

January 14, 2006

The Honourable Dennis Fentie
Premier, Yukon

The Honourable Joseph Handley
Premier, Northwest Territories

The Honourable Paul Okalik
Premier, Nunavut

Dear Premiers:

Thank you for your letter to me dated December 14, 2005 in which you asked me and the leaders of the other major political parties a series of four questions. Please find below my submission in reply.

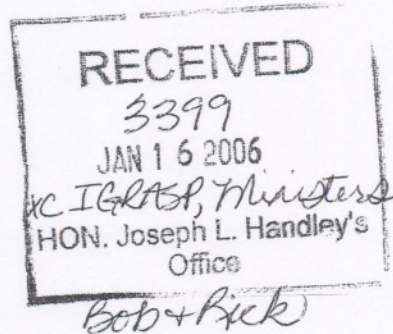
1. Adequacy of funding for programs in the North

The New Democratic Party supports, in principle, the negotiation of inter-governmental financing agreements for the Northwest Territories and the other territories, which include base-plus funding arrangements. We agree that base-plus funding is necessary, given the higher costs and other unique circumstances involved in providing programs and services in northern communities.

Your letter notes that there are now clear precedents for recognizing the unique circumstances of the three northern territories in federal-provincial-territorial agreements. New Democrats acknowledge the success of the territorial premiers in convincing your provincial colleagues that territorial financing agreements must incorporate a base amount along with per capita allocations.

The NDP believes that a similar formula should be used in fiscal arrangements for child care in the territories. We understand that Canada has been slow to offer

.../2



- 2 -

anything more than per capita allocations when it comes to financing child care. It seems evident to us that the federal government must change its approach, if there is to be meaningful financial assistance for childcare in the North.

We find this federal position on funding disturbing in light of the recent Kelowna Agreement that seeks to bridge the gap between Aboriginal and non-Aboriginal Canadians. The North has a large Aboriginal population, and federal recognition of the need for unique funding arrangements to meet the higher costs of programs in the North will go a long way towards meeting the goals set out in the Kelowna Agreement.

2. Strategy for northern development

The New Democratic Party is committed to see the continuation of formal strategic planning for the North. In fact, the need for such planning in the three territories is urgent. We believe that such a plan must ultimately be worked out government to government but before this happens there needs to be the broadest possible consultation. We would encourage an inclusive process to develop the plan, one that includes Aboriginal governments and the public.

It appears that the present federal commitment to this exercise, despite promises to the contrary, has not been adequate to get the job done. In the next Parliament, the New Democratic Party will work to ensure the federal government is properly seized of the issue and gets the job done.

3. Devolution and Land Claims

The New Democratic Party fully supports the desire of Canada's territories to achieve satisfactory and just agreements on resource revenue sharing and devolution, and to complete any outstanding rights settlements with the Aboriginal peoples in their jurisdictions. Our public support for land claims and devolution in the territories has been consistent and unwavering, in this election campaign and for the past three decades inside and outside of Parliament. As your letter notes, the Northwest Territories, Nunavut and Yukon are each at different stages in their evolution, and we recognize that unique solutions are required to meet the challenges and opportunities that each jurisdiction faces on land claims and devolution. This party commits to work with your governments to help you find these solutions, and to thereby build stronger and lasting foundations for the three territories' future development!

The NDP is on record as supporting the inherent right of Aboriginal self-government and as wanting to see it implemented in binding agreements among

- 3 -

the Aboriginal peoples and public governments. We are proud to acknowledge and to support the precedent setting self-government and co-management arrangements that have already been achieved in each of your jurisdictions. We recognize that this has been difficult and time-consuming work, and that it is by no means complete. Further progress in these negotiations will require new and revitalized commitments from the government of Canada, and the NDP looks forward to helping you obtain them in the months to come.

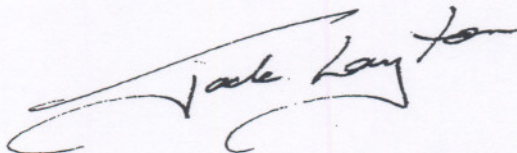
The NDP is also on record as stating that residents of the territories should be the prime beneficiaries of resource developments, and that timely and effective devolution agreements with Canada are needed to ensure this. In our view, greater control over resource revenues will substantially enhance the capacity of Aboriginal and public governments to meet the needs of northern residents for programs and services. Devolution agreements will also give northern governments a greater say over the terms and conditions of development, decisions which until now have been made by the federal government. I and my colleagues will work with you to secure a renewed commitment from Canada to get the devolution processes moving forward in Northwest Territories and Nunavut. It will also be a key priority to ensure that these negotiations proceed in tandem with the ongoing talks between Canada and the three territories on revenue sharing.

4. Outcomes of the recent First Ministers' Meeting on Aboriginal issues

In the next Parliament, Jack Layton and the NDP commit to funding and implementing the Aboriginal Accord reached in Kelowna at the First Ministers' Meeting on Aboriginal issues. We support the need for unique funding arrangements to meet the higher costs of programs in the North, which will go a long way towards meeting the goals set out in the Kelowna Agreement.

Finally, thank you for this opportunity to address these complex and important issues. We in the New Democratic Party look forward to the chance to work with you to help you achieve your governments' priorities.

Sincerely,



Jack Layton
National Leader