

**NUNATSIAVUT GOVERNMENT
FISCAL FINANCING AGREEMENT**

THIS AGREEMENT made the *35* day of *November*, 2005

BETWEEN:

**HER MAJESTY THE QUEEN IN RIGHT OF CANADA, as represented by
the Minister of Indian Affairs and Northern Development**

("Canada")

AND:

**HER MAJESTY THE QUEEN IN RIGHT OF NEWFOUNDLAND AND
LABRADOR, as represented by Minister Responsible for Aboriginal Affairs**

("Province")

AND:

**LABRADOR INUIT, as represented by the President of the Labrador Inuit
Association**

("Nunatsiavut Government")

WHEREAS:

The Final Agreement provides that the Parties will negotiate a Fiscal Financing Agreement;

AND WHEREAS the Final Agreement provides in section 2.2.2 that on the Effective Date of the Final Agreement, the Nunatsiavut Government becomes the successor of the Labrador Inuit Association for the purposes of the Final Agreement.

NOW, in consideration of the premises and the covenants and agreements set out below, the Parties agree as follows:

NUNATSIAVUT GOVERNMENT
FISCAL FINANCING AGREEMENT

PART I:

1.0 Definitions

1.1 Words and expressions not defined in this Agreement but defined in the Final Agreement have the meanings ascribed to them in the Final Agreement.

1.2 In this Agreement:

"Agreement" means this Nunatsiavut Government Fiscal Financing Agreement and the Schedules;

"Chapter" means the Chapter of the Final Agreement;

"Effective Year" means the Fiscal Year that includes the Effective Date;

"Federal Own Source Revenue Inclusion" has the meaning ascribed to it in the "Nunatsiavut Government Own Source Revenue Capacity Agreement" entered into between Canada, the Province and the Labrador Inuit as represented by the Labrador Inuit Association;

"Final Agreement" means the Labrador Inuit Land Claims Agreement, entered into between Canada, the Province and the Inuit of Labrador as represented by Labrador Inuit Association dated January 22, 2005, as amended from time to time;

"Fiscal Year" means the period that commences on April 1st of a year and ends on March 31st of the next year;

"Generally Accepted Accounting Principles" means the accounting principles generally accepted in Canada from time to time and, if the handbook published by the Canadian Institute of Chartered Accountants or its successor includes a relevant statement of a principle or an accounting guideline, that statement shall be considered conclusively to be an accounting principle generally accepted in Canada;

"Inuit" has the meaning ascribed to it in clause (b) of the definition of Inuit in section 1.1.1 of the Final Agreement;

"Nunatsiavut Government Tax Revenue Sharing Agreement" means an agreement to be entered into between the Province and the Nunatsiavut Government for purposes of determining the amount of Provincial tax revenue from Beneficiaries and the proportion thereof to be shared with the Nunatsiavut Government for the purposes of Schedule C;

"Parties" means the parties to this Agreement and "Party" means any one of them;

**NUNATSIAVUT GOVERNMENT
FISCAL FINANCING AGREEMENT**

“**Schedule**” means Schedule A (Federally Funded Programs and Services), Schedule B (Federally Funded Programs and Services Base Funding Amounts and Adjustment Factors), or Schedule C (Provincially Funded Programs and Services); and

“**Subsidiary Agreement**” means a written agreement between the Province and the Nunatsiavut Government concluded under section 2.4, for one or more programs and services referred to in Schedule C.

Part II: Programs and Services

2.0 Programs and Services

- 2.1 The Nunatsiavut Government shall provide the programs and services described in parts A.1.0, A.2.0, A.4.0, A.7.0, A.10.0 and A.13.0 in accordance with the terms and conditions set out in this Agreement.
- 2.2 Canada shall provide funding to the Nunatsiavut Government for the provision of the programs and services referred to in section 2.1 in the amount calculated pursuant to part A.16.
- 2.3 The obligation of the Nunatsiavut Government to provide programs and services referred to in section 2.1 is contingent on receipt of funding from Canada under section 2.2.
- 2.4 The Nunatsiavut Government and the Province shall enter into negotiations from time to time for the purpose of concluding agreements for programs and services referred to in Schedule C, but nothing in this section shall require the Province to enter into negotiations with respect to a program or service referred to in Schedule C that is not generally available to all residents of Newfoundland and Labrador.
- 2.5 Subject to Subsidiary Agreements, the Province will provide the Nunatsiavut Government with funding to deliver the programs and services referred to in Schedule C to all residents of the Inuit Communities.
- 2.6 The obligation of the Nunatsiavut Government to provide programs and services under a Subsidiary Agreement is contingent on receipt of funding from the Province in accordance with Schedule C.

**NUNATSIAVUT GOVERNMENT
FISCAL FINANCING AGREEMENT**

Part III: General Provisions

3.0 Health Coordination

- 3.1 If the Parties agree, they will enter into discussions for the coordination of their respective health programs and services delivered in Labrador for the purposes of efficient and effective delivery of those health programs and services.
- 3.2 The Nunatsiavut Government shall uphold the principles of the *Canada Health Act* in the delivery of insured health services, if any, provided under this Agreement or any Subsidiary Agreement.

4.0 Separate Liabilities

- 4.1 The obligations and liabilities of Canada and the Province under this Agreement are separate.
- 4.2 Notwithstanding any other provision of this Agreement:
- (a) Canada is not a party to Schedule C or any Subsidiary Agreement and, for greater certainty, Canada shall not be subject to or bound by any obligation in Schedule C or any Subsidiary Agreement; and
 - (b) the Province is not a party to Schedule A or B and, for greater certainty, the Province shall not be subject to or bound by any obligation in Schedule A or B.

5.0 Parliamentary and Legislative Appropriations

- 5.1 Payment of any money by Canada under this Agreement is subject to there being an appropriation for such payment by the Parliament of Canada for the Fiscal Year in which the payment becomes due.
- 5.2 Payment of any money by the Province under a Subsidiary Agreement is subject to there being an appropriation for such payment by the House of Assembly of the Province for the Fiscal Year in which the payment becomes due.

6.0 Programs and Financial Accountability

- 6.1 All accounts and financial statements required to be prepared under this Agreement shall be prepared in accordance with Generally Accepted Accounting Principles.

**NUNATSIAVUT GOVERNMENT
FISCAL FINANCING AGREEMENT**

- 6.2 The Nunatsiavut Government shall with respect to all funds received under this Agreement:
- (a) within 120 clear days following the end of each Fiscal Year or such longer period as Canada and the Nunatsiavut Government may agree in writing, provide Canada with audited financial statements for the Fiscal Year just concluded for:
 - (i) the Nunatsiavut Government; and
 - (ii) each of the Inuit Community Governmentsprepared to a standard comparable to that generally accepted for similar governments in Canada;
 - (b) where it transfers those funds or any part of those funds to another Person to deliver programs and services for which it is responsible under this Agreement, require that adequate procedures are in place to establish program and financial accountability for those funds, including a requirement for financial audits, where appropriate;

prepare annual estimates for each program or service, setting out proposed objectives, financial allocations, and anticipated performance results for the next Fiscal Year and comparable performance data for the previous Fiscal Year; and

undertake a periodic evaluation of the effectiveness of programs and services delivered with such funds.

7.0 Information Exchange

- 7.1 The Parties shall share, in a timely manner, information reasonably required for purposes of implementation, monitoring, and renewal of this Agreement.
- 7.2 The Nunatsiavut Government shall collect and maintain information regarding the operations of the Nunatsiavut Government and the Inuit Community Governments in respect of programs and services delivered under this Agreement on a basis reasonably comparable to that of similar governments in Canada.
- 7.3 On request by Canada or the Province, copies of public reports shall be provided by the Nunatsiavut Government for the programs and services under this Agreement.
- 7.4 The Parties shall collect, share and disclose information under this Agreement in accordance with Law and section 2.19 of the Final Agreement.

**NUNATSIAVUT GOVERNMENT
FISCAL FINANCING AGREEMENT**

8.0 Term of this Agreement

8.1 This Agreement shall come into effect on the Effective Date and subject to section 9.2 expire at the end of the Fiscal Year in which the 5th anniversary of the Effective Date occurs.

9.0 Subsequent Fiscal Financing Agreement

9.1 One year before the date of expiry of this Agreement, or earlier if the Parties agree, the Parties shall begin negotiating the successor Fiscal Financing Agreement.

9.2 If this Agreement expires before the Parties have negotiated a successor Fiscal Financing Agreement, the terms of this Agreement shall continue in effect for a period of two years after its original expiry date, or any additional period agreed to by the Parties.

10.0 Status of Subsidiary Agreements

10.1 The Subsidiary Agreements do not form part of this Agreement.

11.0 Amendment

11.1 Except as otherwise provided in section 11.2 or 11.3 any amendment to this Agreement must be in writing and be executed by all Parties.

11.2 Any amendment to Schedule A or B must be in writing and be executed by Canada and the Nunatsiavut Government.

11.3 Any amendment to Schedule C must be in writing and be executed by the Province and the Nunatsiavut Government.

12.0 Administration

12.1 The Parties shall:

- (a) meet at least once a year or more frequently to review this Agreement;
- (b) do such things as are appropriate to facilitate the resolution of any issues that arise in respect of this Agreement; and
- (c) do such other things relating to this Agreement as the Parties may agree from time to time to be appropriate.

**NUNATSIAVUT GOVERNMENT
FISCAL FINANCING AGREEMENT**

12.2 Nothing in section 12.1 applies to:

- (a) the management of Schedules A and B as provided for in section A.20.1; and
- (b) the review of Schedule C as provided for in section C.7.1.

13.0 Default and Remedies

13.1 Each of the following is a default under this Agreement:

- (a) a Party fails to comply with a provision of this Agreement;
- (b) a Party gives or makes a representation, statement or report, required under this Agreement, that it knows or reasonably ought to know is false in a material way; or
- (c) the Nunatsiavut Government becomes bankrupt or insolvent or subject to any legislation in respect of bankruptcy, insolvency or winding up.

13.2 Before taking any action in respect of an alleged default under this Agreement, a Party shall notify the Party in alleged default and the other Party to this Agreement of the provision of this Agreement in respect of which the alleged default has occurred and, in reasonable detail, of the nature of the alleged default.

13.3 The Party in alleged default may, within 30 clear days of receipt of the notice, notify the other Parties, with reasons, that it does not agree that it is in default, but if it fails to so notify the other Parties it shall be in default.

13.4 Where the Party given notice under section 13.2 is in default, it shall within 30 clear days of the date of the determination that it is in default:

- (a) remedy the default; or
- (b) if the default is not capable of being remedied within the 30 clear day period, commence, and diligently continue, to remedy the default; and,
- (c) in either case, notify the other Parties within the 30 clear day period of the remedial action taken, or being taken, by it to remedy the default.

13.5 If the notice of default under section 13.2 is given in relation to the delivery of a program or service under Schedule A, then on giving at least 14 clear days notice to the other Parties of its intention to do so, Canada may:

**NUNATSIAVUT GOVERNMENT
FISCAL FINANCING AGREEMENT**

- (a) either directly, or under agreement with another Person, provide that program or service; and
- (b) deduct from payments that it has agreed to make under this Agreement the amount that it has paid to provide that program or service.

13.6 Nothing in section 13.5 shall relieve Canada from any loss, cost or damage that it may incur if it is subsequently determined that it was in error in its opinion that a default had occurred under this Agreement.

13.7 Notwithstanding any provision of this Agreement, the Nunatsiavut Government has no obligation under this Agreement in relation to a program or service during any period when the program or service is being provided by Canada or another Person under section 13.5.

13.8 A Party that gives notice of a default under section 13.2 may at any time waive the default for itself.

14.0 No Implied Waiver

14.1 No term or condition of this Agreement, or performance by a Party of a covenant under this Agreement, shall be deemed to have been waived unless the waiver is in writing and signed by the Party or Parties giving the waiver.

14.2 No written waiver of a term or condition of this Agreement, of performance by a Party of a covenant under this Agreement, or of default by a Party of a covenant under this Agreement, shall be deemed to be a waiver of any other covenant, term or condition, or of any subsequent default.

15.0 Further Assurances

15.1 The Parties shall execute any other documents and do any other things that may be necessary to carry out this Agreement.

16.0 Interpretation

16.1 In this Agreement:

- (a) unless it is otherwise clear from the context, “including” means “including, but not limited to”, and “includes” means “includes, but is not limited to”;

**NUNATSIAVUT GOVERNMENT
FISCAL FINANCING AGREEMENT**

- (b) headings and subheadings are for convenience only and do not form a part of this Agreement;
- (c) a reference to a Subsidiary Agreement includes every amendment to it and every agreement made in substitution for it or in replacement of it;
- (d) unless it is otherwise clear from the context, the use of the singular includes the plural, and the use of the plural includes the singular;
- (e) where a word is defined in this Agreement or in the Final Agreement, other parts of speech and tenses, have a corresponding meaning; and
- (f) all accounting terms have the meanings assigned to them under Generally Accepted Accounting Principles.

16.2 This Agreement is the entire agreement between the Parties and there is no representation, warranty, collateral agreement or condition affecting this Agreement unless otherwise provided in this Agreement, the Final Agreement, "Nunatsiavut Government Own Source Revenue Capacity Agreement", "Nunatsiavut Government Tax Revenue Sharing Agreement" or a Subsidiary Agreement.

16.3 This Agreement does not form part of the Final Agreement.

16.4 This Agreement is not a treaty or a land claims agreement and does not recognize or affirm aboriginal or treaty rights within the meaning of sections 25 and 35 of the *Constitution Act, 1982*.

16.5 The English version of this Agreement is the authoritative version.

17.0 Severability

17.1 If any provision of this Agreement is declared or held invalid for any reason, the invalidity of that part shall not affect the validity of the remainder which shall continue in full force and effect and be construed as if this Agreement had been executed without the invalid portion.

18.0 Enurement

18.1 This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

**NUNATSIAVUT GOVERNMENT
FISCAL FINANCING AGREEMENT**

19.0 No Assignment

19.1 Unless otherwise agreed by the Parties, this Agreement may not be assigned, either in whole or in part, by any Party.

20.0 Notices

20.1 Unless otherwise provided, a notice, document, request, approval, authorization, consent or other communication (each a "communication") required or permitted to be given or made under this Agreement must be in writing and may be given or made in one or more of the following ways:

- (a) delivered personally or by courier;
- (b) transmitted by facsimile transmission; or
- (c) mailed by prepaid registered post in Canada.

20.2 A communication shall be considered to have been given or made, and received:

- (a) if delivered personally or by courier, at the start of business on the next business day after the business day on which it was received by the addressee or a responsible representative of the addressee;
- (b) if sent by facsimile transmission and if the sender received confirmation of the transmission, at the start of business on the next business day on which it was transmitted; or
- (c) if mailed by prepaid registered post in Canada, when the postal receipt is acknowledged by the addressee.

20.3 A communication must be delivered, transmitted to the facsimile number or mailed to the address of the intended recipient set out below

For: Canada
Attention: *Minister of Indian Affairs and Northern Development*
House of Commons
Confederation Building
Ottawa, Ontario
K1A 0A6
Fax Number: *(819) 953-4941*

**NUNATSIAVUT GOVERNMENT
FISCAL FINANCING AGREEMENT**

For: Province
Attention: *Minister Responsible for Aboriginal Affairs*
P.O. Box 8700,
St. John's, Newfoundland and Labrador,
A1B 4J6
Fax Number: (709) 729-4900

For: Nunatsiavut Government
Attention: *President*
P.O. Box 70
Nain, Newfoundland and Labrador
A0P 1L0
Fax Number: (709) 922-2931

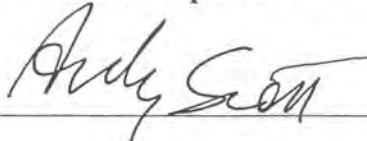
- 20.4 A Party may change its designate, address, or facsimile number by giving a notice of the change to the other Parties in the manner set out above.

**NUNATSIAVUT GOVERNMENT
FISCAL FINANCING AGREEMENT**

THIS AGREEMENT HAS BEEN EXECUTED as of the day and year first above written.

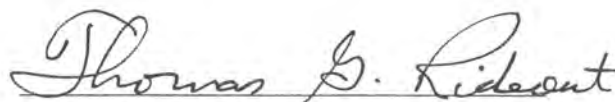
EXECUTED in the presence of:

) **HER MAJESTY THE QUEEN IN**
) **RIGHT OF CANADA** as represented
) **by Minister of Indian Affairs and**
) **Northern Development**

) 
) _____


EXECUTED in the presence of:

) **HER MAJESTY THE QUEEN IN**
) **RIGHT OF NEWFOUNDLAND AND**
) **LABRADOR** as represented by the
) **Minister Responsible for Aboriginal**
) **Affairs**

) 
) _____

EXECUTED in the presence of:

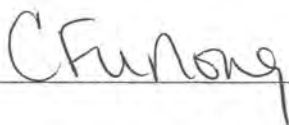
) **Minister for Intergovernmental Affairs**

) 
) _____

EXECUTED in the presence of:

) **LABRADOR INUIT** as represented by
) **the President of The Labrador Inuit**
) **Association**

) 
) _____

) 
) _____

**NUNATSIAVUT GOVERNMENT
FISCAL FINANCING AGREEMENT**

Schedule A

Federally Funded Programs and Services

Part A.1.0 Nunatsiavut Government and Inuit Community Governments

A.1.1 The Nunatsiavut Government shall provide executive and legislative functions, administration, management and operation of the Nunatsiavut Government, including:

- (a) maintenance of a public registry of the Labrador Inuit Constitution and Inuit Laws;
- (b) conduct of elections and referenda;
- (c) subject to Chapter 3 of the Final Agreement, the establishment of a procedure for enrolling beneficiaries under the Final Agreement and maintenance of the Register;
- (d) raising of revenue;
- (e) financial management and accountability; and
- (f) program accountability to Inuit.

A.1.2 The Nunatsiavut Government shall provide funding to the Inuit Community Governments for the provision of the following programs and services in the Inuit Communities:

- (a) management and operations of the Inuit Community Governments as provided by Inuit Law;
- (b) construction and maintenance of water and sewer facilities;
- (c) community development programs;
- (d) construction, renovation and repairs to housing; and
- (e) community services including fire protection and animal control.

Part A.2.0 Inuit Community Government Programs and Services Terms and Conditions

A.2.1 The Nunatsiavut Government shall use best efforts to ensure that the Inuit Community Governments:

**NUNATSIAVUT GOVERNMENT
FISCAL FINANCING AGREEMENT**

- (a) establish and publish a formally defined statement of eligibility criteria;
- (b) provide equality of access for eligible Persons; and
- (c) provide an impartial process for the appeal of administrative decisions related to the refusal to provide, or the discontinuance or reduction or variation of, programs and services;

in delivering the programs and services identified in section A.1.2

Part A.3.0 Inuit Community Government Programs and Services Reporting

A.3.1 The Nunatsiavut Government shall provide to Canada information on programs and services described in section A.1.2, on the same basis that other governments provide information to the statistical collection agencies of Canada and the Province for the same or similar programs and services.

Part A.4.0 Inuit Education Programs and Services

A.4.1 The Nunatsiavut Government shall make available to Inuit in the Labrador Inuit Settlement Area supplementary education programs and services including:

- (a) the development and delivery of supplementary education programs including Inuktitut language, teacher aides, and housing assistance for teachers; and
- (b) support for teacher training, adult education, and other educational services.

A.4.2 The Nunatsiavut Government shall make available to Inuit resident in Canada, financial support to attend accredited public post-secondary education or training institutions.

Part A.5.0 Inuit Education Terms and Conditions

A.5.1 In the delivery of financial support to Inuit to attend accredited public post-secondary education or training institutions referred to in section A.4.2, the Nunatsiavut Government shall provide that:

- (a) a formally defined schedule of types and amounts of financial support and criteria for eligibility is publicly available;
- (b) there is an impartial process for the appeal of an administrative decision to not provide, to discontinue, or to reduce services or financial support to a person; and

**NUNATSIAVUT GOVERNMENT
FISCAL FINANCING AGREEMENT**

- (c) there is an equality of access to programs and services by eligible Inuit.

Part A.6.0 Inuit Education Reporting

A.6.1 If information on enrolment and completion rates of Inuit students by gender and type of educational institution is not available from reports that the Nunatsiavut Government makes available to Canada under part 7.0, the Nunatsiavut Government shall, upon request, annually provide to Canada this information as collected by the Nunatsiavut Government or as provided to it by Persons acting on its behalf to deliver those programs and services.

Part A.7.0 Inuit Economic Development

A.7.1 The Nunatsiavut Government shall make available:

- (a) to Inuit and the Inuit Community Governments, community economic development programs and services to encourage and establish community control over economic development; and
- (b) to Inuit, Inuit Businesses, Inuit Governments and Inuit Government Corporations, programs and services to support employment and business development opportunities by enhancing the ability to effectively establish skill development programs, economic institutions and business enterprises.

Part A.8.0 Inuit Economic Development Terms and Conditions

A.8.1 In the delivery of the programs and services referred to in section A.7.1 the Nunatsiavut Government shall:

- (a) develop, and make publicly available, policies for the provision of funding, including eligibility criteria and funding limitations;
- (b) provide for an impartial process for the appeal of an administrative decision to not provide, to discontinue, or to reduce services or funding to a Person; and
- (c) provide for equality of access to programs and services by eligible Persons.

Part A.9.0 Inuit Economic Development Reporting

A.9.1 If information on the programs and services referred to in section A.7.1 is not available from reports that the Nunatsiavut Government make available to Canada under part 7.0, the Nunatsiavut Government shall, upon request, annually provide to Canada this

**NUNATSIAVUT GOVERNMENT
FISCAL FINANCING AGREEMENT**

information as collected by the Nunatsiavut Government or as provided to it by Persons acting on its behalf to deliver those programs and services.

Part A.10.0 Inuit Health Program and Services

A.10.1 The Nunatsiavut Government shall make available the following:

- (a) to Inuit resident in the Inuit Communities community health programs and services relating to health promotion, disease prevention and aftercare, including:
 - (i) addictions prevention and aftercare services;
 - (ii) community healing programs including traditional healing practices and mental health programs and services; and
 - (iii) home and community care;
- (b) to Inuit resident in the Upper Lake Melville Area, community health programs and services relating to health promotion, disease prevention and aftercare, excluding public health nursing but including:
 - (i) addictions prevention and aftercare services;
 - (ii) community healing programs including traditional healing practices and mental health programs and services; and
 - (iii) home and community care; and
- (c) to all residents in the Inuit Communities, public health programs including immunization and communicable disease control; and
- (d) to Inuit resident in Newfoundland and Labrador, non-insured health benefits including patient transportation, vision care, drugs, and medical supplies and equipment.

A.10.2 Upon the commencement of year 2 of this Agreement and thereafter, the Nunatsiavut Government shall make available to all Inuit resident in Canada non-insured health benefits including patient transportation, vision care, drugs, medical supplies and equipment, crisis intervention, mental health counseling, and dental services.

**NUNATSIAVUT GOVERNMENT
FISCAL FINANCING AGREEMENT**

Part A.11.0 Inuit Health Terms and Conditions

A.11.1 The Nunatsiavut Government shall deliver the programs and services referred to in subsection A.10.1(c) in accordance with public health standards generally applicable in the Province.

A.11.2 With respect to the programs and services referred to in subsection A.10.1(d) and section A.10.2, the Nunatsiavut Government shall:

- (a) prepare and make public a formally defined schedule of benefits specifying types of assistance available, rates of assistance and conditions and criteria for eligibility;
- (b) provide an impartial process for the appeal of an administrative decision not to provide, to discontinue or to reduce services or benefits to a person; and
- (c) provide equality of access to programs and services by eligible Inuit.

A.11.3 Until the Nunatsiavut Government assumes responsibility for the delivery of the programs and services referred to in section A.10.2, it shall continue to deliver the programs and services referred to in subsection A.10.1(d) in accordance with the existing Health Canada benefit schedules.

Part A.12.0 Inuit Health Reporting

A.12.1 If the following health status and delivery information is not available from reports the Nunatsiavut Government makes available to Canada or the Province under part 7.0, the Nunatsiavut Government shall, upon request of any Party, provide information on:

- (a) immunization;
- (b) communicable diseases; and
- (c) births and deaths of Inuit and other persons in the Inuit Communities.

Part A.13.0 One Time Start-Up Governance Activities

A.13.1 The Nunatsiavut Government will undertake the following one time start up activities:

- (a) develop core Inuit Laws and set up a registry for Inuit Laws;

communications and consultation for the initiation of implementation of the Final Agreement;

**NUNATSIAVUT GOVERNMENT
FISCAL FINANCING AGREEMENT**

initial training and capacity building; and

(d) initial establishment of a public accountability framework.

A.13.2 The Nunatsiavut Government shall undertake the following time limited activities in support of fisheries management in the Labrador Inuit Settlement Area:

(a) the continued operation of the counting fence on English River to assess the status of the Atlantic salmon stock, including:

(i) annual installation, maintenance and removal of the fence;

(ii) collection of biological characteristics for Atlantic salmon, Arctic char and trout; and

(iii) measurement of basic environmental parameters; and

(b) in cooperation with the Department of Fisheries and Oceans, conduct:

(i) other monitoring for the purpose of gathering detailed information on the number of fish caught in the Inuit Domestic Fishery and fisheries access in Upper Lake Melville;

(ii) reporting of activities that are harmful to fish habitat and participating in other habitat matters, habitat enhancement activities, assessing water levels and fish ways and collecting samples, all in accordance with procedures agreed to by the Nunatsiavut Government and the Department of Fisheries and Oceans; and

(iii) any other monitoring and enforcement functions outlined in any Department of Fisheries and Oceans and Nunatsiavut Government Memorandum of Understanding respecting fisheries enforcement in the Labrador Inuit Settlement Area.

Part A.14.0 Limitations on Access to Existing Federal Programs and Services

A.14.1 During any fiscal year when payments are made to the Nunatsiavut Government under part A.16 in respect of the programs and services identified in Schedule B, the Nunatsiavut Government and Inuit shall not be eligible to participate in or benefit from federal programs and services that address, to the same extent, the following:

**NUNATSIAVUT GOVERNMENT
FISCAL FINANCING AGREEMENT**

- (a) programs and services as described in the most recent "Canada-Newfoundland and Labrador Inuit Communities of Labrador Agreement" between Indian and Northern Affairs and the province of Newfoundland and Labrador;
- (b) Community Economic Development Program (CEDP), Post-Secondary Student Support Program (PSSP), Indian Studies Support Program (ISSP), and Cultural Education Centres (CEC) all as described in the most recent "Direct Funding Agreement" between Indian and Northern Affairs Canada (Atlantic Region) and the Labrador Inuit Association;
- (c) First Nations and Inuit Home and Community Care (FNIHCC), Health Careers (HC), HIV/AIDS Strategy, Non-Insured Health Benefits Program (NIHB) and the Tobacco Control Strategy (TCS) all as described in the most recent "Consolidated Contribution Agreement (Transfer/Targeted Programs)" with Health Canada; and
- (d) programs and services described in the most recent "Aboriginal Fisheries Strategy (AFS) Contribution Agreement" with the Department of Fisheries and Oceans Canada.

A.14.2 Section A.14.1 also applies to a program or service that replaces a program or service referred to in subsection A.14.1(a)(b)(c) or (d) to the extent the replacement program or service covers a program or service referred to in subsection A.14.1(a)(b)(c) or (d).

Part A.15.0 Additional Federally Funded Programs and Services

A.15.1 At any time during the term of this Agreement, the Nunatsiavut Government may notify Canada that it wishes to enter into discussions on the potential addition to the programs and services and funding arrangements set out in this Schedule of the programs and services and funding under its existing:

- (a) "Aboriginal Human Resource Development Agreement" with Human Resources and Skills Development Canada; or
- (b) "Contribution Agreement for Treatment Centres ("Saputjivik")" with Health Canada, First Nations and Inuit Health Branch.

A.15.2 Canada and the Nunatsiavut Government shall commence discussions within six months after the date the notice referred to in section A.15.1 is given to Canada or any other date agreed to by Canada and the Nunatsiavut Government.

**NUNATSIAVUT GOVERNMENT
FISCAL FINANCING AGREEMENT**

A.15.3 Within the time frame identified in section A.15.2, Canada and the Nunatsiavut Government shall meet and attempt to reach agreement on the addition of any programs and services to this Schedule.

Part A.16.0 Net Transfer Calculation and Payment

A.16.1 The net transfer by Canada to the Nunatsiavut Government for a Fiscal Year is:

- (a) the total amount set out in Table 3 of Schedule B; less
- (b) the amount of the Federal Own Source Revenue Inclusion as calculated pursuant to part 11.0 of the "Nunatsiavut Government Own Source Revenue Capacity Agreement".

A.16.2 Notwithstanding section A.16.1, the net transfer by Canada to the Nunatsiavut Government for a Fiscal Year shall not be reduced below \$2,500,000.

A.16.3 The net transfer by Canada to the Nunatsiavut Government for a Fiscal Year shall be paid:

- (a) for the Effective Year, in equal instalments, commencing on the first day of the first month that starts on or after the Effective Date, and quarterly thereafter until the end of the Effective Year; and
- (b) for a Fiscal Year after the Effective Year, on the first day of April for that year in an amount equal to one-fourth of the net transfer for that Fiscal Year, and on the first day of every third month of that Fiscal Year in an amount equal to one-fourth of the net transfer amount for that Fiscal Year.

A.16.4 The payment by Canada to the Nunatsiavut Government shall include annual adjustments in accordance with the adjustment formulas set out in Schedule B.

Part A.17.0 Stabilization of Funding

A.17.1 If an extraordinary event or circumstance occurs that materially impairs the financial ability of the Nunatsiavut Government to provide the programs and services for which Canada provides funding under this Agreement, on request of the Nunatsiavut Government to Canada, Canada and the Nunatsiavut Government shall:

- (a) meet as soon as possible to review all aspects of the extraordinary event or circumstance in detail, including its impact on the delivery of the programs and services and what financial or other assistance, if any, has been or will be provided

**NUNATSIAVUT GOVERNMENT
FISCAL FINANCING AGREEMENT**

to the Nunatsiavut Government, in consequence of the extraordinary event or circumstance, under programs of general application;

- (b) examine whether and how the impact of the extraordinary event or circumstance on the delivery of those programs and services might be mitigated; and
- (c) decide whether they will enter into negotiations to enable the Nunatsiavut Government or any other Person to provide the programs and services at levels reasonably comparable to those prevailing in communities of similar size and circumstance in Labrador during the period necessary for the impact of the extraordinary event or circumstance on the ability of the Nunatsiavut Government to deliver those programs and services to come to an end.

Part A.18.0 Extraordinary Funding Increase

A.18.1 In this part, "Extraordinary Funding Increase" means a one time or a cumulative increase of funding over two consecutive Fiscal Years of 5% or more to a program funding area for aboriginal groups that are not party to this Agreement or to any self-government agreement given effect by specific federal legislation. Such increase must be in excess of the percentage increase resulting from adjustment factors similar to those set out in Schedule B.

A.18.2 Subject to section A.18.3, where Canada makes an Extraordinary Funding Increase for the delivery of programs or services in an area in which the Nunatsiavut Government has and is exercising authority:

- (a) Canada shall advise the Nunatsiavut Government; and,
- (b) Canada and the Nunatsiavut Government shall meet to discuss whether a similar increase in funding for the Nunatsiavut Government would be appropriate, and, if so, to agree on terms and conditions for that funding increase.

A.18.3 Factors to be considered in the discussion contemplated in section A.18.2 shall include whether:

- (a) the Extraordinary Funding Increase is financed through new funding appropriated by Parliament;
- (b) the conditions that gave rise to the Extraordinary Funding Increase are also present in the Nunatsiavut Government context; and

**NUNATSIAVUT GOVERNMENT
FISCAL FINANCING AGREEMENT**

- (c) the Nunatsiavut Government would be prepared, where appropriate, to accept additional program and service delivery responsibilities associated with the Extraordinary Funding Increase.

Part A.19.0 Discretion to Allocate Financial Resources

A.19.1 Subject to the terms of this Agreement, the Nunatsiavut Government has the discretion to allocate and expend the funding transferred to it by Canada under this Agreement.

Part A.20.0 Implementation

A.20.1 In order to properly manage Schedules A and B, Canada and the Nunatsiavut Government shall:

- (a) meet at least once a year to carry out an annual review of Schedules A and B;
- (b) during the first two years of this Agreement, establish terms of reference for a comprehensive review of Schedules A and B to be carried out under paragraph (c); and
- (c) during the fourth year of this Agreement carry out a comprehensive review of Schedules A and B.

Part A.21.0 Disputes

A.21.1 Canada and the Nunatsiavut Government shall use best efforts to resolve any dispute arising between them in relation to this agreement by informal discussion and agreement.

NUNATSIAVUT GOVERNMENT
FISCAL FINANCING AGREEMENT

Schedule B

Federally Funded Programs and Services Base Funding
Amounts, Adjustment Factors and Methodology for Updating Figures to Effective
Date

- Table 1 -

Department of Indian and Northern Affairs and Department of Fisheries and
Oceans 5 Year Funding Summary

- Table 2-

Health Canada 5 Year Funding Summary

- Table 3 -

Summary of Block Transfer

**NUNATSIAVUT GOVERNMENT
FISCAL FINANCING AGREEMENT**

Schedule C

Provincially Funded Programs and Services

Part C.1.0 Provincially Funded Programs and Services

C.1.1 Pursuant to Subsidiary Agreements, the Province agrees to provide funding to the Nunatsiavut Government to deliver to all residents of the Inuit Communities programs and services the Province makes available to residents of Newfoundland and Labrador, including:

- (a) health programs and services including:
 - (i) primary and emergency health care services;
 - (ii) early intervention and prevention services;
 - (iii) community based services;
 - (iv) home care services; and
 - (v) child, youth and family services and youth corrections services;
- (b) education programs and services including:
 - (i) primary, elementary and secondary education;
 - (ii) student support services; and
 - (iii) special education and ancillary services;
- (c) income support programs and services including:
 - (i) social assistance;
 - (ii) employment and career services;
 - (iii) prenatal mother baby nutritional supplement;
 - (iv) emergency social services; and
 - (v) assistance to non-Canadians; and
- (d) justice programs and services including:

**NUNATSIAVUT GOVERNMENT
FISCAL FINANCING AGREEMENT**

- (i) community corrections;
- (ii) policing services; and
- (iii) victim services.

C.1.2 A Subsidiary Agreement shall include:

- (a) arrangements for the representation of Non-Beneficiaries on any boards or equivalent institutions or arrangements governing the provision of the programs and services provided under the Subsidiary Agreement;
- (b) procedures under which all residents of the Inuit Communities may appeal decisions that affect them arising from the provision of the programs and services under the Subsidiary Agreement;
- (c) in accordance with part 7, arrangements for the collection, transfer, exchange and confidentiality of data, statistics, information and records;
- (d) remedies to be taken if there is a chronic and persistent failure to ensure that a program, service or facility provided by the Nunatsiavut Government meets requirements set out in section 17.13.1 and 17.13.3 of the Final Agreement and that failure places the health and safety of residents of Labrador Inuit Lands or an Inuit Community at significant risk;
- (e) conditions that address:
 - (i) defaults and remedies;
 - (ii) dispute resolution; and
 - (ii) Nunatsiavut Government financial reporting and accountability; and
- (f) other terms and conditions as may be negotiated.

Part C.2.0 Provincial Programs and Services Funding

C.2.1 Funding provided by the Province to the Nunatsiavut Government under all Subsidiary Agreements for the delivery of programs and services to all residents of the Inuit Communities for a Fiscal Year shall be subject to annual appropriation and be the sum of:

**NUNATSIAVUT GOVERNMENT
FISCAL FINANCING AGREEMENT**

- (a) Provincial funding for the cost of programs and services for Beneficiaries established pursuant to part C.3.0; and
- (b) Provincial funding for the cost of programs and services for Non-Beneficiaries established pursuant to part C.6.0.

Part C.3.0 Cost of Program and Services Funding for Beneficiaries

C.3.1 Provincial funding for the cost of programs and services for Beneficiaries for a Fiscal Year shall be the cost of providing programs and services for Beneficiaries in accordance with all Subsidiary Agreements less the sum of:

- (a) Provincial tax revenue from Beneficiaries shared pursuant to part C.4.0; and
- (b) Nunatsiavut Government Own Source Revenue established pursuant to part C.5.0.

Part C.4.0 Sharing of Provincial Tax Revenue from Beneficiaries

C.4.1 The amount of Provincial tax revenue from Beneficiaries to be provided to the Nunatsiavut Government for a Fiscal Year shall be the Provincial tax revenue from Beneficiaries to be shared with the Nunatsiavut Government pursuant to a Tax Revenue Sharing Agreement multiplied by the ratio of the cost of the programs and services for Beneficiaries to be provided under all Subsidiary Agreements for the Fiscal Year to the total cost of all programs and services that would, in the absence of the Subsidiary Agreements, be provided by the Province directly to Beneficiaries in the Inuit Communities for the same Fiscal Year.

Part C.5.0 Nunatsiavut Government Own Source Revenue

C.5.1 The amount of Nunatsiavut Government Own Source Revenue for a Fiscal Year shall be the amount determined pursuant to section 12 of the Nunatsiavut Government Own Source Revenue Agreement multiplied by the ratio of the cost of the programs and services for Beneficiaries to be provided under all Subsidiary Agreements for the Fiscal Year to the total cost of all programs and services that would, in the absence of the Subsidiary Agreements, be provided by the Province directly to Beneficiaries in the Inuit Communities for the same Fiscal Year.

Part C.6.0 Provincial Programs and Services Funding for Non-Beneficiaries

C.6.1 Provincial programs and services funding for Non-Beneficiaries under all Subsidiary Agreements for a Fiscal Year shall be the cost of provincial programs and services to Non-

**NUNATSIAVUT GOVERNMENT
FISCAL FINANCING AGREEMENT**

Beneficiaries in the Inuit Communities delivered on behalf of the Province by the Nunatsiavut Government under all Subsidiary Agreements.

Part C.7.0 Review

C.7.1 The Province and the Nunatsiavut Government shall meet at least once a year to review the implementation of this Schedule.