Amendment no. 3 to the Partner ship Agreement on Economic and Community Development In Nunavik

Effective: August 9th, 2006

Between the Makivik Corporation, a corporation duly incorporated under Section 2 of the *Act respecting the Makivik Corporation* (R.S.Q., Chapter S-18.1), represented by its President, Mr. Pita Aatami

hereinafter referred to as "Makivik"

And the Kativik Regional Government, constituted under Section 239 of the Act respecting Northern Villages and the Kativik Regional Government (R.S.Q., Chapter V-6. 1), represented by its Chairman, Ms. Maggie Emudluk

hereinafter referred to as "KRG"

And the Gouvernement du Québec, represented by the ministre délégué aux Affaires autochtones, Mr. Geoffrey Kelley and by the ministre de la Sécurité publique, Mr. Jacques Dupuis

Hereinafter referred to as "Québec"

PREAMBLE

- Whereas Makivik, KRG and Québec signed, on April 9th 2002, the Partnership Agreement on Economic and Community Development in Nunavik [hereinafter the "Agreement"], which has subsequently been amended two times in accordance with Section 7.6;
- Whereas the parties recognize that Québec has fulfilled its obligation to build and make operational a fourteen (14) place community residential center (Halfway house) on the territory of the Northern Village of Kangirsuk;

Whereas the parties wish to make a further amendment to the Agreement.

Therefore, in consequence, the parties agree as follows:

- 1. Section 4.4 is hereby deleted and replaced by the following:
 - "4.4 Correctional, social and preventive related measures
 - 4.4.1 Québec will pay to Makivik and KRG jointly or, subject to agreement of the parties, to Makivik and KRG separately, an amount of \$10 million in the financial year 2005-2006 and in each subsequent year of the Agreement. Makivik and KRG will administer and allocate these funds.

The annual amounts shall be paid in four (4) equal installments at the same time payments are made pursuant to section 2.5.1. However, the \$10 million for the financial year 2005-2006 shall be paid in two equal installments of \$5 million; the first payment shall be payable before the end of September 2006 and the second payment shall be payable on the first installment of financial year 2007-2008.

- 4.4.2 Beginning in 2006-2007 and each year thereafter, the funding provided for such financial year in section 4.4.1 (exclusive of the funding for the financial year 2005-2006) shall be indexed by the same percentage as used in that financial year to index the financial assistance provided for in section 2.5.
- 4.4.3 Funding in section 4.4.1 shall be a flexible tool designed to prevent and combat crime, to promote safe and healthy communities by, among other things, taking culturally appropriate measures to improve the social environment in Nunavik, to provide assistance to crime victims and to improve correctional activities for the Inuit.
- 4.4.4 A Committee of Experts of not more than eight members, composed of an equal number of members designated by Québec and members designated jointly by Makivik and KRG, shall be established before the end of September 2006.

Initially, the Committee shall be composed of the following: for Québec, two members from the Ministère de la Sécurité publique, one member from the Ministère de la Santé et des Services sociaux, one member from the Ministère de la Justice; for Makivik and KRG, two members appointed by Makivik and two members appointed by KRG.

The Committee of Experts shall meet at least twice per year. Each Party shall assume the expenses of its members.

The Committee of Experts shall identify the needs of the region and recommend priorities and strategies to meet the objectives in section 4.4.3. Within the first 4 months of its designation, it shall submit, through the Joint Coordinating Committee established pursuant to section 5, a first set of recommendations on the utilization of the funding provided for in section 4.4.1, to Makivik and KRG. Makivik and KRG shall, in allocating the funding provided for in section 4.4.1, take into account the recommendations of the Committee of Experts.

- 4.4.5 Makivik and KRG jointly shall, on an annual basis, inform Québec of the results of the utilization of the funds.
- 4.4.6 The Committee of Experts shall establish indicators to evaluate the effectiveness of the utilization of the funding provided for in section 4.4.1 by no later than December 31, 2007. Based on these indicators, Makivik and KRG, using no more than 1/4 of 1% on a cumulative basis of the funding provided for in section 4.4.1, shall at least every three years, commencing in 2008-2009, undertake through a third-party a program evaluation of the results of the use of the funding provided for in section 4.4.1 and shall share the results with Québec.
- 4.4.7 At any renewal of the tripartite agreement on the delivery and funding of police services, if additional funding is required, an amount not exceeding 10% of the funding provided for under section 4.4.1 shall be, at the request of the KRG and Makivik and subject to the third paragraph of this section, allocated annually by Québec towards funding for the Kativik Regional Police Force (KRPF).

Furthermore, Québec may allocate annually, under the tripartite agreement, additional funding as it deems necessary.

The additional funding allocated pursuant to the preceding paragraphs shall constitute the annual additional contribution of Québec, which will be paid under the renewed tripartite agreement, and shall be accounted for in the same proportions provided for under the tripartite agreement and that are respectively applicable to the parties.

Prior to the first renewal of the current tripartite agreement, the KRG and Makivik may allocate not more than 10% of the funding provided for under section 4.4.1 towards funding for the policing services delivered by the KRPF.

Any funding that is allocated following the expiry of the current tripartite agreement, which is to say after March 31, 2007 or March 31, 2008, whichever date is chosen for the renewal of the agreement, shall be accounted for, if applicable, in the same manner as the funding provided for in paragraphs one to three of this present section.

Any funding paid pursuant to this section shall be accounted for in the reports provided for under the tripartite agreement.

- 4.4.8 The funding in section 4.4.1 shall be without prejudice to and in addition to Québec operation and capital funding for Nunavik and shall be without prejudice to the renewal of any such funding, which includes, but is not limited to, inter alia, funding for the Health and Social Services sector.
- 4.4.9 Québec will maintain for the Nunavik Inuit as well as for Makivik and KRG access to regular programs subject to the usual application criteria of these programs.
- 4.4.10 Québec shall fund the operation costs of the fourteen (14) place community residential center (Halfway house) built on the territory of the Northern Village of Kangirsuk.
- 4.4.11 In the event that Québec undertakes a regrouping at a single correctional institution of the Inuit who have been remanded in custody or who are serving a prison sentence of less than two years, it may, commencing in the year of the regrouping and, subject to the written consent of Makivik and the KRG, retain annually for that purpose a maximum amount of \$950,000 from the funding provided for under section 4.4.1 to cover in part the amortization of the capital cost involved in such regrouping.

No later than October 8, 2006, Makivik and the KRG shall jointly indicate in writing to Québec their preference, from among the provincial correctional institutions in Québec, to regroup at a single correctional institution the Inuit who have been remanded in custody or who are serving a prison sentence of less than two years.

- 4.4.12 Subject to the fulfillment by Québec of its undertakings under this section 4.4, Makivik hereby gives Québec a full and complete discharge, for the duration of this Agreement, with regard to sections 20.0.25 and 20.0.26 of the JBNQA.
- 2. Section 7.9 is hereby deleted and replaced by the following:

«7.9 The payments foreseen in subsections 2.2.3, 2.5.1 and 4.4.1 shall not be subject to any form of taxation, charge, levy or deduction by Québec."

- 3. Section 7 is amended by adding the following:
 - «7.10 No later than January 1st, 2024, the Parties shall begin the negotiation of a new agreement to replace the Agreement and shall make all reasonable efforts to reach a new agreement no later than December 31st, 2027.»

For Makivik Corporation:	For Kativik Regional Government:
PITA AATAMI,	Maggie emudluk,
President	Chairman
Signed in	Signed in
on 2006	on 2006
For the Gouvernement du Québec:	
GEOFFREY KELLEY, Ministre délégué aux Affaires autochtones	JACQUES DUPUIS, Ministre de la Sécurité publique
Signed in	Signed in
on 2006	on 2006
SIGNED IN THE PRESENCE OF :	

IN WITNESS WHEREOF, THE PARTIES HAVE SIGNED:

JEAN CHAREST, Premier ministre