other severance packages provided by other governments. It is also recommending Assembly members contribute to a defined pension plan, as is the case with Nunatsiavut Government civil servants.

"This fiscally-responsible budget has been designed for the future, setting a foundation for a strong and vibrant Nunatsiavut for all Beneficiaries," Minister Gear says.

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