

News Release

Cabinet Issues Directive to Identify Savings

CHESTERFIELD INLET, Nunavut (September 14, 2006) - The Government of Nunavut cabinet has completed its annual retreat with a focus on the financial challenges of meeting government priorities while funding its current operations.

"The first 7 years of our government have been characterized by large scale investments in human resources and physical infrastructure. As our government operations mature we need to ensure that we adopt policies and practices that will preserve our ability to implement our public priorities," said Premier Paul Okalik.

In order to reverse the projected deficit in this year's budget cabinet has agreed on a directive to its Deputy Ministers to identify 10-million dollars in savings (1% of government operations) in the remainder of this fiscal year. The cabinet is also considering a range of options to deal with the cost fluctuations in the global oil market as well as domestic energy conservation initiatives.

The cabinet has reaffirmed its commitment to continue pressing the federal government to act on the recommendations of the federal review panel on Territorial Formula Financing. These recommendations would have a positive impact on Nunavut's budget pressures. Until the implementation of the recommended improvements to its federal government transfers the Government of Nunavut will adopt a conservative approach to its capital projects.

Further cabinet decisions regarding timelines for government legislative and spending priorities will be announced in the coming weeks.

Speaking on behalf of cabinet the local MLA and Minister, Patterk Netser, complimented the Mayor and Council for their efforts in assisting the cabinet to understand the challenges and successes of non-decentralized communities.

"By meeting in smaller communities the cabinet has an opportunity to see the impacts of its decisions in all areas of its operations. The Chesterfield Inlet hamlet council has been very effective in helping us understand its particular needs," said Netser.

At a traditional community feast the cabinet expressed its appreciation for the warm welcome it had received. At a meeting with the hamlet council the cabinet announced the provision of \$300,000 in funding for rock crushing needed for hamlet projects.

In Pinasuaqtavut, the mandate document for the second legislative assembly of Nunavut all members of the government committed themselves to improving economic development opportunities in non-decentralized communities.

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Media contact: Bill Clay, Premier's Office (867) 975-5059

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