

**MOVING FORWARD IN NUNAVUT:  
AN AGREEMENT RELATING TO SETTLEMENT OF  
LITIGATION AND CERTAIN IMPLEMENTATION MATTERS**



# SETTLEMENT AGREEMENT

**BETWEEN:**

**THE INUIT OF NUNAVUT AS REPRESENTED BY  
NUNAVUT TUNNGAVIK INCORPORATED**

**(hereafter "NTI")**

**and**

**THE GOVERNMENT OF CANADA AS REPRESENTED BY THE MINISTER OF INDIAN AFFAIRS AND  
NORTHERN DEVELOPMENT**

**(hereafter "GoC")**

**and**

**THE GOVERNMENT OF NUNAVUT AS REPRESENTED BY THE  
PREMIER OF NUNAVUT**

**(hereafter "GN")**

WHEREAS the parties wish to settle the action commenced in the Nunavut Court of Justice by the Inuit of Nunavut as represented by Nunavut Tunngavik Incorporated against the Attorney General of Canada, and the third party claim commenced by the Attorney General of Canada against the Government of Nunavut (Court File No. 08-06-713-CVC); and

WHEREAS the parties wish to resolve certain other matters concerning implementation of the 1993 Agreement Between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in right of Canada ("the Nunavut Agreement");

The parties therefore agree as follows:

## **PART I - Settlement of Litigation**

1. The GoC and NTI agree as follows:
  - (a) in settlement of the claims for damages and costs, the GoC will pay the sum of 255.5 Million Dollars (\$255,500,000) to NTI, or as provided in a signed Direction from NTI. The GoC will make its best efforts to pay such sum within 45 days of the signing of this Settlement Agreement. In no event will payment be made later than 75 days after the signing of this Settlement Agreement;
  - (b) forthwith after the signing of this Settlement Agreement, the action (Nunavut Court of Justice File 08-06-713-CVC) will be dismissed without costs on consent; and,
  - (c) NTI will, upon payment of the sum in (a), provide a duly executed Release to the GoC of any and all claims advanced in the action (Nunavut Court of Justice File 08-06-713-CVC) in the form set out in Schedule A.
  
2. The GoC and the GN agree that forthwith after the signing of this Settlement Agreement, the Third Party claim in the action (Nunavut Court of Justice File 08-06-713-CVC) will be dismissed without costs on consent.

## **PART II - Other Implementation Matters**

3. The parties agree that:
  - (a) the commitments made in Part II of this Settlement Agreement will be the focus of their ongoing implementation efforts for the matters dealt with in this Settlement Agreement for the planning period ending March 31, 2023. These commitments are intended to contribute to making progress on implementation of the Nunavut Agreement and building more cooperative relationships;
  - (b) ongoing implementation matters, particularly in relation to matters not dealt with in this Settlement Agreement, will be dealt with through the Nunavut Implementation Panel and other mechanisms available under the Nunavut Agreement as appropriate; and,
  - (c) they are under no obligation to enter into any further negotiations with respect to renewal of the Implementation Contract until April 1, 2022.

The GoC and NTI agree as follows:

### **Article 24 of the Nunavut Agreement**

4. The GoC will establish a Nunavut Agreement-specific policy that will apply to the procurement by the GoC of goods, services, leases, and construction delivered within or

into the Nunavut Settlement Area. The Nunavut Agreement-specific policy will be a policy instrument approved by Treasury Board. The policy instrument will provide for its mandatory application to all federal departments and agencies falling under the authority of Treasury Board. For departmental corporations and Crown corporations that are within the definition of "Government of Canada" in Section 24.1.1 of the Nunavut Agreement but are not under the authority of Treasury Board, the GoC will take steps to bring the Nunavut Agreement-specific policy to the attention of such departmental corporations and Crown corporations.

5. In developing and maintaining the Nunavut Agreement-specific policy, the GoC will engage in close consultation with NTI, including on the potential elements of the policy instrument which are the subject of exploratory discussions between the GoC and NTI and which are set out in the draft working documents in Schedule B ("Potential Elements of a Federal NLCA Article 24 Procurement Policy" and "Government of Canada November 2014 NLCA Article 24 Procurement Policy Instrument Development Proposed Work Plan"). The draft working documents in Schedule B are subject to further revision. Notwithstanding the reference in Schedule B to bid differentials, it is agreed that the Nunavut Agreement-specific policy will not include bid differentials.
6. The GoC will make all reasonable efforts to complete and adopt the Nunavut Agreement-specific policy by December 31, 2015, and will, in any event, complete and adopt the policy by July 31, 2016.

7. The GoC will develop, in close consultation with NTI, supporting tools such as an interactive desktop tool, templates, and checklists, to assist in effective and consistent application of the Nunavut Agreement-specific policy. Consultation on the development and drafting of the supporting tools will be completed by October 1, 2016.

The GoC, GN and NTI agree as follows:

### **Funding for Institutions of Public Government**

8. The GoC will provide funding to the Nunavut Impact Review Board, the Nunavut Water Board, the Nunavut Planning Commission, the Nunavut Wildlife Management Board, and the Nunavut Surface Rights Tribunal for each of the 10 fiscal years that begins with the 2013-14 fiscal year and ends with the 2022-23 fiscal year, in accordance with Schedule C (“Funding for Institutions of Public Government, Hunters and Trappers Organizations and Regional Wildlife Organizations”). The funding for the Nunavut Wildlife Management Board includes funding for Hunters and Trappers Organizations and Regional Wildlife Organizations.

### **Article 23 of the Nunavut Agreement**

#### ***Funding for Article 23 Implementation***

9. The GoC will commit a total of 50 Million Dollars (\$50,000,000) over the period ending March 31, 2023, to fund initiatives and activities to increase the employment of Inuit in

the GoC and the GN in the Nunavut Settlement Area in accordance with Article 23 of the Nunavut Agreement.

10. The funding referred to in paragraph 9 will be available commencing in the 2015-16 fiscal year. The amount of funding allocated may vary from year to year and any funds unexpended in a fiscal year will carry over to future years; however, at least 5 Million Dollars (\$5,000,000) will be made available each year to fund Article 23 implementation, unless less than 5 Million Dollars (\$5,000,000) remains unallocated from the overall total of 50 Million Dollars (\$50,000,000).
11. The parties recognize the central importance of making needed progress in the implementation of Article 23 in relation to both the GoC and the GN. The funds referred to in paragraph 9 will be available primarily to Government and the allocation of funds will generally take into account the relative number of GoC and GN employees in the Nunavut Settlement Area. These funds may also be available to third parties to support initiatives and activities to increase the employment of Inuit in Government in the Nunavut Settlement Area. Funding provided to the GN or third parties will be made available on a flexible and prompt basis, subject to such reasonable terms and conditions as the GoC may determine.
12. Subject to the GoC's ultimate accountability for the expenditure of funds, proposed allocations of funding will be discussed and reviewed by the Implementation Panel. Following such discussion and review, the Implementation Panel will provide a

recommendation on whether funding should be provided and on any terms and conditions that should be attached to the funding. If the Implementation Panel is unable to arrive at a unanimous recommendation, the members of the Implementation Panel may provide individual recommendations.

***Nunavut Inuit Training Corporation***

13. A Nunavut Inuit Training Corporation (“Training Corporation”) will be incorporated as a non-profit corporation by NTI to hold and manage training moneys allocated by NTI through the Direction provided pursuant to this Settlement Agreement. The purpose of the Training Corporation will be to provide funding and other support for training and initiatives to provide skills and qualifications to enhance the preparedness of Nunavut Inuit for Government and other employment. The Training Corporation will have a Board of Directors composed of seven directors, two of whom will be nominated by the GN and five by NTI.
14. The amount that is to be held and managed by the Training Corporation will be paid to NTI and will be held by NTI in a segregated fund pending incorporation of the Training Corporation.
15. The activities and initiatives of the Training Corporation do not displace or minimize the obligations of the GoC or the GN under Article 23. The activities and initiatives of the Training Corporation are intended to complement and supplement training and other measures carried out by the GoC and the GN pursuant to Article 23.



16. The parties acknowledge that cooperation and coordination in the development and implementation of training and related initiatives is essential. The Training Corporation will have an Advisory Council that will include representation from the GN, GoC and NTI. The function of the Advisory Council will be to provide advice and views to the Training Corporation on effective use of the Training Corporation's funds and to ensure that the activities of the Training Corporation are coordinated with the training and other activities of the GoC and the GN pursuant to Article 23.
17. In the allocation of funds by the Training Corporation, the Training Corporation will give first consideration to training proposals from the GN that also seek funding from the funding referred to in paragraph 9.
18. The Training Corporation may be given a suitable Inuit language name.

***Nunavut Inuit Labour Force Analysis***

19. The parties acknowledge that for the successful implementation of Article 23, a Nunavut Inuit Labour Force Analysis ("NILFA") that satisfies the requirements and objectives of Part 3 of Article 23 must be effectively designed and implemented, and then adjusted and updated on an ongoing basis as needed. The parties also acknowledge that the NILFA must be sufficiently detailed and thorough to assist Government departments and agencies to develop effective Inuit employment plans and pre-employment training plans.

20. The NILFA will be developed as outlined in Schedules D and E of this Settlement Agreement.
21. The NILFA will be carried out using data from multiple sources and using a variety of analytical tools.
22. The parties acknowledge that new survey instruments are required to be developed to obtain additional and more accurate data.
23. The cost of developing, carrying out and maintaining the NILFA will be borne by the GoC and will be funded from sources other than the 50 Million Dollars (\$50,000,000) of Article 23 implementation funding referred to in paragraph 9.
24. The GoC will consult closely with NTI and the GN in carrying out an enhanced NILFA, the new survey instruments, the survey content, the implementation of the survey, and the analysis of the survey results.

***Inuit Employment Plans and Pre-Employment Training Plans***

25. In developing and implementing Inuit employment plans and pre-employment training plans under Part 3, Part 4, and Part 5 of Article 23, the GoC and the GN recognize that whole-of-government coordination within each of the GoC and the GN is critical to the successful implementation of Inuit employment plans and pre-employment training plans. Accordingly each of them will:

- (a) establish a central Inuit employment and training coordination office within its Government;
- (b) establish a coordinated approach to departmental Inuit employment plans and pre-employment training plans, including master plans, within its Government;
- (c) ensure that its departments and agencies prepare and adopt detailed action plans, which include timelines and objectives, to give effect to Inuit employment plans and pre-employment training plans;
- (d) ensure that Inuit employment plans and pre-employment training plans reflect on an ongoing basis the data and analyses obtained from the work described in Schedules D and E to produce the NILFA; and,
- (e) ensure that its departments and agencies have regard to the following:
  - (i) Inuit employment plans and pre-employment training plans need to be very precise and specific in laying out the steps that will be taken to achieve goals;
  - (ii) successful development and implementation of Inuit employment plans requires:

(A) expanding Inuit access to employment through removal of existing barriers and new and creative recruitment, retention and promotion policies, practices and procedures;

(B) development and implementation of training priorities, including the expansion of certain key programs and the establishment of new training programs; and,

(C) cooperation with NTI in respect of the development and implementation of Inuit employment plans and pre-employment training plans.

26. An independent review of the implementation of Article 23 pursuant to Section 23.7.1 of the Nunavut Agreement will be carried out no later than 6 years after the signing of this Settlement Agreement. The cost of the independent review will be borne by the GoC and any contracts awarded by the GoC for the review will be in accordance with federal contracting policy.

27. In planning and carrying out training and other activities related to the implementation of Article 23, the GoC, the GN, and the Training Corporation will seek to coordinate efforts so as to avoid duplication and make effective use of available resources.

## **Dispute Resolution**

28. As soon as practicable, but in no event later than 150 days from the signing of this Settlement Agreement, the Nunavut Agreement will be amended in accordance with the procedure in Section 2.13.1 of the Nunavut Agreement, to replace the current provisions of Article 38 of the Nunavut Agreement with the provisions in Schedule F (“New Dispute Resolution Process”) together with such consequential amendments as may be necessary.

## **Implementation Funding for GN**

29. The GoC will provide funding to the GN for implementation activities as set out in Schedule G (“GN Implementation Funding”). This funding includes funding for implementation of the Territorial Parks Inuit Impact and Benefit Agreement. The payments owing for the periods prior to the fiscal year in which this Settlement Agreement is signed, will be made as soon as practicable after the signing of this Settlement Agreement. Consistent with current practice, when the GN is unable to spend all of the funds allocated to it in a specific year, the unexpended funds may be carried over to future years, provided that this is not intended to permit carry over of funds for an indefinite period. For greater certainty, nothing in this paragraph will be

interpreted as an admission by the GN of the adequacy of the implementation funding amounts.

### **Consultation, Coordination and Timelines**

30. The consultation and coordination responsibilities of the parties under this Settlement Agreement will be carried out diligently and in a manner that will:
- (a) contribute to making substantial and consistent progress with respect to the broad objectives of the Nunavut Agreement and the specific objectives of this Settlement Agreement;
  - (b) endeavour to achieve consensus; and,
  - (c) accommodate the priorities and preferences of Nunavut Inuit to the extent it is practicable to do so.
31. In the event that a party determines, on reasonable grounds, that it may be unable to meet a deadline specified in this Settlement Agreement, it will give notice to that effect to the other party or parties concerned. The parties will then consider such additional reasonable and appropriate measures that could be taken to ensure the deadline is met, or, in the event that a delay appears unavoidable, such reasonable measures that could be taken to ensure that any delay is as short as possible. Consent to a replacement deadline will not be unreasonably withheld. In the event of any delay, the parties

concerned will take reasonable steps to minimize any negative consequences of the delay.

## **General**

32. This Settlement Agreement does not form part of the Nunavut Agreement and is not intended to be a land claims agreement within the meaning of section 35 of the *Constitution Act, 1982*.
33. This Settlement Agreement will be interpreted in a manner consistent with the Nunavut Agreement and in the event of a conflict or inconsistency between the Settlement Agreement and the Nunavut Agreement, the Nunavut Agreement will prevail.
34. The parties maintain their respective legal positions regarding the Nunavut Agreement and its interpretation, and no admission in respect thereto is made through or in this Settlement Agreement. The measures provided for in Part II of this Settlement Agreement are without prejudice to the position of any party on whether the GoC or the GN has an obligation to provide such measures or the adequacy of such measures.
35. The parties agree that the next renewal of the Implementation Contract will be for a planning period commencing April 1, 2023.
36. The Schedules attached to this Settlement Agreement form part of this Settlement Agreement.

37. Words defined in the Nunavut Agreement have the same meaning in this Settlement Agreement unless the context requires otherwise.



## **Schedule A - Release**

### **1. Release regarding existing court proceeding**

NTI releases and forever discharges the defendant the Attorney General of Canada ("Canada"), its Ministers, officers, directors, employees, servants and agents and their successors and assigns, from any and all actions, causes of action, claims and demands for damages, declarations, indemnity, or other remedies, costs, interest and loss or injury of whatever kind or nature advanced in the existing legal action commenced on December 6, 2006, in the Nunavut Court of Justice, court file number 08-06-713-CVC and related matters in the Court of Appeal of Nunavut.

### **2. No admission of Liability**

Canada, its Ministers, officers, directors, employees, servants, agents or their successors or assignees, admit no liability regarding Nunavut Court of Justice court file number 08-06-713-CVC. Nor does the content of this document constitute an admission of liability by Canada, its Ministers, officers, directors, employees, servants, agents or their successors or assignees, to any matters described herein.

### **3. Indemnity and Vigorous Defence**

NTI shall indemnify and forever save harmless Canada from all manner of suits and actions, causes of actions, claims, demands, damages, costs or expenses, liability and entitlement, initiated, made or incurred after the date of the execution of this release against Canada with respect to any matter released pursuant to paragraph 1 of this document, instituted by any one or more of:

- (a) an Inuk referred to in 2.14.1 of the Nunavut Land Claims Agreement;
- (b) Institutions of Public Government as defined in the Nunavut Land Claims Agreement;
- (c) an Organization as defined in Part 1 of the Nunavut Land Claims Agreement a Regional Inuit Association, or any entity controlled by NTI or a Regional Inuit Association, or the heirs, successors or assigns of such an entity; or

- (d) an Inuit firm as defined in Article 24 of the Nunavut Land Claims Agreement, or the successors or assigns of such a firm;
- 4. Notwithstanding clause 3(b) of this Release, NTI has no obligation to indemnify or save Canada harmless from any damages, costs, expenses, liability or entitlement incurred in connection with the application commenced on August 18, 2014, in the Federal Court by the Nunavut Planning Commission against the Minister of Aboriginal Affairs and Northern Development Canada and the Attorney General of Canada (Court File No. T-1773-14).
- 5. If Canada is the subject of a claim, demand, action, or proceeding that may give rise to a requirement for NTI to provide payment to it under this indemnity:
  - (a) Canada will vigorously defend the claim, demand, action, or proceeding; and
  - (b) Canada will not settle or compromise the claim, demand, action, or proceeding except with the consent of NTI, which consent will not be arbitrarily or unreasonably withheld or delayed.

6. Payment

In consideration for the provisions of this release, Canada will pay NTI \$255,500,000 and other good and valuable consideration as set out in the Settlement Agreement dated \_\_\_\_\_, and the receipt and sufficiency of such consideration is acknowledged by NTI.

**Schedule B**

**Potential Elements of a Federal NLCA Article 24 Procurement Policy**

## **1. Inuit-Specific Set-asides**

Canada is exploring ideas for an NLCA Inuit-specific set-aside policy for procurements subject to the NLCA. The analysis of and discussions on such a potential policy would include the following among other considerations:

- a) An Inuit set-aside would be a procurement restricted for the exclusive bidding of NLCA Inuit firms on the NLCA Inuit Firm list.
- b) An Inuit set-aside would be Canada's NLCA procurement tool of first choice, subject to the enabling conditions which apply to PSAB set-asides and to Canada's procurements generally, i.e., meeting the operational requirement, evidence of capacity amongst Inuit firms, sound and practical procurement management, and best value for Canada (which is not strictly a dollar determinant).
- c) Inuit set-asides would generally resemble PSAB Aboriginal set-asides except that participation will be restricted to Inuit firms.
- d) Inuit firms would remain eligible to compete for contracts which are set aside under PSAB for Aboriginal firms on Industry Canada's national list of Aboriginal firms.
- e) It would be necessary to determine the circumstances for mandatory versus voluntary Inuit set-asides. The PSAB framework could provide guidance.
- f) Dollar thresholds for Inuit set-asides would need to be established. The PSAB framework could provide guidance.
- g) Set-aside procurements would have to be justifiable in terms of value for money, i.e. inputs (e.g., dollars, effort) versus measurable outputs (e.g., increased Inuit firm capacity).
- h) Capacity is central to the use of any set-aside. Low or non-existent Inuit firm capacity, in some business sectors, could be detrimental to the success of set-aside procurements for Inuit firms, requiring that procurements be re-issued. Avoiding this situation is why Canada's NLCA procurement tool kit would contain alternatives to Inuit set-asides.
- i) Canada would determine whether Inuit set-asides would occur within a modified PSAB framework or within a new and separate policy framework.

## **2. Inuit Bid Differential**

Canada is exploring ideas for an NLCA Inuit bid differential policy for procurements subject to the NLCA. The analysis of and discussions on such a potential policy would include the following among other considerations:

- a) A federal NLCA Inuit bid differential (IBD) in the evaluation process would be applied to the bids of NLCA Inuit firms. An effective percentage would need to be determined.
- b) It would be necessary to determine when an IBD would be employed in relation to other NLCA procurement tools such as Inuit set-asides and Inuit benefits plans.
- c) An IBD would apply to those goods and services procurements that could benefit from it.

- d) An IBD would need clear objectives including the objective of increasing the capacity of Inuit firms.
- e) An IBD's objectives would be reflected in its criteria and rates.
- f) An IBD would have to be justifiable in terms of value for money, i.e. inputs (e.g., dollars, effort) versus measurable outputs (e.g., increased Inuit firm capacity).
- g) The outcomes would have to be measurable. Data would need to be routinely collected so that the efficacy of the IBD could be reviewed periodically.

### **3. Inuit Targeted Measures / Benefits Plans**

Canada is exploring ideas for an NLCA Inuit targeted measures / benefits plan policy for procurements subject to the NLCA. The analysis of and discussions on such a potential policy would include the following among other considerations:

- a) 'Targeted measures' are employment, training, and sub-contracting benefits for NLCA Inuit beneficiaries and beneficiary firms which a successful bidder is required to guarantee and to report upon as a condition of contract performance.
- b) The general objective of targeted measures would be conformity to Canada's NLCA Article 24 obligations.
- c) The specific objective of targeted measures would be ensuring, in larger value contracts, that maximum socio-economic benefits flow to Inuit beneficiaries and Inuit beneficiary firms regardless of whether the prime contractor is an Inuit firm.
- d) Targeted measures, to be reflected in a bidder's benefits plan, include the following according to the nature and circumstances of the procurement:
  - i. Nature and extent of sub-contracting to Inuit firms.
  - ii. Nature and extent of goods acquisitions from Inuit firms.
  - iii. Nature and extent of Inuit employment.
  - iv. On the job training and skills development for Inuit employees.
  - v. Other measures to provide benefits which the bidder might propose.
- e) Where practicable and consistent with sound procurement management, all competitive solicitations for NLCA procurements, other than for goods, will address targeted measures by requiring bidders to provide an 'Inuit benefits plan'.
- f) In competitive NLCA acquisitions, other than for goods, the Contracting Officer would evaluate the extent to which each bidder proposes to provide Inuit with socio-economic benefits through a benefits plan. Dollar thresholds would be developed, which among other things reflect that the effort involved in requiring and implementing a benefits plan must be justifiable in relation to smaller contract size.
- g) If an Inuit benefits plan is required, it will be required whether or not the bidder is an Inuit beneficiary firm or a non-beneficiary firm.

- h) The contractor's commitments to provide targeted measures, as set out in its Inuit benefits plan, will be a measure of contract performance and thus a condition of full payment.
  - i. The prime contractor must provide verifiable documentation of benefits delivered.
  - ii. 'liquidated damages' may be included in contracts where applicable.
- i) The requirement for targeted measures, to be set out in a benefits plan, will be guided by Canada's flexibility to require such measures in light of international trade agreements which may apply.

#### **4. Enforceability**

- a) A federal NLCA Procurement Policy ('Policy') would have as its authority Canada's NLCA treaty obligations and instructions received from Cabinet. A viable policy business case would have to be presented to Cabinet in order to obtain Cabinet approval.
- b) Adherence to the Policy, by all federal departments and agencies, would be mandatory.
- c) A web-based interactive tool, under development, would be adjusted to reflect a Policy agreeable to the Parties under terms of a settlement.
- d) The interactive tool would ensure that Contracting Officers apply the Policy consistently and correctly whenever the requirement involves the delivery of goods, services, or construction into the Nunavut Settlement Area.
- e) Reporting measures will be established for the new policy requirements.
- f) A statistical report, on socio-economic benefits to Inuit delivered through Canada's NLCA procurements, would be provided on an annual basis. The format would need to be developed.

Schedule B - cont'd

WITHOUT PREJUDICE

**GOVERNMENT OF CANADA  
NOVEMBER 2014**

**NLCA ARTICLE 24 PROCUREMENT POLICY INSTRUMENT  
DEVELOPMENT**

**PROPOSED WORK PLAN**

**CONCEPT**

- A *Nunavut Land Claim Agreement Procurement Policy* instrument ("Policy") would apply to the procurement of goods, services, and construction delivered within or into the NLCA settlement area, consistent with the NLCA.
- It would provide consistency, among all departments and agencies engaged in NLCA procurement in meeting Canada's NLCA procurement obligations.
- The Policy instrument would be developed in close consultation with NTI.
- A Treasury Board (TB) 'policy instrument' would make the NLCA Procurement Policy instrument mandatory for all departments and agencies. Approval for the policy instrument would be sought through a submission.

**TIMELINE**

The timeline seeks to establish, and then implement, an NLCA Procurement Policy instrument and maximum up-front effort would be made to achieve the Policy instrument by Fall 2015.

Consultation on drafts and development of the supporting tools (templates, checklist, clauses, etc.) will take place from May 2015 to May 2016.



NLCA-specific Inuit Set-asides ("Inuit Set-asides")	
Activity	Results
Development of NLCA-specific Inuit set-asides	Design NLCA-specific Inuit set-asides, addressing questions like mandatory vs. voluntary, thresholds, relation to NLCA Inuit Benefit Plans, reporting mechanisms, etc.
Develop conditions on when and how to employ NLCA-specific Inuit set-asides	Address questions like capacity, commodity-splitting, relation to PSAB set-asides, etc.
NLCA Inuit Benefits Plans ("IBPs")	
Activity	Results
Develop instructions on utilizing NLCA IBP's	<ul style="list-style-type: none"> <li>a. when to employ NLCA IBP's</li> <li>b. thresholds</li> <li>c. commodities</li> <li>d. when and how to employ NLCA IBP's, depending on capacity, to achieve maximum benefits</li> <li>e. determining capacity</li> <li>f. roles and responsibilities contracting officer / project authority</li> <li>g. determining the most appropriate method to evaluate benefits</li> <li>h. determining the most appropriate method of selecting the successful bidder when benefits form part of the evaluation</li> <li>i. reporting requirements for contractors on benefits achieved</li> <li>j. amendments to a contractor's obligations to provide benefits</li> </ul>
Develop instructions on engagement with NFI and/or Industry	Purposes include determining capacity, advisory roles, template documents (agendas, invitation letters) etc)
Develop standard solicitation and contract clauses	Standard templates / clauses to include NLCA IBP's in procurement documents. The clauses and templates can be adjusted depending on the specific needs of the procurement as required.
Develop templates for NLCA IBP's	Includes templates for lower dollar value, lower complexity requirements and high dollar value large scale procurements that can be adjusted depending on the specific needs of the procurement as required.

PSAB Enhancement	
Activity	Results
<p>Changes to the Aboriginal Business Directory (ABD) allow NLCA Inuit firms to register in the ABD</p>	<ul style="list-style-type: none"> <li>Under PSAB, NLCA Inuit Firms could be identified as "Aboriginal Businesses", as that term is used in the Treasury Board Contracting Policy Notices (CPN) that established PSAB, if they meet all of the requirements of the CPNs. Based on Article 24, NTI examines only whether businesses are owned by Inuit and does not examine businesses to ensure that they also are controlled by Inuit. However, businesses certified by NTI as Inuit Firms could be recognized as Aboriginal Businesses for the purposes of PSAB if they met the "control" requirement required by the CPNs (in this case control by Inuit). AANDC proposes that a list of Inuit Firms be added to the ABD at certain times each year (to be determined) as information is received from NTI. The ABD would indicate which businesses are Inuit Firms only (those that have been certified as Inuit Firms by NTI without considering the control requirement) and which Inuit Firms have been checked by AANDC to ensure that they meet the control requirement mandated by CPNs. Inuit Firms that have been checked by AANDC and meet the control requirement could be considered also to be Aboriginal Businesses as that term is defined in the CPNs.</li> <li>In order to balance the mandated requirements of PSAB and NTI's needs, the ABD to be changed to allow a business to identify as:             <ol style="list-style-type: none"> <li>Self-declared Aboriginal business (no audit conducted) status quo;</li> <li>Certified Inuit Firms under the NLCA;</li> <li>Certified via audit as PSAB-compliant as of [date].</li> </ol> </li> </ul>
<p>Identification of business-seeking joint ventures</p>	<p>A visible and searchable check box will show that a business is open to joint ventures. This may increase Aboriginal and Inuit capacity in areas, provide jobs and experience for smaller businesses and expand the scope and size of contracts which a business can bid on.</p> <p>To encourage and facilitate registration of NLCA Inuit firms, AANDC could prioritize resources and conduct a "blitz" by sending officers to Iqaluit, where many Inuit firms have head offices, and assist in filling out ABD registration forms.</p>
<p>Concentrated registration, facilitated by AANDC</p>	<ul style="list-style-type: none"> <li>AANDC would provide outreach sessions to Inuit businesses in Inuittitut on PSAB &amp; Procurement 101 in collaboration with PWGSC</li> <li>AANDC is willing to translate its ABD and PSAB videos into Inuktitut. These are useful resources for Inuit firms.</li> </ul>
<p>Increasing capacity of NLCA Inuit-owned business through communication &amp; outreach</p>	<p>(This cell is mostly obscured by a heavy grey pattern in the original image)</p>

Policy Instrument Development/Implementation/Enforcement	
Activity	Results
Develop a NLCA-specific Policy Instrument	A policy framework in sufficient detail to be agreeable to the parties.
Develop interactive desk-top tool	Interactive tool which reflects the Policy Instrument, in both official languages, including integral learning module and help function, ready to go live in pilot mode 1 May 2015.
TB consideration of the Policy Instrument	A submission seeking approval of the Policy Instrument, addressing main elements incl. gica.net (etc.) reporting; the Policy Instrument to be published simultaneously with interactive tool's launch; provides info and guidance on a suite of procurement implementation tools.
Refine the interactive tool as required	The tool reflects the Policy Instrument in all fundamentals, remaining details filled in and adjustments made as result of pilot evaluation.

**Schedule C – Funding for Institutions of Public Government, Hunters and Trappers Organizations and Regional Wildlife Organizations**

**Funding for Institutions of Public Government**

1. The GoC will provide funding for the 10-year period that commences with the 2013-14 fiscal year to the Nunavut Wildlife Management Board (NWMB), Nunavut Water Board (NWB), Nunavut Impact Review Board (NIRB), Nunavut Planning Commission (NPC) and Nunavut Surface Rights Tribunal (NSRT) as follows:

(a) On April 1, 2015, the Institutions of Public Government will receive the below amounts for the fiscal years 2013-14 to 2015-16 inclusive. Each amount consists of existing funding to be provided in 2015-16 as well as an increase in funding for 2013-14, 2014-15 and 2015-16.

NWMB \$5,388,254

NWB \$7,192,981

NIRB \$7,439,128

NPC \$7,200,006

NSRT \$ 368,324

(b) On April 1 in each of the 7 fiscal years after 2015-16, the NWMB, NWB, NIRB, NPC and NSRT will receive an adjusted amount equal to the total funding for the previous year multiplied by an Adjustment Factor. The core funding for each Institution of Public Government for 2015-16, as included in the totals referenced in Section 1(a), is:

NWMB \$4,329,101

NWB \$4,260,383

NIRB \$4,406,840

NPC \$5,202,593

NSRT \$ 279,350

The Adjustment Factor is determined through the following formula:

$$AF_{FYN} = FDDIPI_{\text{second quarter of FYN-1}} / FDDIPI_{\text{second quarter of FYN-2}}$$

Whereby:

$AF_{FYN}$  = The adjustment factor for a given fiscal year or "N".

$FDDIPI_{\text{second quarter of FYN-1}}$  = The Final Domestic Demand Implicit Price Index for the second quarter of the fiscal year preceding "N".

$FDDIPI_{\text{second quarter of FYN-2}}$  = The Final Domestic Demand Implicit Price Index for the second quarter of the fiscal year preceding "N-1".

The Adjustment Factor for fiscal year "N" is equal to the quotient obtained by dividing the Final Domestic Demand Implicit Price Index (FDDIPI) for the second quarter of the immediately preceding fiscal year "N" by the Final Domestic Demand Implicit Price Index for second quarter of the fiscal year preceding "N-1".

The Final Domestic Demand Implicit Price Index is determined through the first published value of the Final Domestic Demand Implicit Price Index for the second quarter of the fiscal year as released by Statistics Canada in the *National Economic and Financial Accounts, Quarterly Estimates (Second Quarter)*, or its successor publication.

- (c) Funding provided to each of the NWMB, NWB, NIRB, and NPC includes funding in the aggregate amount of 1 Million Dollars (\$1,000,000) over 10 years divided equally between these Institutions of Public Government and which may be used toward the cost of the Nunavut Marine Council; and
- (d) When funding is required for costs related to public hearings or reviews, a proposed budget will be submitted to the Implementation Panel for review and the Panel may provide recommendations with respect to the proposed funding.

## Funding for Hunters and Trappers Organizations and Regional Wildlife Organizations

2. The GoC will provide funding for Hunters and Trappers Organizations (HTOs) in Nunavut for the 10-year period commencing April 1, 2013, as follows:

(a) On April 1, 2015, HTOs will receive \$5,207,138 for the fiscal years 2013-14 to 2015-16 inclusive. This amount consists of existing funding to be provided in 2015-16 as well as an increase in funding for 2013-14, 2014-15 and 2015-16.

(b) On April 1 in each of the 7 fiscal years after 2015-16, HTOs will receive an adjusted amount equal to the total funding for the previous year multiplied by an Adjustment Factor. The core funding for 2015-16, as included in the total referenced in Section 2 (a), is \$4,326,538.

The Adjustment Factor is determined through the following formula:

$$AF_{FYN} = FDDIPI_{\text{second quarter of FYN-1}} / FDDIPI_{\text{second quarter of FYN-2}}$$

Whereby:

$AF_{FYN}$  = The adjustment factor for a given fiscal year or "N".

$FDDIPI_{\text{second quarter of FYN-1}}$  = The Final Domestic Demand Implicit Price Index for the second quarter of the fiscal year preceding "N".

$FDDIPI_{\text{second quarter of FYN-2}}$  = The Final Domestic Demand Implicit Price Index for the second quarter of the fiscal year preceding "N-1".

The Adjustment Factor for fiscal year "N" is equal to the quotient obtained by dividing the Final Domestic Demand Implicit Price Index (FDDIPI) for the second quarter of the immediately preceding fiscal year "N" by the Final Domestic Demand Implicit Price Index for second quarter of the fiscal year preceding "N-1".

The Final Domestic Demand Implicit Price Index is determined through the first published value of the Final Domestic Demand Implicit Price Index for the second quarter of the fiscal year as released by Statistics Canada in the *National*

*Economic and Financial Accounts, Quarterly Estimates (Second Quarter)*, or its successor publication.

- (c) The total funding for HTOs each year will be provided to the NWMB and disbursed by the NWMB to individual HTOs.

### **Funding for Regional Wildlife Organizations**

- 3. The GoC will provide funding for Regional Wildlife Organizations (RWOs) in Nunavut for the 10-year period commencing with the 2013-14 fiscal year, as follows:

- (a) On April 1, 2015, the RWOs will receive the below amounts for the fiscal years 2013-14 to 2015-16 inclusive. Each consists of existing funding to be provided in 2015-16 as well as an increase in funding for 2013-14, 2014-15 and 2015-16.

- Kivalliq RWO    \$974,046

- Kitikmeot RWO    \$1,080,017

- Qikiqtani RWO    \$2,055,327

- (b) On April 1 in each of the 7 fiscal years after 2015-16, RWOs will receive an adjusted amount equal to the total funding for the previous year multiplied by an Adjustment Factor. The core funding for each RWO for 2015-16, as included in the totals referenced in Section 3 (a), is:

- Kivalliq RWO    \$469,839

- Kitikmeot RWO    \$511,397

- Qikiqtani RWO    \$970,552

Each year the amount will be escalated based on the specific adjustment factor for that year. The new amount is calculated by multiplying the final amount for the previous year by the Adjustment Factor.

The Adjustment Factor is determined through the following formula:

$$AF_{FYN} = \text{FDDIPI}_{\text{second quarter of FYN-1}} / \text{FDDIPI}_{\text{second quarter of FYN-2}}$$

Whereby:

$AF_{FYN}$  = The adjustment factor for a given fiscal year or "N".

$FDDIPI_{\text{second quarter of FYN-1}}$  = The Final Domestic Demand Implicit Price Index for the second quarter of the fiscal year preceding "N".

$FDDIPI_{\text{second quarter of FYN-2}}$  = The Final Domestic Demand Implicit Price Index for the second quarter of the fiscal year preceding "N-1".

The Adjustment Factor for fiscal year "N" is equal to the quotient obtained by dividing the Final Domestic Demand Implicit Price Index (FDDIPI) for the second quarter of the immediately preceding fiscal year "N" by the Final Domestic Demand Implicit Price Index for second quarter of the fiscal year preceding "N-1".

The Final Domestic Demand Implicit Price Index is determined through the first published value of the Final Domestic Demand Implicit Price Index for the second quarter of the fiscal year as released by Statistics Canada in the *National Economic and Financial Accounts, Quarterly Estimates (Second Quarter)*, or its successor publication.

(c) Funding for RWOs each year will be provided to the NWMB and disbursed by the NWMB to the RWOs.

#### **Alternative Inflation Adjustment Factor**

4. Nothing in this Schedule limits future discussions concerning a Nunavut-specific inflation adjustment formula.



**Schedule D – Preliminary Activities, and Associated Timelines, to be Undertaken to Support the Nunavut Inuit Labour Force Analysis in the First 18 to 24 months Following Settlement Agreement**

1. The parties undertake to participate in an active and timely manner in the activities described below.

**Nunavut Inuit Labour Force Analysis Technical Working Group**

2. A Nunavut Inuit Labour Force Analysis (“NILFA”) technical working group, consisting of technical experts from GoC, GN and NTI, will be struck. This working group will constitute a forum to discuss the ongoing updating and maintenance, of a NILFA as required by Article 23, Part 3 of the Nunavut Agreement.
3. The NILFA technical working group will meet (via teleconference or in person), at a minimum, on a quarterly basis starting immediately after signing of the Settlement Agreement.
4. Terms of reference for this group will be finalized within three (3) months of signing.

**In-Service Employee Survey**

5. The GoC will fund and conduct an employee survey of Nunavut Inuit who are ‘in-service’ in the GoC or the GN in the Nunavut Settlement Area. This survey will be completed within two (2) years of signing of the Settlement Agreement. The primary purpose of this survey work will be to collect information to support the development of Inuit employment plans, as well as pre-employment training plans. Once the Settlement Agreement is signed by the parties, survey work will be carried out as follows:
  - (a) the GoC to undertake work with NTI and GN in development of the questionnaire to be used in the employee survey;
  - (b) data to be collected from GN and GoC employees in the Nunavut Settlement Area;
  - (c) data obtained through this survey instrument will be provided to the GN and NTI through a shared data file, which will be available within two (2) years of the signed Settlement Agreement; and,

- (d) a NILFA, which includes, among other things, an analysis of the employee survey data, will be available within two-and-a-half (2.5) years of the signed Settlement Agreement.

6. The GoC will be responsible for data collection for GoC and GN employees. The GN will facilitate collecting data for GN employees by providing key information (e.g., e-mail addresses for all employees) to the GoC, as per the timelines required to deliver a shared data file within two (2) years of signing of the Settlement Agreement as per 5(c) above. The GN and GoC will also support the survey collection activities by sending introductory and reminder letters to employees.

#### **Gathering of Additional Qualitative Information and Testing of New Survey Questions**

7. Through the NILFA technical working group, the GoC will engage NTI and the GN in the development of a questionnaire to be used in a 500-person public opinion research survey to be conducted in the Nunavut Settlement Area in 2015. As part of the public opinion research project, the GoC will conduct “qualitative testing” of a new set of questions aimed at assessing Inuit availability, interest and level of preparation for government employment in the Nunavut Settlement Area.

8. The GoC will also fund focus groups or key informant interviews, within 18 to 24 months of signing the Settlement Agreement. The GoC will utilize the NILFA technical working group to engage the participation of NTI and the GN in the development of such tools (as well as of the analysis of data collected) that will aim to further understand Inuit availability, interest and preparedness for government employment in areas deemed to be a priority to support the further development and implementation of both Inuit employment plans and pre-employment training plans.

#### **Further Analysis Using Existing Data Sources**

9. Within three (3) months of signing the Settlement Agreement, the GoC will provide an analysis – the NILFA version 2014 – to NTI and GN. This analysis goes beyond the 2012 analysis and will include information regarding: labour force status and level of educational attainment disaggregated to the community level; literacy, numeracy and problem-solving skills in a technologically rich environment; participation in traditional activities; and, the social, economic and cultural context in which Inuit of Nunavut make decisions about government employment. The analysis will be used by the NILFA technical working group as a basis for

discussing the additional information needs for the NILFA. The analysis will first be provided, in draft form, to the technical working group for its review and recommendations.

10. Within 18 months of signing the Settlement Agreement, the GoC will conduct an analysis of additional existing sources, provided that these additional sources are available to the GoC (e.g. Aboriginal Peoples Surveys 2001, 2006, and 2012; Survey of Living Conditions in the Arctic (SLiCA), Nunavut Household Survey, Nunavut Municipal Training Organization (MTO) data, and additional qualitative and quantitative data provided by either the GN and/or NTI). The GoC will utilize the NILFA technical working group to engage the participation of NTI and the GN in development of this analysis.

## **Schedule E – Large Scale Survey and Associated Timeline in Support of Developing the Nunavut Inuit Labour Force Analysis**

1. The GoC will provide funding for and develop a large scale survey to be delivered as a supplemental module to the 2017 Aboriginal Peoples Survey\*, as well as increase the sample in the Nunavut Settlement Area to at least 7,500 persons (with the objective of having 5,675 respondents), including the oversampling of smaller communities. The module will be collected via in-person interviews as well as new survey questions on availability, interest and level of preparedness of Nunavut Inuit for government employment in the Nunavut Settlement Area. An interpreter will be available to the respondents, if required, so that they can respond in the Nunavut official language of their choice. Translated hard copies of the large scale survey questionnaire will also be available in the Nunavut official language of their choice.
2. Through the NILFA technical working group, the GoC will engage the participation of NTI and the GN in the design of the questionnaire to be used for the 2017 Aboriginal Peoples Survey supplemental module. The questionnaire for the module will include new questions aimed at assessing Inuit availability, interest and level of preparation for government employment in the Nunavut Settlement Area. Qualitative testing of these new questions will be carried out by Spring 2016.
3. NTI will assist in promoting awareness of the Aboriginal Peoples Survey and the supplemental module to facilitate high response rates in all participating communities.
4. The GoC will provide to NTI and the GN a shared data file of the information collected, expected to be available in June 2019.
5. Within 6 months of the shared data file being made available, and no later than March 31, 2020, the GoC will provide a revised NILFA to NTI and the GN that incorporates analysis of the new data collected through this above-noted survey instrument. The GoC will utilize the NILFA technical working group to engage the participation of NTI and the GN in development of this analysis.
6. The GoC will make reasonable efforts to maximize use of Inuit employees and contractors to carry out all aspects and functions of NILFA surveying and analysis, and shall make reasonable efforts to maximize training opportunities for Inuit associated with such efforts.
7. In developing the large scale survey, the GoC will work closely with NTI and GN through the NILFA technical working group. Suggested survey questions and other comments and contributions from all parties will be incorporated to the extent feasible and reasonable.

*\* If for whatever reason the 2017 Aboriginal Peoples Survey – a household survey - does not proceed, the GoC will instead fund a similar stand-alone survey with a sample of at least 6,000 persons in Nunavut.*

## **Schedule F – Article 38 – New Dispute Resolution Process**

### **DEFINITIONS**

In this Article, “party to a dispute” or “parties to a dispute” means the Designated Inuit Organization (DIO), the Government of Canada, and/or the Territorial Government involved in, or whose interests are or may be affected by, a dispute between two or more of them about the interpretation, application or implementation of the Nunavut Agreement.

### **RESOLUTION OF DISPUTES – GENERAL PRINCIPLES**

38.1 The DIO, the Government of Canada and the Territorial Government shall endeavour to avoid recourse to litigation for the purposes of the interpretation, application and implementation of the Agreement and agree to resolve disputes through the processes set out below and engage in litigation only as a last resort.

38.2 The DIO, the Government of Canada and the Territorial Government shall endeavour in good faith to settle disputes informally through cooperation and discussions in order to arrive at a mutually satisfactory resolution.

38.3 Notwithstanding Section 38.1, nothing in this Article prevents any of the party to a dispute from commencing judicial proceedings at any time to avoid the expiration of a limitation period or from entering into an agreement to suspend a limitation period.

### **IMPLEMENTATION PANEL**

38.4 A dispute that cannot be resolved through informal processes will be referred to the Implementation Panel.

38.5 The parties to a dispute shall attempt to resolve disputes through negotiations at the Implementation Panel. If the Implementation Panel is not able to resolve the dispute within 60 days, a party to a dispute may refer the dispute to mediation under sections 38.6 to 38.17 of this Article.

### **MEDIATION**

38.6 A party to a dispute may initiate mediation 60 days after the date of the Implementation Panel meeting during which the dispute was first discussed.

38.7 The parties to a dispute shall make reasonable efforts to appoint representatives for purposes of mediation of a dispute who have sufficient authority to come to an agreement or who have ready access to such authority.

38.8 A party to a dispute shall initiate mediation in writing by sending a mediation notice to the other party or parties to a dispute which shall include:

- (a) the subject matter of the dispute;
- (b) the issue or issues requiring resolution;
- (c) a summary of the facts; and
- (d) the name of its representative.

38.9 The parties to a dispute agree to select individuals to act as mediators who are impartial, independent and free from conflict of interest relative to the matter at issue and have knowledge or experience to act in the appointed capacity. Where the parties to a dispute do not agree upon a mediator, any of the parties to a dispute may apply to the Nunavut Court of Justice for the appointment of a mediator.

38.10 Once the parties to a dispute agree on the selection of a mediator or a mediator is appointed by the Court, as the case may be, the mediation shall commence within 30 days, unless the parties to a dispute agree otherwise, and the parties to a dispute shall participate thereafter in good faith in the mediation process.

38.11 The mediation shall conclude when a resolution of the issue in dispute is reached or when a party to a dispute or the mediator delivers a written statement that, in the opinion of that party to the dispute or the mediator, no resolution is likely to be reached through mediation.

38.12 Any agreement reached through mediation shall be:

- (a) recorded in writing;
- (b) signed by the representatives of the parties to a dispute;
- (c) delivered to all parties to a dispute in the mediation; and
- (d) binding only on the parties to a dispute who have signed the agreement.

38.13 The mediator shall not issue a report or make any written recommendations.

38.14 Unless the parties to a dispute otherwise agree and subject to the *Access to Information Act*, R.S.C. 1985, c. A-1, the *Privacy Act*, R.S.C. 1985, c. P-21, the *Library and Archives of Canada Act*, S.C. 2004, c. 11, and any other legislation applicable to the disclosure of information, information disclosed in mediation and not otherwise publicly available shall be kept confidential by all parties to a dispute and the mediator.

38.15 All communications at a mediation session and the mediator's notes and records shall be deemed to be without prejudice settlement discussions and are not admissible as evidence in any arbitration or legal proceedings before a court, board, commission or other tribunal.

38.16 Evidence that is independently admissible or discoverable in any legal proceedings before any court, board, commission or other tribunal, shall not be rendered inadmissible or non-discoverable by virtue of its use during the mediation.

38.17 Each party to a dispute shall bear its own costs of the mediation and its proportionate share of the other costs of the mediation, including remuneration and expenses of the mediator.

## **ARBITRATION**

38.18 Following participation in the mediation process, if mediation does not resolve a dispute, a party to a dispute may refer a matter to arbitration pursuant to Sections 38.19 to 38.31 by serving the notice referred to in Section 38.35.

38.19 An arbitrator shall have jurisdiction to arbitrate in respect of:

- (a) subject to Section 38.20, any matter concerning the interpretation, application or implementation of the Agreement; and
- (b) matters specifically designated in other Articles for resolution by arbitration under this Article.

38.20 In deciding a dispute between the parties to a dispute under this Article an arbitrator shall not:

- (a) prescribe funding levels required to fulfill obligations of Government for implementation of the Agreement;
- (b) prescribe Inuit employment levels required to be achieved by Government pursuant to Article 23;
- (c) render decisions declaring invalid individual procurement contracts entered into between Government and third parties, or render decisions on the provisions of such procurement contracts with respect to the obligations between the parties to the procurement contract; or
- (d) make determinations on questions of law which are not strictly related to the issue that is the subject of the arbitration.

38.21 For certainty, Sub-sections 38.20(a) and 38.20(b) do not prevent an arbitrator from making a monetary award of damages for breach of the Agreement.

38.22 Notwithstanding Sub-section 38.20(c), an arbitrator may arbitrate an issue



referred to it by a party to a dispute which relates to obligations of Government or the DIO under Article 24 of the Agreement.

38.23 An arbitrator is prohibited from making a decision that alters, amends, deletes or substitutes any provision of the Agreement in any manner.

38.24 At any point after the service of a notice of reference to arbitration, and prior to the rendering of a decision by an arbitrator, any party to a dispute may refer a question of law arising from the arbitration to a judge of the Nunavut Court of Justice for determination.

38.25 At any point after the service of a notice of reference to arbitration, and prior to the rendering of a decision by an arbitrator, any party to a dispute may give written notice that it seeks a direct meeting between elected representatives of the parties to a dispute to explore, on a without prejudice basis, the possibility of a resolution of the dispute on a mutually satisfactory basis. Where such notice is given, the parties to a dispute shall meet within 60 days, and the arbitration process shall be suspended for up to 60 days to allow such a meeting to take place.

38.26 Following the hearing of an arbitration, an arbitrator shall issue an initial decision. The initial decision shall not include any remedial order other than a declaration or declarations concerning the interpretation of the Agreement and the rights and obligations of the DIO or Government under the Agreement.

38.27 Following the release of an initial decision, a party to a dispute has 30 days to present a proposed remedy to the other party or parties to a dispute. The terms of a proposed remedy are confidential and without prejudice. The parties to a dispute agree to discuss any proposed remedy presented by a party to a dispute and to seek agreement on the terms of a remedy.

38.28 If the parties to a dispute agree on a remedy, it may be presented to the arbitrator and included on consent in a final award.

38.29 If within 60 days from the delivery of a proposed remedy the parties to a dispute have not reached agreement on the terms of a remedy, a party to a dispute may require the arbitration to reconvene for the purpose of determining an appropriate remedy and the arbitrator's determination shall be set out in a final award. In addition to any other remedy, a final award may provide for the payment of interest and costs, provided that no costs shall be awarded against the DIO when the arbitrator makes an award in favour of the DIO.

38.30 Subject to Section 38.20, an arbitrator has the power to determine all questions of fact or law necessary for the determination of a dispute.

38.31 A party to a dispute may appeal a final award of an arbitrator to the Nunavut Court of Justice.

## **ARBITRATION PROCEDURES**

38.32 It is intended that the process of arbitration will resolve disputes submitted to it in an informal and expeditious manner.

38.33 An arbitrator may establish further rules and procedures, consistent with this Article, to assist in the conduct of a specific reference.

38.34 A reference shall be heard and determined by a single arbitrator.

38.35 An arbitration shall be initiated by way of notice of reference to arbitration served by any party to a dispute. The notice shall name the other party or parties to the dispute, set out the nature of the dispute, provide a summary of facts, describe the issue or issues to be arbitrated, propose an arbitrator, and describe the relief sought.

38.36 Within 30 days of being served notice of a reference to arbitration, the other party or parties to the dispute shall file a reply responding to the reference, agreeing to the arbitrator named in the reference or naming an alternative arbitrator, and describing any relief sought.

38.37 In the event that the parties to a dispute do not agree on an arbitrator, the arbitrator shall be named by a judge pursuant to the Nunavut *Arbitration Act*, R.S.N.W.T. (Nu) 1988, c A-5. and, in such case, the judge may appoint any person as an arbitrator as the judge thinks fit.

38.38 An arbitrator may, on application, allow any person to participate in an arbitration as an intervenor, if in the arbitrator's opinion, the interest of that person may be affected by the arbitration, and on such terms as the arbitrator in its discretion may order.

38.39 If an arbitrator makes no decision as to costs, each party to a dispute shall bear its own costs and its proportionate share of the other costs of the arbitration, including the remuneration and expenses of the arbitrator.

38.40 Notwithstanding Section 38.39, the parties to an a dispute shall not bear the costs of the arbitrator in any expropriation proceeding where the costs are normally paid by Government.

38.41 The Nunavut *Arbitration Act*, R.S.N.W.T.(Nu) 1988, c A-5 shall apply to an arbitration under this Article to the extent that it is not inconsistent with these provisions.

38.42 The Implementation Panel shall maintain a public record of the arbitration decisions under this Article.

## **STATUS OF ARBITRATION AWARDS**

38.43 Where a party to a dispute has failed to comply with any of the terms of the decision of the arbitrator, any party to a dispute may file in the Nunavut Court of Justice, a copy of the decision, exclusive of the reason therefore, in the prescribed form, whereupon the decision shall be entered in the same way as a judgment or order of that court and is enforceable as such.

38.44 A party to a dispute may request from the arbitrator, either before or during arbitral proceedings, interim relief and the arbitrator may grant such relief.

38.45 Unless otherwise specified in a decision of the arbitrator, the effective date of the arbitration decision is the date on which the decision is released.

38.46 Except in respect of disputes arbitrated under these provisions, nothing in these provisions affects the jurisdiction of any court.

#### **TRANSITIONAL**

38.47 Sections 38.18 to 38.45 come into force on May 31, 2017.

## SCHEDULE G – GN FUNDING

The GoC will provide funding for the 10-year period commencing April 1, 2013 to the Government of Nunavut (GN) for implementation of the NLCA as follows:

- a. In 2015-16 the GN will receive \$7,884,850 for the fiscal years 2013-14 to 2015-16 inclusive. This amount consists of existing funding to be provided in 2015-16 as well as an increase in funding for 2013-14, 2014-15 and 2015-16.
- b. On April 1 in each of the 7 fiscal years after 2015-16, the GN will receive an adjusted amount equal to the total funding for the previous year multiplied by an Adjustment Factor. The core funding for 2015-16, as included in the total referenced in Section a), is \$4,423,694.

The Adjustment Factor is determined through the following formula:

$$AF_{FYN} = \text{FDDIPI}_{\text{second quarter of FYN-1}} / \text{FDDIPI}_{\text{second quarter of FYN-2}}$$

Whereby:

$AF_{FYN}$  = The adjustment factor for a given fiscal year or "N".

$\text{FDDIPI}_{\text{second quarter of FYN-1}}$  = The Final Domestic Demand Implicit Price Index for the second quarter of the fiscal year preceding "N".

$\text{FDDIP}_{\text{second quarter of FYN-2}}$  = The Final Domestic Demand Implicit Price Index for the second quarter of the fiscal year preceding "N-1".

The Adjustment Factor for fiscal year "N" is equal to the quotient obtained by dividing the Final Domestic Demand Implicit Price Index for the second quarter of the fiscal year preceding "N" by the Final Domestic Demand Implicit Price Index for the second quarter of the fiscal year preceding "N-1".

The Final Domestic Demand Implicit Price Index is determined through the first published value of the Final Domestic Demand Implicit Price Index for the second quarter of the fiscal year as released by Statistics Canada in the *National Economic and Financial Accounts, Quarterly Estimates (Second Quarter)*, or its successor publication.

**SIGNATURES**

**THE INUIT OF NUNAVUT AS REPRESENTED BY  
PRESIDENT OF NUNAVUT TUNNGAVIK INCORPORATED**

\_\_\_\_\_

\_\_\_\_\_  
**WITNESS  
Dougald Brown**

\_\_\_\_\_  
**DATE**

**THE GOVERNMENT OF NUNAVUT AS REPRESENTED BY THE  
PREMIER OF NUNAVUT**

\_\_\_\_\_

\_\_\_\_\_  
**WITNESS  
Joe Kunuk**

\_\_\_\_\_  
**DATE**

**HER MAJESTY THE QUEEN, IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF  
INDIAN AFFAIRS AND NORTHERN DEVELOPMENT**

\_\_\_\_\_

\_\_\_\_\_  
**WITNESS  
Fred Caron**

\_\_\_\_\_  
**DATE**

The undersigned have initialled the attached March 5, 2015 Settlement Agreement ad referendum and agree to recommend it to their principals for their consideration and approval.

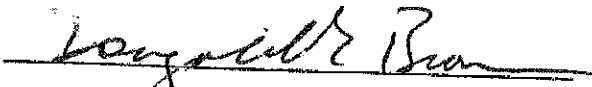
Signed at Iqaluit and Ottawa on March 5, 2015.

A handwritten signature in black ink, appearing to be a stylized 'D' or similar character, positioned above a horizontal line.

For the Government of Canada

Handwritten initials in black ink, possibly 'i d', positioned above a horizontal line.

For the Government of Nunavut

A handwritten signature in black ink, appearing to be 'Raymond Brown', positioned above a horizontal line.

For Nunavut Tunngavik Incorporated