



## News Release

### Budget Balances Prudence with Urgent Needs

**IQALUIT, Nunavut (May 18, 2004)** -- Minister of Finance Leona Aglukkaq has presented a budget that is prudent, reduces the cost of home ownership, strengthens support for those most in need and positions the territory to benefit from future devolution.

“Nunavut is preparing itself for future growth. By reorganizing government and maintaining controls over our fiscal situation we are taking the necessary steps to prepare for the benefits of greater autonomy through devolution and private sector economic expansion,” the minister said. “We recognize there is much to be done and only through cooperation can we get there. We need to secure further recognition by the federal government of the challenges for infrastructure, housing and social and environmental concerns within the territory.”

The territorial government, Nunavut Tunngavik Inc., Inuit organizations, other governments and the private sector need to work together to “create an environment to stimulate economic development and create new sustainable opportunities for Nunavummiut,” Aglukkaq said.

The budget is projecting a small deficit of just over \$13 million for the fiscal year, which will be financed out of the government’s cash reserves, which were accumulated during the territory’s first five years.

The budget includes a reduction in property taxes. Effective for the 2004 taxation year, the Education Component of the Nunavut Property Tax will be eliminated.

“This measure will benefit all property owners in Nunavut and will reduce the high cost of owning a home. We expect that this measure will help encourage home ownership,” Aglukkaq said.

Effective June 1, there will be a 10 percent increase to the food allowance component of the Income Support Program. The increase will help those most in need to deal with the high cost of food in Nunavut.

The minister underlined the government’s commitment to getting a devolution agreement in place with the federal government during this mandate, expanding the role of the private sector in wealth creation and generating new opportunities for non-decentralized communities.

The minister said, “having an agreement and the control over our own resources will help us develop our economy and provide employment and benefits to Nunavummiut.”

The 2004 territorial budget is Aglukkaq's first and is also the first budget of the Second Legislative Assembly.

-30-

Media Contact:

Phil Bourdeau  
Office of the Minister of Finance  
(867) 975-5007

**Attachment:** Budget Highlights