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The Honourable Tony Whitford, Speaker

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YELLOWKNIFE, NORTHWEST TERRITORIES**TUESDAY, JUNE 20, 2000****MEMBERS PRESENT**

Honourable Roger Allen, Honourable Jim Antoine, Mr. Bell, Mr. Braden, Mr. Dent, Mr. Delorey, Honourable Jane Groenewegen, Honourable Joe Handley, Honourable Stephen Kakfwi, Mr. Krutko, Mr. Lafferty, Ms. Lee, Mr. McLeod, Mr. Miltenberger, Mr. Nitah, Honourable Jake Ootes, Mr. Roland, Honourable Vince Steen, Honourable Tony Whitford.

SPEAKER (Hon. Tony Whitford): Good afternoon. I would like to invite Bishop Chris Williams to say the opening prayer.

ITEM 1: PRAYER

BISHOP WILLIAMS: Heavenly Father, we ask You to bless this new Session of our Legislative Assembly beginning today. May Your Holy Spirit rest upon the Members and guide them in their discussions and decisions that Your name may be uplifted and Your will be done through them. Give them courage to make decisions that are right and fair. Give them compassion for those in greatest need and generosity towards all. May their efforts bring healing and reconciliation to those who are in conflict. May You likewise send Your blessing to all who work in this place, in whatever capacity, that each one may use the gifts You have given them for the well-being of this Assembly and of our Territory. In Your name we pray. Amen.

MR. SPEAKER: I understand that her Honour, the Commissioner of the Northwest Territories, is prepared to enter the Chamber to give the opening address.

Mr. Clerk, could you please attend to and escort the Commissioner of the Northwest Territories into the Chamber?

-- Playing of National Anthem

ITEM 2: OPENING ADDRESS BY COMMISSIONER

COMMISSIONER OF THE NORTHWEST TERRITORIES (Hon. Glenna Hansen): Thank you, Mr. Speaker. Mr. Speaker, Mr. Premier, Members of the Legislative Assembly, this is the first opportunity I have had to address you in this setting since my appointment as the 14th Commissioner of the Northwest Territories on March 31, 2000.

I assure you it is an honour for me to join you in this magnificent building which is so reflective of the history, culture and unity that we share as residents of the Northwest Territories.

I would like to thank all of you who offered your encouragement and warm wishes since my appointment as Commissioner. Most of all, I thank my four daughters for their support and understanding during this period of transition. I am very proud of them.

I would like to take a moment to extend my best wishes to the Honourable Ethel Blondin-Andrew, our Member of Parliament, who is currently on medical leave. We keep her and her husband, Leon, in our prayers and look forward to her full recovery in the very near future.

I have followed with interest your activities since the election. I have read the document Towards a Better Tomorrow and I am captured by the North you have collectively envisioned. I am especially pleased to see that your vision is one that

recognizes the contributions and acknowledges the needs of the Northwest Territories' smaller communities. Yours is, after all, a vision for all people of the Northwest Territories.

In your close-knit northern environment, you are especially fortunate to be able to put faces to your vision - your families, your neighbours and your friends. This vision is for all walks of life. Most importantly though, I see that this vision is for the children of the Northwest Territories.

It is about giving them the tools which will enable them to eventually set their own priorities and to make good decisions about their futures and the future of the Northwest Territories. It is about building wellness of body, spirit and mind. It is about building self-sufficiency, self-determination and capacity, and it is about children being able to take advantage of the opportunities that a prosperous Northwest Territories can provide.

In the few short months that you have been together as a government, I sense from the discussions I have had with all Northerners I meet that common ground has been identified and now is the time to move ahead.

In January, our Dene, Metis and Inuvialuit leaders agreed to work together to build and own a share in a Mackenzie Valley gas pipeline. How symbolic such a project would be - a tangible economic link running the entire length of the Northwest Territories full of the Northwest Territories' natural wealth and connecting not only our varied land claims and regions but also the North with southern Canada.

An equally important link was made in Hay River in May. The first Intergovernmental Forum opened the channels of communication between the governments of Canada, the Northwest Territories and our aboriginal peoples.

In the face of these exciting new directions, I commend you for maintaining your focus on the importance of traditional economies to the people of the Northwest Territories.

It has only been four months since you took your places in this Assembly. These have obviously been busy times for you all. I would like to thank and commend each of you for your hard work and positive efforts in the early life of this Assembly. I caution you that much work is ahead of you still.

In your first few months, you have identified a vision. I am confident that you can achieve it - not just together, but in partnership with other governments, business, industry and the people you have been elected to represent. Your challenge, as you have described and accepted it, is to complete the journey you have mapped out.

The days ahead will not be without hurdles. The issues you must address will be difficult at times. Keep in mind that in the

North, it is when challenges arise that people and communities have traditionally come together to seek strength in unity.

Today marks the last day of spring -- a time traditionally associated with rejuvenation and renewed growth. A season of long days lies ahead of us. I trust that you are rested and ready to meet together -- mindful always of the spirit and intent to which this Chamber was dedicated to seek consensus for the good of all in the Northwest Territories.

During this Session, your government will be introducing a bill entitled Appropriation Act, 2000-2001, for consideration by this House. Mr. Speaker, the government considers this bill essential to the good conduct of government business and as such, I recommend its passage.

I urge you at all times to give your most earnest consideration and wise judgement in conducting the business of this Assembly. I now declare the Third Session of the 14th Legislative Assembly of the Northwest Territories open. Thank you, Mr. Speaker.

-- Applause

MR. SPEAKER: Thank you, Ms. Hansen. Please be seated. Good afternoon everyone, and welcome to the opening of the Third Session. Orders of the day. Item 3, Ministers' statements. The honourable Minister responsible for Finance, Mr. Handley.

ITEM 3: MINISTERS' STATEMENTS

Minister's Statement 1-14(3): Notice of Budget Address

HON. JOE HANDLEY: Thank you, Mr. Speaker. Mr. Speaker, I give notice that I will deliver the budget address on Tuesday, June 20, 2000. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Handley. Item 3, Ministers' statements. The honourable Minister responsible for Finance, Mr. Handley.

HON. JOE HANDLEY: Thank you, Mr. Speaker. Mr. Speaker, I request to waive Rule 35(2), requiring the Speaker to place the item, budget address, on the orders of the day, and Rule 35(3) for the placement of the item, replies to budget address, for the orders of the day for today, and proceed immediately with the delivery of the budget address which I just gave notice of. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Handley. The honourable Member is seeking unanimous consent to waive Rule 35(2) and 35(3), and to proceed with the presentation of the budget address. Are there any nays? There are no nays. You may proceed, Mr. Handley.

ITEM 4: BUDGET ADDRESS

HON. JOE HANDLEY: Thank you, Mr. Speaker. Before beginning to give the budget address, I just want to assure the Members that I have followed the tradition of all Finance Ministers of buying and wearing a new pair of shoes as a sign of good luck. I think good luck is something we certainly need.

I want to tell you the new shoes I have are runners. There are several reasons for choosing to wear runners today. First of all, I want to say that this job, and our whole government's mandate, has been incredibly busy. We have to move fast. I

have never had to move so fast as I have had to in the last few months. I do not see that changing. I think as we make progress on many fronts, whether it is investments or trying to balance our budget or devolution, resource revenue-sharing, self-government, land claim settlements, Mackenzie Valley development...we have a whole bunch of issues we are going to continue to move fast on. Runners are certainly the favoured footwear of anyone who wants to move fast. My traditional cowboy boots do not work that well for moving quickly.

A second reason is that I think runners represent the healthy lifestyle we want to see in all our communities.

-- Applause

We strongly make a commitment to healthy communities and a healthy lifestyle of all our people in the Northwest Territories.

A third reason is that they are economical, practical, and much cheaper to buy than a good set of Oxfords. Being a practical man, I chose these. I want to assure the Members that these are not sneakers.

-- Laughter

These are runners. They used to be called sneakers when I was a young kid. We always referred to them as sneakers, but we operate a very transparent government. There is no need to have sneakers at all.

-- Laughter

-- Applause

Mr. Speaker, it is with considerable optimism that I present the first budget of the 14th Legislative Assembly, and my first as Minister of Finance. I am optimistic because these are exciting times for the people of the Northwest Territories. We are on the brink of substantial development of our Territories' immense resource potential -- our diamonds, oil and gas have made us the focus of national and international attention. Our renewable resource economy, including tourism, forestry, and fur harvesting, also offers great promise.

On the political side, we have made, and are continuing to make, progress in resolving lands, resources and self-government issues. Aboriginal leaders appear confident that non-renewable resource development can be a positive force. Federal, territorial and aboriginal governments have committed to work together on key issues such as devolution -- the transfer of jurisdiction over northern resources to northern governments, including resource revenue-sharing.

This is not to say that the challenges of unemployment, low education levels, social conditions and health concerns have been eliminated. Unfortunately, they still exist. However, if we can achieve a healthy economy and fiscally sound governments, we will be in a much better position to address these challenges.

In Towards a Better Tomorrow, Members of the 14th Assembly have laid out a vision for a prosperous future for the Northwest Territories. Members clearly recognize the great potential we hold. This government fully supports the vision laid out in Towards a Better Tomorrow. Over the next four years, we hope to bring forward fiscal and economic initiatives that will put the Northwest Territories on track to realize this vision.

In order for us to achieve our potential, we must carefully assess our strengths and our weaknesses and focus on the strategies that will help us achieve our goals. These strategies must include:

- Building partnerships with other governments so that we are not working in isolation, but rather are sharing information and decision-making; and
- Making key investments in our people, in our infrastructure and in our future.

However, Mr. Speaker, as I have stated in this House, along with my colleagues, the new resources we are able to commit toward this vision in this budget are limited. Given our fiscal position, the fact that we are able to maintain the service levels we currently enjoy is an achievement worth noting. This budget allocates resources to keep pace with the growing demands in health, education and social services. I see this budget as just the first step for achieving our vision. During this fiscal year, we must finalize our strategies and determine how they can be financed.

We recognize that we cannot do this alone. We need to work together -- Cabinet and Ordinary Members with the federal and aboriginal governments -- to put the necessary pieces into place. For example, we will need to draw on the work of the Economic Strategy Panel. We need to encourage the deliberations of the Intergovernmental Forum on devolution and resource revenue sharing. We need to develop our Non-Renewable Resource Development Strategy further to identify the investments required to maximize the benefits to Northerners from development. Finally, we need to know if the federal government will participate in a meaningful way in these crucial investments in the economic future of the Northwest Territories.

I am very optimistic that Northerners working together can achieve a prosperous future. Both the Northwest Territories and Canada stand to make substantial gains if we make the right investments now.

1999-2000 Fiscal Position

Mr. Speaker, I would now like to review with you our current fiscal position, based on the results of the last two fiscal years.

The 1998-1999 fiscal year concluded with the creation of Nunavut and the new Northwest Territories. Although the audit of the 1998-1999 Public Accounts is not yet final, we anticipate that the non-consolidated accumulated surplus at the end of 1998-1999 will be \$38 million. This amount will be allocated between Nunavut and the new Northwest Territories in accordance with the Agreement on the Division of Assets and Liabilities entered into prior to division. As a result, the Northwest Territories will have begun its new existence on April 1, 1999, with an estimated \$21 million accumulated surplus.

Mr. Speaker, the fact that we were able to start this new era with an accumulated surplus should be recognized as a major accomplishment, and credit for this achievement should be given to the 13th Legislative Assembly. Unfortunately, our ongoing problem of low revenue growth in the face of rising costs required the last government to budget a \$34 million deficit for 1999-2000. This deficit is expected to eliminate the starting accumulated surplus of \$21 million and place us in a

small accumulated deficit position at the end of 1999-2000.

2000-2001 Fiscal Outlook

Mr. Speaker, this fiscal year the government is making a significant change in how it presents its budget and financial information. In accordance with the recommendations of the Public Sector Accounting Board, all Canadian governments are expected to report on the value and accumulated depreciation of their tangible capital assets such as schools, highways and hospitals. Up to now, the value of these assets has not been reflected in our books. In the words of the Auditor General of Canada when speaking on this matter in relation to the federal government, I quote:

"The biggest problem with the way the government has kept its books for 130 years is that it did not give the information needed to manage assets and plan for the future. We cannot delay further -- we are just catching up to 20th century practices as we enter the 21st century."

The Government of the Northwest Territories is proud to be among the leading jurisdictions in the implementation of these new accounting guidelines. We firmly believe they will lead to better planning and greater transparency in government operations. We are also using this opportunity to enhance our budget presentation to include cash and debt forecasts in addition to our traditional forecasts of surpluses and deficits. We believe this additional information will provide the public with a more thorough understanding of government operations.

Mr. Speaker, because the technical aspects of these accounting changes require more explanation than I can provide in my speech, we have included in the budget documents a full explanation and reconciliation to former accounting practices. In addition, we are offering briefing sessions to the media and other interested groups.

The 2000-2001 budget anticipates operating expenditures, including supplementary appropriations and lapses, of \$763.6 million. Total revenues are estimated to be \$751.3 million. This represents an expected operating deficit of \$12.3 million. We also expect to make investments in additional tangible capital assets of \$54 million during the 2000-2001 fiscal year.

When the operating deficit of \$12 million and the undepreciated value of our investment in capital assets are taken into account, we expect an accumulated surplus position at the end of 2000-2001 of \$843 million. Contributing to the \$843 million accumulated surplus is the net book value of our capital assets at \$846 million.

As Members are well aware, Mr. Speaker, we find ourselves in a deficit situation because our revenue growth has been, and is expected to continue to be, insufficient to meet the growing needs of our residents for programs and services. Having said this, we are expecting our revenues in 2000-2001 to be slightly higher than originally forecast. We are encouraged that the Northwest Territories population is growing again, after the decline experienced in 1998. However, our rate of population growth is still lower than that of Canada, and this translates into very little growth in the Formula Financing Grant. One-time federal funding of \$8 million provided through the Canada Health and Social Transfer (CHST) and \$5 million for prior years' nurses salary adjustments will help boost this year's revenues. In addition, we will receive funding from Canada of

about \$13 million to compensate for the increased pension costs imposed on us by changes to the federal Public Service Superannuation Act.

We are also expecting a substantial increase in our tax revenues over last year. Even though a portion of this increase is due to one-time adjustments for previous years, we anticipate that economic activity associated with resource development will translate into a higher tax base for this government. However, under our current fiscal arrangements with Canada, the GNWT will only benefit from about 20 per cent of this increase.

On the expenditure side, the program and service needs of our residents are forecast to continue to grow more quickly than our revenues. The demands on our expenditures are driven by a number of factors:

- Our demographics are a challenge -- we have a large population of young people who need education, jobs and housing. At the same time, those over 65 years of age are the fastest growing segment of our population. We know, therefore, that we will face increasing pressures on our health care system and on our programs for the elderly;
- We have pressing needs for capital infrastructure -- our highways and our basic community infrastructure, such as water and sewer, are badly in need of significant investment. This investment cannot be deferred indefinitely, especially in light of the need to attract further investment in resource development and ensure that we maximize the opportunities presented by our non-renewable resources;
- The health needs of our population are of serious concern -- although there have been substantial improvements over the past 15 years, we continue to lag behind national averages in many key areas; and
- We need to respond to the serious social challenges of the Northwest Territories - we need to address the underlying causes of issues such as substance abuse and other unhealthy choices which result in family violence, high crime rates, and fetal alcohol syndrome and fetal alcohol effect. If we do not, future governments will face even higher costs in dealing with these issues.

We cannot solve our problems simply by cutting expenditures. In 1995 and 1996, faced with a unilateral \$55 million federally imposed cut to our Formula Financing Grant, the previous government of the 13th Assembly reduced spending significantly. Departments were combined, wages were reduced, hundreds of staff were laid off, capital spending was cut and services were reduced. However, these cuts did not solve the fundamental problem of the growing gap between our expenditures and revenues.

If we are to act as responsible fiscal managers, it is necessary to look at our expenditures to ensure that we are getting the

best value for our dollars. A number of reviews have been initiated within the government to determine if there are areas where it makes sense to reduce spending:

- We are conducting a broad review of all government programs and functions. It is necessary to know if there are ways we can do things better, or if there are things we should no longer be doing; and
- We are also reviewing some specific areas such as government purchasing, energy use, and subsidies, to ensure spending is effective and efficient.

Finally, we are reviewing potential sources of additional revenue, including taxation.

I want to assure the public and the members of the public service that we are not looking either at wholesale cuts to programs and services or at large-scale layoffs as the solution to our fiscal situation. Making cuts to essential services will likely cost us much more in the future in terms of health and social problems.

Mr. Speaker, although major cuts to basic services are not considered wise, we must all temper our expectations of what the Northwest Territories government can afford to do. This includes our departments, our boards and agencies, our contribution recipients, our public sector unions and our program and service clients.

In Towards a Better Tomorrow, the 14th Assembly has identified four key priorities for the next four years. It is on these priorities that the work and resources of this government will be focused. We will make investments where we are able, just as the previous government made key investments in the diamond value-added sector, and in providing support to oil and gas activity, because they knew these investments would pay off.

However, our fiscal resources are limited. We know that substantial revenues will be generated from the development of our non-renewable resources. But it is only when Northerners gain control over the pace of development and receive the fiscal benefits of that development, that we will have the means to reach our goals.

Improving Social Well-being

As its first priority, the 14th Legislative Assembly identified the need for our government to work with individuals, families and communities to improve the social well-being of Northwest Territories residents. The spending measures contained in this budget reflect our strategies to achieve this priority. This budget allocates \$454 million, or 60 per cent of our total expenditures, to key social programs -- health, education, social services, justice and housing. Despite fiscal constraints, we will maintain service levels. For example, in this budget, we propose to:

- Increase funding by more than \$5 million to allow the Department of Health and Social Services to respond to the growing needs of our population for health care and, in part, to continue to address the ongoing health needs of our seniors population;

- Allocate an additional \$3 million to allow the Department of Education, Culture and Employment to respond to projected growth in school enrolment and income assistance demands.

We have begun to make those strategic investments which we feel will pay large dividends in the future. Improving the social well-being of Northwest Territories residents begins with our youngest residents, Mr. Speaker. In many ways, the future of the Northwest Territories will depend on the measures we take today to improve and ensure the wellness of our youngest children. This is where investment will yield the greatest returns.

In recent years, we have reduced the rates of communicable diseases in children. Infant mortality and low birth weight rates have been reduced, and our children are staying in school longer.

Despite these successes, we still face many major challenges. For example, we continue to see unacceptable rates of alcohol and tobacco use during pregnancy. Our children are admitted to family violence shelters at four times the national rate. Our teen birth rate is three times the national average. If we believe our children are our future, we must do a better job of addressing these issues, not just at a government level but together at a community, family and individual level.

There is overwhelming research evidence that the years between birth and six years of age are key to future success. Investment in early childhood development pays off by reducing the likelihood that people will develop difficulties later in life. Over time, this reduces costs in the health care system, in the justice system, and in a variety of social services.

Under a federal-provincial-territorial agreement, the GNWT reinvests savings from the National Child Benefit in programs targeted at children. In 2000-2001, the Department of Education, Culture and Employment will invest an additional \$210,000 under the Healthy Children Initiative, which enables children to start life as healthy as possible and to enhance their potential for full development. Through the Healthy Children Initiative, community groups can design and deliver integrated programs and services for children up to six years old.

We must, however, do more than this. I am pleased to announce that the Departments of Education, Culture and Employment and Health and Social Services will work on the development and implementation of a territorial agenda for children and youth. The first component of the agenda is an initiative in early childhood development, reflecting the fact that it is in the early years that the greatest impact can be made.

We have identified four key areas for investment under the agenda:

- Support for parents and families;
- Programs for expectant and new mothers;
- Early childhood care; and
- Literacy programs.

As a sign of our commitment, later during this Session, the Honourable Jane Groenewegen, Minister responsible for

Health and Social Services, will be making a statement in support of early childhood development. This will be followed by consultations and the release of an early childhood development action plan. We will use the current fiscal year for planning and consultation. I hope that this government will be in a position to implement new initiatives in each key area in next year's budget.

By investing in our youngest residents, we can ensure our children begin their school years ready to learn. From there, we must ensure that quality education and training is available to students of all ages. A well-educated population will be crucial if Northerners are to benefit from the economic opportunities available.

We will increase funding in 2000-2001 by \$1.6 million for student support services and to reduce the pupil-teacher ratio. This amount will increase to \$4 million next year, to \$6.4 million in the following year and to \$8.2 million in 2003-2004 and will bring the pupil-teacher ratio to 16 to one in 2003-2004 from its current level of 18 to one.

Financial assistance to students is a vital support to promote life-long learning and career development. This year, we are enhancing the individual benefits for students to ensure that the support available better reflects the costs of post-secondary studies. Thanks to the support of all Members of the Legislative Assembly, we have obtained approval to proceed with a redesigned Student Financial Assistance Program, one that will put more money in the hands of Northwest Territories students with a particular focus on aboriginal and long-time Northerners.

We are making these investments in our residents, but there is a great need for additional investments to ensure a healthy and educated population in the Northwest Territories. We can only make investments within our means.

The needs of territorial residents require that the Government of Canada make its contribution to the cost of social programs. Unfortunately, in spite of the improvement in the federal fiscal situation, transfers for social programs continue to be subject to federal restraint measures.

In its last two budgets, the federal government has announced a partial restoration of CHST funding. This budget has made provision for a supplementary reserve of \$4.8 million, which represents the GNWT's share of the 1999 CHST Trust - one time federal funding which the provinces and territories have committed to allocate to health care. The Department of Health and Social Services will be coming forward with proposals for the use of this money, which will focus on the implementation of primary health care models.

Along with the provinces and other territories, the Government of the Northwest Territories has called for full restoration of the CHST to 1994-1995 levels, including the addition of an appropriate escalator to reflect growing costs.

The additional CHST funding provided to date will increase our revenues by about \$4 million per year over the next four years. Full restoration of the CHST would provide the GNWT with a further \$4 million per year. However, this is far less than the ongoing effect of the 1996 cut to the formula financing grant.

Better Governance Through Partnerships

Mr. Speaker, the second priority in Towards a Better Tomorrow is that of "Better governance through partnerships." We recognize that we cannot achieve our objectives in isolation. We need to work in partnership -- federal, aboriginal and territorial governments -- to make change happen.

The building of strong partnerships between the Government of the Northwest Territories and aboriginal governments is a priority of this government. We are working diligently to strengthen and enhance our intergovernmental relationship with aboriginal governments.

In the Beaufort Delta region, our government and the Government of Canada have entered into a political accord with the Gwich'in Tribal Council and the Inuvialuit Regional Corporation to work together on issues of common concern. On June 13, 2000 in Lutselk'e, the Minister of Aboriginal Affairs, the Honourable Jim Antoine, entered into a political accord on behalf of the government with the Akaitcho Dene First Nations. This accord recognizes the growing relationship between our respective governments and the need to work closely together on issues affecting both the Akaitcho region and the territory as a whole.

At the territorial level, the Intergovernmental Forum process brings together the territorial, federal and aboriginal governments to discuss issues that are territorial in scope. At the first Intergovernmental Forum meeting held in Hay River on May 5, 2000, leaders agreed to work together on pipeline developments, devolution and capacity building for aboriginal governments leading up to the next Intergovernmental Forum meeting in the fall.

This government is fully committed to building solid intergovernmental relationships through the Intergovernmental Forum. This unique governments to government to government approach will provide a process for ongoing dialogue among the parties on such key issues as devolution of control over northern resources and other shared concerns. As part of our commitment to this process, we have dedicated three full-time positions to work on this important initiative.

The Government of the Northwest Territories, along with the federal government, is also committed to ensuring that aboriginal governments have adequate resources to participate as full partners in this process. While we have not identified financial resources in this budget to fund aboriginal government participation in the Intergovernmental Forum, this government has made a commitment to fund one third of these costs. Once final decisions are made on these costs, we will be asking for additional appropriations from this Legislative Assembly.

This government recognizes the inherent right of self-government of aboriginal people in the Northwest Territories. We are working with aboriginal people to create an environment in which this right can be realized and implemented. To this end, we are strongly committed to negotiating agreements that will achieve the Assembly's goal of "strong and effective aboriginal and public governments, operating co-operatively with no reduction in program and service levels as a result of implementing self-government agreements."

A Vibrant Northern Economy

The third priority of the 14th Assembly is "A northern-controlled economy that is balanced, diversified, stable and vibrant." We are fortunate that our economic future holds such great promise.

The prospects for mineral and petroleum development in our Territory are bright. Diamond mining has become an established industry in the North, with one mine in production and planning to expand, a second in the final planning and approval stages, and a third expected to soon make application for environmental licensing. We have weathered a severe downturn in the international gold market and are hopeful that the worst is over.

The recent increase in the North American market for natural gas has led to a renewed interest in Northwest Territories oil and gas reserves. For the first time in 25 years, the possibility of a Mackenzie Valley natural gas pipeline is a hot topic in boardrooms across the nation. In addition, Northwest Territories aboriginal leaders have formed the Aboriginal Pipeline Group to promote aboriginal ownership and participation in pipeline development.

Our renewable resources also hold great potential. We have made great strides in our tourism industry, but there is room for considerable growth. Northwest Territories fashion designers are making the national scene with products that combine traditional materials and methods with a more contemporary look. Our forestry and agricultural potential has not been realized.

The renewable resource sector is especially important to the smaller communities and to those who prefer seasonal employment or employment related to traditional skills. Tourism now generates in excess of \$30 million a year in income in the Northwest Territories. The recent display of northern fur garments at the Montreal fur exposition confirms the world demand for our high quality northern wild fur. With healthy fish and wildlife populations, outfitting continues to provide seasonal employment for over 300 Northerners. Proven agricultural ventures include two egg production facilities and successful market gardens located in Hay River and Fort Smith. The egg quota alone exceeds \$3.8 million in value. Opportunities exist in such areas as secondary processing of timber, the harvest of wild plants and agriculture. Examples of recent success stories in these new areas include the test harvest of morel mushrooms in the Yellowknife area last summer and the Inuvik Community Garden Project. Development of the renewable resource sector is critical to developing a diverse and stable economy.

Finally, the development of our resources needs to be balanced against the impact on our environment. The Government of the Northwest Territories is coordinating the development of a northern strategy to control greenhouse gases. This process involves over 40 federal and territorial agencies, aboriginal organizations, industry and environmental groups. The general public will be part of the consultation process as well. The draft strategy to control greenhouse gas emissions will be presented to Cabinet in the fall of 2000.

Mr. Speaker, we are working to maximize the opportunities for Northerners from development of our resources. To do this, we have to address a number of challenges, such as the need to provide training, to build the necessary infrastructure and to

ensure that we as Northerners benefit from development. The Government of the Northwest Territories has made a substantial investment in promoting a secondary diamond industry, and has supported aboriginal organizations in becoming partners. In addition to the direct funding of \$5 million to support and promote value-added diamond initiatives, the GNWT has also approved \$20 million in loan guarantees to three companies establishing operations in the Northwest Territories. Within our means, we are committed to continuing to provide similar support to northern companies working in the oil and gas sectors.

In January of last year, the previous Minister of Resources, Wildlife and Economic Development, the Honourable Stephen Kakfwi, initiated the Economic Strategy Panel, representing a cross-section of Northwest Territories interests, to examine the opportunities and challenges we face. The diverse interests represented on the panel have ensured a broad and informed view of what needs to be done to stimulate development and improve the circumstances of Northwest Territories residents.

Under the leadership of Mr. Richard Nerysoo and Mr. Daryl Beaulieu, the panel has completed its work and has provided the comprehensive recommendations we need to focus our economic development efforts.

I am pleased to announce that the report of the Economic Strategy Panel, entitled "Common Ground", will be tabled during this Session, and I look forward to the debate of the report's discussion and recommendations. The document will also be made available to interest groups and the general public to ensure we are on common ground and can proceed confidently with a clear and definitive economic development strategy for the Northwest Territories.

Development of our non-renewable resources has the potential to generate \$35 billion in resource royalties and over \$55 billion in taxes to both levels of government over the life of known and potential reserves. An agreement on devolution of authority for resource management with Canada would allow a significant portion of those revenues to flow to northern governments -- both public and aboriginal.

However, in order to realize those revenues, major investments must be made today. The Northwest Territories lacks the basic infrastructure to support economic development, including a system of all-weather roads, communications systems on par with the rest of Canada, and municipal services that can support rapid community expansion. Many northern residents lack the educational levels that would allow them to take advantage of jobs created by development. Northern businesses, including aboriginal development corporations, may not have access to the necessary venture capital or expertise. Industry has told us time and time again that the regulatory regime in the North needs to be streamlined and the rules have to be clearer before they are willing to make major investments in the development of our resources.

In order to address these challenges, I have proposed a Non-Renewable Resource Development Strategy. The strategy outlines the investments that are required to create the right environment for resource development in the North, to manage development effectively, and to ensure that northern residents reap maximum benefits.

But this is not just a plan for the Government of the Northwest Territories. We cannot do it alone. We want to see all the

parties with an interest in northern resource development work together to make the needed investments, including the federal government, the territorial government, aboriginal groups and industry. For this reason, we have presented our proposal to the federal Ministers of Indian and Northern Affairs and Finance, to our aboriginal partners through the Intergovernmental Forum, and also to members of industry.

The strategy proposes an investment level of \$340 million over the next four years. Mr. Speaker, the GNWT is prepared to do our part. We propose to maintain current levels of investment totaling more than \$100 million over four years. We are hopeful that the federal government will make the required level of commitment and invest in a bright future for the Northwest Territories.

Part of the strategy is the vision of a Mackenzie Valley gas pipeline, which would bring natural gas from the Beaufort Sea and Mackenzie Delta to markets in southern Canada and the United States. This pipeline would also be the cheapest way to bring gas from northern Alaska to markets, and would allow for the development of other reserves along the route of the pipeline.

A Mackenzie Valley pipeline would also provide significant benefits to the rest of Canada. Much of the equipment and materials used to build the pipeline will come from southern Canada. We estimate that a Mackenzie Valley pipeline, with a link to Alaska's Prudhoe Bay reserves, would result in about 80,000 person-years of direct, indirect and induced employment during construction.

Eighty per cent of these jobs will be in southern Canada. The construction would increase Canadian Gross Domestic Product by \$5.5 billion. More secure supplies of natural gas would replace other kinds of fuel and help Canada meet its commitments to reduce greenhouse gases under the Kyoto Accord.

To respond to ongoing and future development of the Northwest Territories' resources, a number of initiatives will be undertaken by this government this year. The Department of Resources, Wildlife and Economic Development will commit over \$700,000 this fiscal year to help communities prepare for this development. These initiatives include:

- The creation of four regional petroleum advisor positions, one in each of the three regions that have the greatest levels of activity and one position in headquarters, so that northern communities can maximize economic and employment opportunities through planning and preparation for the expected increase in industrial activity;
- Allocating funding to provide legal and business development advice to aboriginal organizations to work together to obtain significant ownership in the construction and operation of Northwest Territories pipelines. Equity participation in oil and gas infrastructure is considered to be one of the primary ways to ensure long-term wealth creation for northern residents;
- Providing resources to the Aboriginal Pipeline Group to assist with acquiring legal, financing and business development advice to support

the initial establishment of this consortium;

- Gathering information on the ecosystem and baseline health data for the Deh Cho, Sahtu and Inuvik regions. This information will be used to support environmental and socio-economic monitoring of the impacts of development in co-operation with communities, industry and the federal government; and
- Investigating options for adding value to the gas industry through the manufacture of products and developing access to northern produced natural gas as an alternative source of energy for communities and industry.

We will also make investments to ensure Northerners have the education they need to take advantage of job opportunities. The Department of Education, Culture and Employment will spend \$1.3 million in 2000-2001 to promote employment in the oil and gas and diamond industries. The department will also invest an additional \$1 million to target youth employment.

The recent expansion in the Northwest Territories resource industries has increased the demands on the territorial highway system. To keep pace with this heavier, industrial traffic, the Department of Transportation has planned capital improvements for Highways 3,4,7 and 8 where the impacts of the increased traffic have been greatest.

The reconstruction of Highway 3 between Rae and Yellowknife should progress by another eight kilometres this year at a cost of \$6 million. The department is involved in federal-territorial discussions to apportion the \$600 million in National Highway Program funds announced by the federal government earlier this year and it is hoped that a significant amount will be allocated to the Northwest Territories for work on the Rae-Yellowknife portion of Highway 3.

In anticipation of continuing oil and gas industry development in the Liard Valley, approximately \$500,000 is scheduled for grade stabilization and surface improvements on the first 50 kilometres of Highway 7 from the British Columbia border north to Fort Liard.

On Highway 8, the Dempster Highway from the Yukon border to Inuvik, the \$2 million reconstruction program for 2000-2001 includes the installation of a new bridge at Campbell Creek south of Inuvik. The bridge replaces two large diameter culvert pipes and should prove more habitat friendly for fish stocks in the stream.

This year, the Department of Transportation intends to continue its bridge program on the Mackenzie Valley winter road into the Sahtu. The completion of the Ochre River Bridge, at a cost of \$960,000, will allow the winter road to open earlier and should extend the winter road season by as much as a week.

I would now like to turn to the issue of taxation. Today I am announcing a tax initiative which I believe will help make our economy more diversified. Mr. Speaker, the tourism potential in the Northwest Territories has barely been tapped. This industry can be an important component of the Northwest Territories economy and can play a key role in diversifying the economic base of our communities. First, we need to let potential tourists know where the Northwest Territories is and what we have to offer. We need to project a strong Northwest Territories image

and promote the Northwest Territories as a destination throughout the world. Second, to better serve our customers we need to strengthen the base of tourism services in every region. We must develop quality attractions, products and services in every region and we must advertise these attractions.

However, to effectively achieve these two objectives, investments are necessary. The GNWT cannot afford the required investment on its own. One of the sources for such investment is a tax on hotel occupancy. Today, I am proposing that the Government of the Northwest Territories, effective April 1, 2001, adopt a five percent tax on occupancy charges in commercial accommodation facilities with four or more rooms. We propose that the estimated \$1 million in annual revenue raised from this tax would be reinvested in tourism with the goal of developing our tourism potential. If this tax is approved, the Department of Resources, Wildlife and Economic Development will be coming forward with a plan for tourism promotion for inclusion in the 2001-2002 budget.

It is my intention to introduce legislation respecting this measure later during this Session. I will also be seeking input from MLAs, individuals, and business groups, in particular the tourism industry, and other organizations prior to the passage of this legislation.

Becoming More Self-Reliant

The fourth priority the 14th Assembly has set is to secure "adequate resources to help all levels of government to become more self-reliant in meeting the needs of the people they serve." This is key to achieving the Assembly's vision of "a strong, unified and self-reliant Northwest Territories that can take its rightful place in the federation and the international community". Mr. Speaker, for the first time in our history, we are poised to achieve that vision, and to become the first "have" territory in Canada.

New resource development in the Northwest Territories has the potential to provide as much as \$90 billion in royalties and tax revenues for government over the life of the developments, most of which will flow to the federal government. Funds from resource development have the potential to help finance needed investment in infrastructure and growing costs in the social area.

The three territories are the only jurisdictions in Canada which still do not have complete control over their non-renewable resources. Virtually all of the mineral and oil and gas royalties generated in the Northwest Territories currently go to the federal government. As well, about 80 percent of the Northwest Territories tax revenues generated by resource development reduce the grant from Canada. As a result, the Government of the Northwest Territories does not have the money required to fund the infrastructure necessary for the new development or to mitigate the social impacts of development.

Steps need to be taken immediately to ensure that these funds flow to the governments, both the Government of the Northwest Territories and the aboriginal governments, that have the responsibility for providing services to the people of the North. Devolution of both control over development and the revenue from natural resources needs to happen to provide the residents of the Northwest Territories advantages equal to those enjoyed by residents of the provinces.

Investments needed to take full advantage of development, such as the investments made in secondary diamond processing, have been primarily funded by the Government of the Northwest Territories. This has resulted in higher deficits and fewer resources over the short term for other programs. The Northwest Territories does not have the capacity to make these proactive investments alone. We need to act now to ensure that the revenues from resource development in the North go to northern governments to provide needed investments and services for northern residents.

Northern control over resources will allow Northerners to take better advantage of our non-renewable resources, ensuring that development occurs when northern residents are able to take maximum advantage of it. Control will allow us to ensure that more processing occurs in the North, and that there are more employment opportunities for Northerners. Control will also allow us to bring clarity and certainty to the regulatory and fiscal regimes. If northern governments have full control over all our resources and diamond, oil and gas developments proceed, the Northwest Territories could become a "have" territory over the next ten years.

Conclusion

Mr. Speaker, I sincerely believe that the future of the Northwest Territories has never looked brighter. There will be opportunities over the next ten years in a number of areas for developments that can benefit the residents of the Northwest Territories. However, we need to act now to ensure that we can take full advantage of these opportunities. We cannot afford to wait.

The Legislative Assembly has set out a vision of a strong, unified and self-reliant Northwest Territories that can take its rightful place in Canada.

We need to make the right decisions over the next few years to ensure that we achieve this vision. We are doing our best to improve social well-being and service levels with existing resources, but we need full access to the revenues from our resources if we are to make significant progress towards addressing our problems. We need to ensure that we continue to maintain a tax and regulatory environment that does not unnecessarily restrict business, without compromising the environment or social programs.

We must work in partnership with the federal and aboriginal governments to ensure that Northerners benefit from the development of our resources and that northern governments have the resources needed to take our place in Canada to provide top quality programs and services to our residents.

Mr. Speaker, it is clear there is a lot to do over the next four years and we, as the 14th Legislative Assembly, have developed a vision of what we want to accomplish. We face many challenges in the North, but there are many opportunities as well. Although we are forecasting a deficit budget for the fiscal year 2000-2001, we are maintaining the levels of services provided to Northerners and investing where we can to provide maximum returns on the future both for our people and our economy. In closing, I would like to re-state my optimism for the future and that I truly believe these are exciting times.

-- Applause

MR. SPEAKER: Thank you, Mr. Handley. Before we proceed to item 5, Members' statements, I wish to bring to the attention of the House another very special event we are marking today. Our esteemed clerk, Mr. David Hamilton, and his lovely and very, very understanding wife Kate are celebrating their silver anniversary today.

On behalf of all Members and staff, I wish to extend our very best wishes as you celebrate 25 years together. Congratulations to you both.

-- Applause

Item 5, Members' statements. The honourable Member for Mackenzie Delta, Mr. Krutko.

ITEM 5: MEMBERS' STATEMENTS

Member's Statement on World Petroleum Conference

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, my statement today is a follow-up to meetings held last week in Calgary regarding the World Petroleum Conference. There has been a lot said about the potential we have in the Northwest Territories. I think one thing we can lose sight of is the people themselves. Our most precious resource is the people.

Mr. Speaker, in ensuring the people of the Northwest Territories benefit from these developments, we have to ensure we have the training, infrastructure and the opportunities for the people of the North.

There are development opportunities in all of our different regions. We have the potential in different sectors, such as the mining sector, oil and gas, tourism, and renewable and non-renewable resources.

In particular, Mr. Speaker, in my riding of Mackenzie Delta, there is the potential for oil and gas development. There is talk about a gas pipeline up and down the Mackenzie Valley and the results that have to come forward regarding the land sales recently in the Mackenzie Delta, especially the sale of lands from the Inuvialuit, which have brought in some \$75 million. There are opportunities in different sectors, from the seismic operation to drilling, to the potential development of that resource.

In order to meet that requirement, we have to look back in time. As a young man, I started my involvement with oil and gas in the Mackenzie Delta. I worked on the Beaufort Sea. It seemed like there was never going to be an end to this development. It came and went. We had large scale drilling operations, drill ships, man-made islands. We had drilling platforms, ice-breakers, some large camp facilities in Tuktoyaktuk and also in Inuvik.

Yet as quick as it came, it also left. Ensuring we receive the benefit to its maximum potential this time around, I encourage this government to put all of its resources and its abilities to develop programs and services to assist the people in the Mackenzie Delta to take advantage of this opportunity, which has come once again.

I feel it is essential that this government put as much effort in the oil and gas sector as it did in mining. Mr. Speaker, I seek unanimous consent to conclude my statement.

MR. SPEAKER: The Member for Mackenzie Delta is seeking unanimous consent to conclude his statement. Are there any nays? There are no nays. Mr. Krutko, you may conclude your statement.

MR. KRUTKO: Thank you, Mr. Speaker. Thank you, colleagues. Mr. Speaker, in order to meet the requirements, especially for the people in the Mackenzie Delta, we as a government have to play a role in developing that industry. We have responsibilities in the areas of education, health and developing the infrastructure in our communities.

I find it appropriate that this government takes whatever means necessary to find the adequate resources that are going to be needed to develop the training programs, so we can have quality jobs for trained people. Also, we need to ensure we have the facilities to take on this large-scale development, such as hospitals and college facilities. We need to ensure that the infrastructure is there to be able to sustain this development, such as airports, highways and the facilities that are going to be needed to house this large-scale operation.

Regarding the development of the North and its people, I feel it is critical that we should not hear the industry say we do not have the trained people in our communities or region. I feel that is a copout.

As a government, we have a responsibility to ensure we have the human resources, so people can develop those skills through the college and other facilities to ensure they take full advantage of this development when it comes once again. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Krutko. Item 5, Members' statements. The honourable Member for Great Slave, Mr. Braden.

Member's Statement on Vision of the 14th Assembly

MR. BRADEN: Thank you, Mr. Speaker. When this newly elected Assembly gathered barely five months ago in Fort Providence, we set out to establish a fresh vision for our government. Our Caucus decided to build on the vision of previous Assemblies.

At the end of March, we released our plan, entitled Towards a Better Tomorrow. I would acknowledge, Mr. Speaker, the Commissioner's recognition of that vision in her opening address and the use of that vision and its principles by the Minister of Finance in the budget address.

The key principle of the vision is the importance of communicating our messages. We realize we have many different audiences among our own constituencies. We also recognize that there are many other audiences. The Honourable Joe Handley, Government House Leader; Mr. Nitah, deputy chair of Caucus and I, as Caucus chair, wrote to more than 60 Northwest Territories organizations to personally solicit their review and comments on the document.

Our outside audiences, Mr. Speaker, are people who need to know about our plan. They include our neighbouring provinces in other territories, businesses and investors in Canada and offshore, and especially, Mr. Speaker, our colleagues in the senior government in Ottawa. I acknowledge the work of my colleagues, the Premier, the Ministers and many hard-working staff, in helping to take that message to the outside audience.

On many occasions, Mr. Speaker, MLAs, as members of standing committees, and Ministers have worked together in support of our common goals, agendas and messages. We have attended national and international symposia on diamonds and petroleum, and events here in the Northwest Territories, such as the Association of Municipalities in Fort Simpson, the Sport and Recreation Directions workshop in Hay River and the Intergovernmental Forum there.

We will continue to build and enhance the communication we need to have with Northwest Territories residents, Mr. Speaker. This includes taking our message to every part of the Territory we live in and make every effort to hear what people have to say.

In this respect, Mr. Speaker, I am pleased to advise, along with host MLAs for Inuvik Boot Lake, Mr. Roland, and Inuvik Twin Lakes, Mr. Allen, that Caucus will be travelling to Inuvik in September, from the 5th to the 8th, to continue our work as the 19 Members of this Assembly on the evolution and progress of Towards a Better Tomorrow. Thank you, Mr. Speaker.

-- Applause

MR. SPEAKER: Thank you, Mr. Braden. Item 5, Members' statements. The honourable Member for Hay River North, Mr. Delorey.

Member's Statement on Proposed Block Funding Cuts

MR. DELOREY: Thank you, Mr. Speaker. Mr. Speaker, I want to say I am very happy to be back here with all of you to start this Third Session of the 14th Legislative Assembly.

-- Applause

There has been a marked change in the weather outside since we were last here, and nature has taken on a whole new look. The days are much longer, and there are signs of new life everywhere.

I hope, Mr. Speaker, that we are able to get through this Session in a timely yet productive manner, so we are able to enjoy some of the season with our families.

SOME HON. MEMBERS: Hear, Hear.

Mr. Speaker, I feel a sense of new life and excitement coming from across the room with the possibilities that lay before us. I hope, Mr. Speaker, that we are able to take advantage of these possibilities in the very near future.

However, the reality of the day is that we have very little to celebrate yet. The tax-based community I represent is very concerned with the proposed block-funding cuts and how it will affect its ability to provide adequate programs and services.

Hay River has been asking for a review of the block-funding formula since 1975, as we feel we are being under-funded compared to other tax-based communities. Hay River is proud of how it administers its available funds, and works very hard to live within its limited resources, while maximizing the benefits to the residents.

Mr. Speaker, I am committed to working towards a solution that will see this government reward well-administered

municipalities with increased funding, instead of burdening them with more cuts.

If we want our people who administer our programs to be accountable, we must give them the tools, including funds, to do a good job. Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, Hear.

-- Applause

MR. SPEAKER: Thank you, Mr. Delorey. Item 5, Members' statements. The honourable Member for Tu Nedhe, Mr. Nitah.

Member's Statement on Framework Agreement Progress Report

MR. NITAH: Thank you, Mr. Speaker. Mr. Speaker, it has been a long three months since we last sat. Mr. Handley with his runners...I was hoping he would run through his budget address a little quicker, but I guess those runners are meant for long-distance running.

-- Laughter

Mr. Speaker, it has been a long three months. Many of us have spent a lot of time in the communities, on the roads and living out of our luggage. I would first like to start by thanking Mrs. Groenewegen, Mr. Handley, Mr. Antoine and Mr. Ootes for accompanying me while I traveled through my communities.

The future success of our people rests in many corridors, Mr. Speaker. One of the most important of those is education. It is with great pleasure that I congratulate the first grade 12 graduates on Tu Nedhe soil. Kara King and Holly Beaulieu proudly graduated on June 8th at the Deninoo School in Fort Resolution.

-- Applause

I would like to congratulate those two fine young ladies. I look forward to seeing more grade 12 graduates from the Tu Nedhe communities in future years. To this end, Mr. Speaker, after many discussions and a meeting in Fort Resolution with the honourable Minister for Education, Jake Ootes, and community residents, I have good news.

School renovations are going ahead this year instead of next year, if all goes well. Students, parents and all residents in Fort Resolution are thankful. I would like to thank Minister Ootes and his Cabinet on behalf of the community of Fort Resolution.

In Lutsel K'e last week, Mr. Speaker, there was an initialing of the Akaitcho Framework Agreement. Akaitcho Treaty 8 chiefs and negotiators initialed a framework agreement last week. This progress is like a bud on a tree, Mr. Speaker, a stage of growth and promise.

While this is only one step in the long haul of negotiations, it is progress. It is significant in that the Akaitcho people have been able to work together to come this far, despite their differences in opinion.

MR. SPEAKER: Mr. Nitah, your time has run out.

MR. NITAH: Mr. Speaker, I seek unanimous consent to conclude my statement.

MR. SPEAKER: Thank you, Mr. Nitah. The honourable Member for Tu Nedhe is seeking unanimous consent to conclude his statement. Are there any nays? There are no nays. You may continue, Mr. Nitah.

MR. NITAH: Thank you, Mr. Speaker. Negotiations have not been easy, and at times have certainly been frustrating. I hope they continue to the next stages of negotiations with that same determination and make things happen for the people of the Akaitcho and, in a large part, the people of the Northwest Territories.

This agreement still has to be ratified by all parties. All indications point to July 25th at the Akaitcho Treaty 8's Centenary in Deninu K'ue for this to happen.

In conclusion, Mr. Speaker, I hope to see a promising future for the Akaitcho people through these negotiations. I look forward to seeing all of you at the signing on the 25th of July in Deninu K'ue. Thank you, Mr. Speaker.

-- Applause

MR. SPEAKER: Thank you, Mr. Nitah, for the invitation. Before we continue with item 3, Members' statements, the Chair recognizes that there are a lot of pent-up statements here, so I will exercise a bit of flexibility in the length of the statement, but it can only go so far. Your two and a half minutes could be extended if you are nearing conclusion. Item 5, Members' statements, the honourable Member for North Slave, Mr. Lafferty.

Member's Statement on Academic Achievements of Rae-Edzo Graduates

MR. LAFFERTY: Thank you, Mr. Speaker. Mr. Speaker, today I am pleased to recognize the academic achievement of the 18 graduates of the Chief Jimmy Bruneau School in Rae-Edzo.

These students have demonstrated commitment and discipline and have achieved a huge milestone in their lives. By earning their Grade 12, these students have completed an important phase of their lives. They will now leave the structure provided by school and establish their own framework for their lives. In the future, they will have access to training and employment opportunities and I hope that they will take advantage of the doors that will open for them.

In particular, I would like to acknowledge three graduates, Francis Erasmus, Mary Rose Mantla and Madeline Zoe. These three women returned to school after twenty years of absence. Through teamwork and dedication, they succeeded in earning their high school diplomas.

Their accomplishment serves as an inspiration to others in the community that high school graduation is achievable and important no matter what your age.

Graduation will take place this Saturday in Rae-Edzo. A tea and dance will follow the 3:00 p.m. ceremony. As well, the community is honouring the graduates by having a feast and a drum dance.

I am pleased to congratulate all the graduates on their successful completion of high school. I encourage all community members to come out on Saturday and honour the achievements of these students. Thank you, Mr. Speaker.

-- Applause

MR. SPEAKER: Thank you, Mr. Lafferty. Item 5, Members' statements. The honourable Member for Yellowknife South, Mr. Bell.

Member's Statement on Congratulations to Yellowknife Smart Community Society

MR. BELL: Thank you, Mr. Speaker. I would like to take this opportunity today to congratulate the Yellowknife Smart Community Society, who were successful with their proposal and have been awarded \$5 million in funding from Industry Canada. This will be matching funding. They will have to get out and beat the bushes and raise some money to get this money, but the funding will allow them to help the North become a leader in communications technology in things like phone, cable, Internet, wireless technologies.

In particular, I would like to recognize the efforts of Ben McDonald, who had the lead for this proposal on our city's behalf, and all the people who worked behind the scenes to make this a reality.

I would also like to recognize the Hay River Smart Community Society, who also had a proposal in. It is my understanding it was a top-notch proposal. They had intended to go ahead in either case, with or without the funding. I think that speaks volumes for the people in Hay River.

The challenge is to raise the funding to get the matching funding. Some money has been identified already, and it is quite substantial, \$7.3 million in funding from organizations like NorthwesTel, the City of Yellowknife, Outcrop, Storefront, both education districts, the Literacy Council, Aurora College and the Yellowknife and Northwest Territories Chambers of Commerce.

Mr. Speaker, I think the time is now for the GNWT to jump in with both feet and support this initiative. There are no longer competing proposals. Yellowknife is proposing to open the scope of this project to include all Northwest Territories communities.

Mr. Speaker, I would like to congratulate the Yellowknife Smart Community Society, and wish them all the best.

-- Applause

MR. SPEAKER: Thank you, Mr. Bell. Item 3, Members' statements. The honourable Member for Range Lake, Ms. Lee.

Member's Statement on Launching of Website

MS. LEE: Thank you, Mr. Speaker, for finally recognizing me. I thank the Member for Yellowknife South for making his statement very short.

Mr. Speaker, I believe we will have a lot of discussion on the budget in this House in coming days. Today, I would like to take this opportunity to tell my constituents and everyone out there about a very exciting communications tool that I launched yesterday, which is my website. The address is www.sandyleemla.com.

-- Applause

Mr. Speaker, as you are well aware, we as MLAs are constantly bombarded with information. We receive mountains of papers, documents, letters, faxes and a basket full of e-mails daily. We just received one more here.

We may be surprised to learn that some of them are actually really good stuff. My challenge has been to find a way to disseminate and communicate some of that to the constituents, and other interested parties of the public in a speedy fashion.

At the same time, Mr. Speaker, I have often found I am not always able to get a quick input and feedback from my constituents on issues that matter to them. Not as much as I would like to, anyway. After all, Mr. Speaker, everyone else is busy too and I can only make so many phone calls and have so many lunches in any given week.

This website, Mr. Speaker, I must also say has been inspired by a number of Range Lakes constituents I met during my door-to-door campaign. I remember a resident on Finlayson Drive who asked me if you get elected, "how would you keep in touch with your voters?" Another resident on Magrum Crescent told me that although she does not have time to go to meetings, she usually spends a few minutes on her computer at home.

Most importantly, Mr. Speaker, anyone who has visited my website will see that I have dedicated a full section of the site to the kids in our Territory, with a banner that says "kids are the greatest."

In it, I have pictures from kids from not only Range Lake and Range Lake North School, but from Fort Providence and anywhere else where I meet kids throughout my travels. It is my greatest hope that kids from all over the North will make this site a place to visit and to learn about what we do in this House.

I am pleased to report to you, Mr. Speaker, that e-mails and feedback I have been receiving so far show that it is doing exactly what I wanted it to do. Thank you, Mr. Speaker.

-- Applause

MR. SPEAKER: Thank you, Ms. Lee. That was www.sandyleemla.com, was it?

-- Laughter

Item 5, Members' statements. The honourable Member for Deh Cho, Mr. McLeod.

Member's Statement on Appreciation to Ministers and Members

MR. MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, today I want to show my appreciation to the Ministers and Members who attended my riding. Mr. Speaker, once Session and committee meetings end, it gives us an opportunity to visit our constituents in the communities. It is a chance to hear people's concerns, catch up on the latest news and hold meetings. The pace we have to set at times can be very overwhelming and exhausting.

Mr. Speaker, in my short time as an MLA, I believe I have encountered all of the difficulties that go along with setting up

meetings with the Ministers and other senior government officials.

The first major hurdle is always to coordinate everybody's schedule so all the players can be in attendance. Then there is the booking of halls, boardrooms, hiring of translators, coordinating and receiving all required forms and making sure we get approval from corporate services.

We also have to remember that our meetings cannot compete with other activities in the communities or other meetings that are happening. I am sure other Members have experienced the same challenges.

Mr. Speaker, I feel the time and effort that goes into these meetings and visits often goes unrecognized. Therefore, I would like to take this opportunity to say thank you to the Ministers and other Members who have visited the communities in my riding.

First of all, I would like to thank the Premier, Mr. Kakfwi, who is probably the only Premier to have officially visited the community of Enterprise in the Deh Cho. Mr. Allen, the Minister of Housing, and his staff who visited every community in my riding. Thank you. To Mr. Antoine and Mr. Ootes for taking the time to participate in official school openings in Kakisa, I would like to thank both of them.

Mr. Speaker, thanks must also be extended to all the government staff who work very hard organizing and setting the travel schedule for these meetings. To the people in the community who set up the halls, made coffee, put up posters and came out and participated. I would also like to acknowledge the Member for North Slave, who took part in some of the meetings on the reserve in Enterprise. Judging from the response in the communities, Mr. Speaker, it makes all of the planning and organizing worthwhile. I look forward to many more meetings in the next four years with the Members of this House in the communities of the Deh Cho. Thank you.

-- Applause

MR. SPEAKER: Thank you, Mr. Nitah. Item 5, Members' statements. The honourable Member for Inuvik Boot Lake, Mr. Roland.

Member's Statement on Oil and Gas Development in Inuvik

MR. ROLAND: Thank you, Mr. Speaker. Mr. Speaker, in the budget speech presented by the Minister of Finance, there is one area I would like to focus on. It states we are on the brink of substantial development for our Territories. I think we must all thank the Good Lord above for putting those resources in the Northwest Territories.

In my region, Mr. Speaker, an announcement was made and a press release was sent out by the Inuvialuit Regional Corporation, that on June 16th, the Gas Concession Agreement was ratified by the Inuvialuit of the community of Inuvik, and it was a unanimous vote of the beneficiaries that agreed to the concession agreement.

I must say it has been the development side and private sector that has kept Inuvik and the region going. It has been my experience as a Member of the Legislative Assembly that I have had to bring a lot of bad news to my constituents as a result of messages and actions of this government.

We do have hope on the horizon. I urge, as my colleague for Mackenzie Delta said, this government to help out when it comes to developing our substantial resources that lie in the ground now. We need to be ready for this, not playing catch-up as we have before.

I urge this government to take in the serious consideration of moving quickly in this area. Again, I am thankful for resource development in our region that puts people to work and trains people. I look forward to further working with the government to try and make sure that we are ready to move when the oil and gas companies are ready to move into the Delta. Thank you.

-- Applause

MR. SPEAKER: Thank you, Mr. Roland. Item 5, Members' statements. The honourable Member for Thebacha, Mr. Miltenberger.

Member's Statement on First Dry Grad in Fort Smith

MR. MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, in his budget address, the Minister of Finance made reference to some of the social problems we have to deal with. One of the main ones being the issue of alcohol abuse. With my statement today, I hope to cast a positive light on how that issue can be dealt with.

During the month of June, Mr. Speaker, high school students in communities across Canada have been celebrating their graduation in a modern way with dry grads. For the first time ever in Fort Smith, the graduates there have decided to have a dry graduation.

-- Applause

Mr. Speaker, I am glad to report that this evening was a great success. After the ceremonies and graduation function, the students put away their formal attire and donned their jeans and shorts and headed over to the rec centre for the dry grad. They had an evening filled with hypnotist shows, swimming, volleyball, bungee, pull-rope and sumo wrestling. There was also an incredible amount of food consumed during the night by these many hungry young students.

After a full evening of activities, at 6:00 a.m. they all headed over to the Western Arctic Leadership program for a pancake breakfast.

I would like to congratulate everyone who was involved in planning this very important function, from the teachers, parents and students who arranged the event to the community volunteers who worked all night; the Fort Smith business community for their many contributions; and of course the students themselves, who took part and made the event so much fun. It was demonstrated very clearly, Mr. Speaker, that you do not need alcohol to celebrate and have fun. I am glad it was a success. I am glad to hear they are already talking about next year's graduation. Thank you.

-- Applause

MR. SPEAKER: Thank you, Mr. Miltenberger. They are indeed to be congratulated. Item 5, Members' statements. The honourable Member for Frame Lake, Mr. Dent.

Member's Statement on Raven Mad Days

MR. DENT: Thank you, Mr. Speaker. Mr. Speaker, I rise to talk about an important community event that took place here last Friday, Raven Mad Days. I would like to offer congratulations to Carol Van Tighem, who was the chief organizer, and her cast of volunteers, for what turned out to be a very good evening.

Mr. Speaker, Raven Mad Days started many years ago as a retail sale for just a few stores in town, but it has turned into, over several years, a real street festival. It now takes over more than just a few stores. It takes over the whole downtown.

There are thousands of people out enjoying street performers, musicians, food outlets, and also finding out about what is happening in town. It is an opportunity for groups to demonstrate what they do. For instance, during Mining Week, one of the highlights this year was the mining street as part of Raven Mad Days, which provided all sorts of interactive opportunities for people to find out about mining in the North.

Mr. Speaker, it is also an important fund-raising opportunity for several groups. For the past three years, one of the most popular fund-raising events has been Cops for Cancer, a close-shaved campaign. This national fund-raising campaign started in 1994 when several police officers in Edmonton shaved their heads in support of a five-year-old boy who had lost his hair when stricken with cancer.

Today, this special event calls upon members of the community to shave their heads or cut their hair and collect pledges to support the efforts of the Canadian Cancer Society to fight cancer.

Mr. Speaker, I would like to recognize the 30 people, one as young as five years old, who shaved their heads at Raven Mad Days this year. As you may have noticed, Mr. Speaker, two people who work in this building, Tom and Pam Williams, participated. I understand that they raised, between them, about \$3,000 in pledges for this important event.

-- Applause

Mr. Speaker, I think the local hair salons who donate their hair-shaving and dyeing services deserve some mention. They are Essentials, Tangles, and Joie De Vivre. Last year, \$27,000 was raised across the Northwest Territories by Cops for Cancer. This year, \$19,000 has been raised thus far. I would encourage the public to continue making pledges so we can surpass last year's total. Mr. Speaker, I seek unanimous consent to conclude my statement.

MR. SPEAKER: Thank you, Mr. Dent, the Member is seeking unanimous consent to conclude his statement. Are there any nays? There are no nays. You may conclude, Mr. Dent.

MR. DENT: Thank you, Mr. Speaker. Mr. Speaker, for next year, the Northwest Territories Cancer Society is organizing an MLA challenge, to collect pledges for MLAs to get a head shave or a hair cut.

-- Laughter

Mr. Speaker, this will help to raise awareness and money in communities across the Northwest Territories. Mr. Speaker, as our leader, I hope that you will collect our pledges and participate on our behalf. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Dent. By next year, I may have enough nerve to accept that challenge. Item 5, Members' statements. The honourable Member for Nunakput, Mr. Steen.

Member's Statement on Get Well Wishes for Ethel Blondin-Andrew

HON. VINCE STEEN: Thank you, Mr. Speaker. Welcome back, my colleagues. Mr. Speaker, on behalf of my constituency, Nunakput, I wish to extend get well wishes to our Member of Parliament, the Honourable Ethel Blondin-Andrew, and wish her a full and quick recovery. I look forward to seeing her again in the communities of Nunakput. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Steen. The House shares with you the concerns for her quick recovery. Item 5, Members' statements. The honourable Member for Sahtu, Mr. Kakfwi.

Member's Statement on Visiting Relatives

HON. STEPHEN KAKFWI: Thank you, Mr. Speaker. I wanted to make some comments today about special constituents, if you want to call them that, Neil and Ellen Wilson, from Alviston, Ontario, who are my in-laws. They have been visiting the Northwest Territories since the late 1970s and I wanted to make some special mentions.

I know that when my first daughter was born in 1981, Ellen Wilson came all the way to Fort Good Hope just to check out the community and the living quarters. We lived in a log house at the time with two wood stoves and a water barrel by the back door. We had not built our outhouse yet, but we were working on the plans.

So as you can appreciate, it tested my in-laws tremendously to think that their daughter was going to be doing okay with this man she had just married. My father-in-law visited there and went moose hunting with me at 45 below. We have gone out shooting caribou and skinned them at 35 below. He has been up and down the Mackenzie River by boat, and they have visited Yellowknife a number of times over the years. Neil has gone fishing with George and Ray Tuccaro and I a number of times.

Their son, Dr. Tom Wilson, of Ontario, has also come North to visit and fish. The youngest son, Todd Wilson, was also up earlier this winter ski-dooing with me for a few days. I was not sure that they would be around for the later part of the agenda when we acknowledged visitors in the gallery, so I thought I better get up and acknowledge them. My wife, for the first time, is free to come and visit us. She is sitting in the gallery with her mother, and her father is a little higher up in the gallery. Thank you.

-- Applause

MR. SPEAKER: Thank you, Mr. Kakfwi. Item 5, Members' statements. The honourable Member for Nahendeh, Mr. Antoine.

Member's Statement on Congratulations to Grade 12 Graduates

HON. JIM ANTOINE: Mahsi, Mr. Speaker. Mr. Speaker, today I just wanted to mention graduation. This is the graduation season. We are right in the midst of it. I wanted first of all to mention that in Fort Liard, at the Acho Dene School, since

grade extensions started, we have six graduates for the first time ever in Fort Liard.

I just want to say congratulations to the graduates there, who have been educated in Fort Liard and have graduated from Grade 12 on June 9, 2000. I would like to congratulate Lisa Bertrand, Jenna Deneron, Derwin Kotchea, Cathy Kotchea, Melvin Loman, and Jay Sassi.

As well, I would like to congratulate the 11 students who finished Grade 12 in Fort Simpson at the Thomas Simpson School. Their graduation was June 3rd. I would like to congratulate Bianca Cazon, Derek Erasmus, Laurie Fradchum, Alana Harris, Gina Kotchea, Marcie Lafferty, Charmaine Moses, Derek Norwegian, Chris Prevost, Rebecca Rowe, and Taylor Speed. I would like to congratulate all of them for the successful completion of Grade 12.

I would like to thank their parents for encouraging them to go to school, as well as the principal and the teachers, and the community as a whole for their support of the education of our younger people. I wish all of them the best success as they move along in their lives and continue their education, if they choose, or if they choose to join the workplace. I would like to congratulate them on their success in their completion of Grade 12. Mahsi.

-- Applause

MR. SPEAKER: Mahsi, Mr. Antoine. Item 5, Members' statements. The honourable Member for Hay River South, Mrs. Groenewegen.

Member's Statement on Farewell to Pat Thomas

HON. JANE GROENEWEGEN: Thank you, Mr. Speaker. This is our first day back, but I believe that this is the last day that Pat Thomas will be in attendance in our Chamber prior to her departure to her new home in Devon, Alberta.

Pat Thomas definitely holds the record for attendance for the most often in the Chamber as a non-elected member in the visitors' gallery. Mr. Speaker, I had the opportunity to recently attend a party for Pat, which was given by her teaching colleagues in Hay River. A song performed there was a takeoff of a song called, "Take a Chance on Me," and was premised on Pat's eventual return to Hay River, and applying for a job as a substitute teacher. The lyrics were modified, of course, and one of the lines was (singing): "Take a chance on me, I am friends with Steve Kakfwi."

-- Laughter

That was one of the lines. Do you guys recognize that? I was not elected for my singing ability, I admit that, all right?

Indeed, Pat was a friend...

-- Laughter

You know that Abba song. Come on, you guys, act like you know it.

-- Laughter

Indeed, Pat was a friend of this Legislature and the staff of this Legislature, which is evidenced by the fact that the two union

reps are sitting with the secretary of the Financial Management Board Secretariat. This is a very good sign.

-- Laughter

She was also a very good friend to the many educators who she so professionally represented. Again, a friend to the advancement of education in the North. Mr. Speaker, I am sure that you and my colleagues will help to thank Pat Thomas for her outstanding 27 years of teaching in the Northwest Territories. We wish her well in her retirement. I am going to miss her here very much and if she feels compelled to return, since her friendship with the Premier is now immortalized in us all, go ahead and use his name as a reference when you reapply.

-- Applause

MR. SPEAKER: Item 5, Members' statements. The honourable Member for Yellowknife Centre, Mr. Ootes.

Member's Statement on Congratulations to NWT Students

HON. JAKE OOTES: Thank you, Mr. Speaker. It may cross borders as Minister of Education, but I think it is appropriate for me, at this particular time, to pass on congratulations to all the students in the Northwest Territories at various levels of high school, college and university.

Over the past few months, I have had an opportunity to attend a number of functions, including the graduation at St. Pat's and the graduation at Sir John. I really enjoyed those functions and appreciated being there.

I also had an opportunity to visit a number of schools over the past two months. I was in Fort Smith for the opening of the Paul Kaesar School, which I particularly enjoyed, having known Paul Kaesar himself many years ago. I visited Hay River and toured the schools there, as well as Kakisa. I had the opportunity to visit Holman, of course, and Fort Resolution.

I want to also acknowledge the presence of Pat Thomas with us here, today. Personally, I think she has done one heck of a job representing the teachers and the education staff in the Northwest Territories. She is to be congratulated for that dedication. I know the letters flow constantly from her to my department, and to the previous Ministers as well. I want to congratulate Pat on her retirement, and wish her all the best. Thank you

MR. SPEAKER: As I said, we would push the envelope a little bit today because of all the pent up energy expressed from Members in statements. As of tomorrow, we will confine it to one subject per Member's statement. Item 5, Members' statements. Item 6, recognition of visitors in the gallery. The honourable Member for Hay River North, Mr. Delorey.

ITEM 6: RECOGNITION OF VISITORS IN THE GALLERY

MR. DELOREY: Thank you, Mr. Speaker. Mr. Speaker, it gives me great pleasure to introduce seven very special young ladies in the second row across from me. Mary Edna Avery, Dora Cormier, Yvonne O'Neill, Rose Winter, and Gertie Murphy, all from Nova Scotia, Margaret Bellefeuille from Quebec, and a very special welcome to Sister Theresa Delorey, who has returned to visit Canada after 30 years of missionary work in Africa.

Mr. Speaker, I would like at this time to thank you and our Premier, Mr. Kakfwi, for taking the time yesterday to welcome them.

Fellow colleagues, all of these ladies are my sisters, and I am very proud to have them here today. I ask you to join me in making them welcome.

-- Applause

MR. SPEAKER: A built-in fan club.

-- Laughter

Welcome to the Legislative Assembly of the Northwest Territories. Item 6, recognition of visitors in the gallery. The honourable Member for Mackenzie Delta, Mr. Krutko.

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, I would like to recognize people from the community of Aklavik who are here. Mrs. Beverly Lennie, along with her daughter Nina Lennie, and her niece from Aklavik, Joyce Store, who is going to school here.

Another person from Aklavik is the Commissioner of the Northwest Territories. I just wanted to put it on the public record that the Commissioner is from Aklavik, in my riding.

I would also like to recognize Mr. Richard Lafferty. Thank you.

-- Applause

MR. SPEAKER: Thank you. Item 6, recognition of visitors in the gallery. Ms. Lee.

MS. LEE: Thank you, Mr. Speaker. As someone who only has a sister, and no brothers, obviously I am envious of my fellow colleague, Mr. Delorey. They look great up there.

Mr. Speaker, I would like to recognize someone. I am not sure if he is up there, but if he is, his name is Burt Galloway, a member of the national board of the John Howard Society of Canada, who is visiting Yellowknife for a meeting. He is also the past president of the John Howard Society and a consultant for the State Legislature of Colorado. He has a keen interest in parliamentary procedure.

Also, Mr. Speaker, I would like to recognize Mrs. Bea Campbell, who I had the pleasure of meeting at the NWT Health Care Association meeting in Hay River. From what I understand, she is a woman who does everything. I just wanted to welcome her. Thank you.

-- Applause

MR. SPEAKER: Thank you, Ms. Lee. Just a reminder that we must recognize someone that is actually there.

-- Laughter

However, today, in the spirit...item 6, recognition of visitors in the gallery. The honourable Member for Hay River South, Mrs. Groenewegen.

HON. JANE GRONEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, I would like to recognize Vi Beck today in the gallery. She is the president of the NWT Status of Women Council. I

am looking forward to getting together with the council in Hay River this weekend. Thank you.

-- Applause

MR. SPEAKER: Thank you. Item 6, recognition of visitors in the gallery. The honourable Member for Yellowknife Centre, Mr. Ootes.

HON. JAKE OOTES: Thank you, Mr. Speaker. I would like to recognize someone who is an avid follower of our politics here in the North, and has been a resident for a number of years. He will someday likely run for office, as all of us have, for municipal or other levels. I would like to recognize a past constituent, Mr. Stuart Hogg in the gallery today.

-- Applause

MR. SPEAKER: Welcome. Item 6, recognition of visitors in the gallery. The honourable Member for Thebacha, Mr. Miltenberger.

MR. MILTENBERGER: Thank you, Mr. Speaker. I would like to recognize the president of the Senior's Society, and the chairman of the Fort Smith board of management for the health board, Ms. Bea Campbell. Thank you.

-- Applause

MR. SPEAKER: Welcome, Ms. Campbell. Item 6, recognition of visitors in the gallery. The honourable Member for Tu Nedhe, Mr. Nitah.

MR. NITAH: Thank you, Mr. Speaker. I would like to recognize Mr. Daryl Beaulieu from the Deton Cho Development Corporation, Mr. Jonas Sangris from Dettah, and in the spirit of the day, Mr. Speaker, the people of Tu Nedhe, who are always in my heart and mind while I sit here representing them. Thank you, Mr. Speaker.

-- Applause

MR. SPEAKER: Thank you, Mr. Nitah. Indeed, they are welcome, those who are viewing us from outside of Yellowknife. Item 6, recognition of visitors in the gallery. The honourable Member for the Sahtu, Mr. Kakfwi.

HON. STEPHEN KAKFWI: Thank you, Mr. Speaker. I would like to recognize my wife, Marie Wilson who is now free to join us in some of the functions we have in the Legislature. Also, I would like to recognize my mother-in-law, Ellen Wilson and my father-in-law, Neil Wilson, who have both come to visit from Ontario. Thank you.

MR. SPEAKER: Thank you, Mr. Kakfwi, and welcome. Marie, I am glad that you now have the opportunity to come and watch from a different perspective. Item 6, recognition of visitors in the gallery. I would like to welcome everyone who has taken the time today to come to see the special events that occurred. Now, I would like to ask the Members' indulgence to take a break and join the Minister of Finance in the Great Hall to meet the constituents and discuss matters.

-- Break

MR. SPEAKER: I will call the House back to order. Item 7, oral questions. The Member for Mackenzie Delta, Mr. Krutko.

ITEM 7: ORAL QUESTIONS**Question 1-14(3): Government Commitment to Oil and Gas Development**

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, my question is for the Deputy Premier. It is in regard to the statement I made about oil and gas and the concerns I have raised. We have to do more to improve the education and more to meet the requirements that are going to be needed to take on the opportunities that will come from oil and gas development. Also, we must ensure we have the resources to improve the facilities and infrastructure in the Mackenzie Delta-Beaufort Sea region.

With that, Mr. Speaker, I would like to rephrase this question to the Minister of Resources, Wildlife and Economic Development. Is this government committed to do what it has done for the diamond industry with the oil and gas industry? For example, putting somewhere in the neighbourhood of \$12 million into the diamond industry for training and developing a secondary industry, and also providing dollars and guarantees to businesses. Will the Minister tell us if he is willing to go that far for the oil and gas industry?

MR. SPEAKER: Thank you, Mr. Krutko. The honourable Minister for Resources, Wildlife and Economic Development, Mr. Handley.

Return to Question 1-14(3): Government Commitment to Oil and Gas Development

HON. JOE HANDLEY: Thank you, Mr. Speaker. Certainly when we met with the oil and gas industry in Calgary last week, they were very clear that two main issues to them were the availability of equipment and the availability of workers to work in the field.

Aboriginal people, on the other hand, have also made it very clear to us that they want an equity position in pipelines, companies and so on. So, in answer to the question, yes we will consider investment in the oil and gas business. We will consider any good options. I am sure Mr. Ootes, the Minister of Education, is already working on some ideas in terms of how we will do training in the oil and gas business.

In terms of assisting companies on the business perspective within our means, then certainly we want to do that. We are not going to treat oil and gas any differently than we do diamonds. They are both non-renewable resources. They both hold a lot of potential for us. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Handley. Supplementary, Mr. Krutko.

Supplementary to Question 1-14(3): Government Commitment to Oil and Gas Development

MR. KRUTKO: Thank you, Mr. Speaker. Can the Minister tell me if the department is developing a non-renewable resource strategy structured strictly towards the oil and gas industry, so we can see for ourselves where this government is going with the oil and gas industry? Also, we can see how we as a government will be putting resources into the different sectors, such as training, since you did mention the Minister of Education. We can also see that there are resources to help small businesses take advantage of these developments.

MR. SPEAKER: Thank you, Mr. Krutko. The honourable Minister for Resources, Wildlife and Economic Development, Mr. Handley.

Further Return to Question 1-14(3): Government Commitment to Oil and Gas Development

HON. JOE HANDLEY: Thank you, Mr. Speaker. Yes, the Department of Resources, Wildlife and Economic Development is taking the lead on an inter-departmental approach to oil and gas. We have an inter-departmental committee that is representative of eight areas, which includes research, analysis, communication, project infrastructure, investment and northern business development, environmental considerations, community impact, human resource development, financing, and the revenue consideration and secondary industry.

We are doing it exactly the way we did with the diamond industry. We want to look at how do we as a government, not just one department but all of the affected departments, how do we work together to make sure we maximize the benefits for Northerners? We are taking the lead on that. It is an ongoing committee. It has held a number of meetings across, up and down the valley, and we will carry on with that until we are satisfied we have maximized the benefits. Thank you.

MR. SPEAKER: Thank you, Minister Handley. Supplementary, Mr. Krutko.

Supplementary to Question 1-14(3): Government Commitment to Oil and Gas Development

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, with the coordination and involvement of industry, the people from the different municipalities in the Beaufort Sea, the community leaders and the aboriginal leaders in the Beaufort Sea-Mackenzie Delta who will be affected by these developments, I feel it is critical this government moves fast on this effort.

It is essential we ensure we are ready for these developments as we know there is already some significant activity taking place, with more on the way. Is the Minister committed to funding a regional conference in Inuvik to deal with oil and gas in the next couple of months? We are looking at possibly November or December.

MR. SPEAKER: Thank you, Mr. Krutko. The Minister responsible for Resources, Wildlife and Economic Development, Mr. Handley.

Further Return to Question 1-14(3): Government Commitment to Oil and Gas Development

HON. JOE HANDLEY: Mr. Speaker. I think the idea of having a conference in the Delta in Inuvik in the fall is an excellent one. Yes, we are committed to finding the resources in this area to make it happen. My understanding is the industry is also very interested in participating with us. I think with some discussion how we want to structure it with the aboriginal groups, then we are ready to begin planning. Thank you.

MR. SPEAKER: Thank you, Minister Handley. Final supplementary, Mr. Krutko.

Supplementary to Question 1-14(3): Government Commitment to Oil and Gas Development

MR. KRUTKO: Thank you, Mr. Speaker, and thank you, Mr. Minister, for that. I would like to ask the Minister to keep the other Members for those regions and myself informed on where you are going as a department. I would also like to ask that you keep the Beaufort leaders aware of the activities that are taking place, so we can try to coordinate this in a fast and smooth manner.

With that, I would like to ask the Minister to ensure that we continue the dialogue and consultation, and that it continues to remain open until we arrive at the conference.

MR. SPEAKER: Thank you, Mr. Krutko. The Minister responsible for Resources, Wildlife and Economic Development, Mr. Handley.

Further Return to Question 1-14(3): Government Commitment to Oil and Gas Development

HON. JOE HANDLEY: Thank you, Mr. Speaker. Yes, we appreciate the support and the cooperation we have received from the Ordinary Members. We fully intend to continue with that commitment, both to Ordinary Members in this House as well as to aboriginal organizations and industry. I think with all of us working together, we can achieve a lot. Thank you.

MR. SPEAKER: Thank you, Minister Handley. Item 7, oral questions. The Member for North Slave, Mr. Lafferty.

Question 2-14(3): Maintenance of Territorial Highways

MR. LAFFERTY: Thank you, Mr. Speaker. Mr. Speaker, I have a question for the Minister of Transportation, the Honourable Vince Steen. Mr. Speaker, I would like to know who sets the priorities on highway maintenance for the different territorial highways?

MR. SPEAKER: Thank you, Mr. Lafferty. The honourable Minister responsible for Transportation, Mr. Steen.

HON. VINCE STEEN: Thank you, Mr. Speaker. Could I have that question again please?

MR. SPEAKER: Thank you, Mr. Steen. Mr. Lafferty, would you be so kind as to repeat the question?

MR. LAFFERTY: Thank you, Mr. Speaker. I would like to know who sets the priorities on highway maintenance for the different territorial highways.

MR. SPEAKER: Thank you, Mr. Lafferty. The honourable Minister for Transportation, Mr. Steen.

Return to Question 2-14(3): Maintenance of Territorial Highways

HON. VINCE STEEN: Thank you, Mr. Speaker. Mr. Speaker, the department sets priorities for maintenance on the highways through the meetings they have with the highway maintenance staff and management staff. It is all based on traffic volume, on the conditions of the highway, and the type of highway surface. Thank you.

MR. SPEAKER: Thank you, Minister Steen. Supplementary, Mr. Lafferty.

Supplementary to Question 2-14(3): Maintenance of Territorial Highways

MR. LAFFERTY: Thank you, Mr. Speaker. Can the Minister explain why the expenditure reports do not support these priorities for some of the territorial highways?

MR. SPEAKER: Thank you, Mr. Lafferty. The Minister responsible for Transportation, Mr. Steen.

Further Return to Question 2-14(3): Maintenance of Territorial Highways

HON. VINCE STEEN: Thank you, Mr. Speaker. Mr. Speaker, the question is getting quite detailed. I am going to have to take the question as notice.

MR. SPEAKER: Thank you, Mr. Steen. The question has been taken as notice. Item 7, oral questions. The Member for Mackenzie Delta, Mr. Krutko.

Question 3-14(2): Drug and Alcohol Treatment Facilities in the North

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, my question is for the Minister of Health and Social Services. I find it awfully alarming, Mr. Speaker, that in order for people to receive alcohol and drug treatment, they have to go to southern Canada.

I would like to ask the Minister what options people have to receive treatment for alcohol and drug addiction if all their alcohol and drug facilities are being closed. Can the Minister tell me what options people have if they cannot access programs in the North? Thank you.

MR. SPEAKER: Thank you, Mr. Krutko. The honourable Minister responsible for the Department of Health and Social Services, Mrs. Groenewegen.

Return to Question 3-14(3): Drug and Alcohol Treatment Facilities in the North

HON. JANE GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, if the services required for people with addictions are not available in the Northwest Territories, the health boards have funding for referrals to the South. We do have a facility on the Hay River Reserve, Nats' Ejee K'eh, which does accept referrals for treatments that are received while the client is in residence. There are many other programs available, as well, at the community level for drug and alcohol treatment services. Thank you.

MR. SPEAKER: Thank you, Mrs. Groenewegen. Supplementary, Mr. Krutko.

Supplementary to Question 3-14(3): Drug and Alcohol Treatment Facilities in the North

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, can the Minister tell me where people who are dealing with drug problems can go? People who are dealing with hard drugs, such as cocaine and heroin. Where can they go in the Northwest Territories for treatment?

MR. SPEAKER: Thank you, Mr. Krutko. The honourable Minister responsible for the Department of Health and Social Services, Mrs. Groenewegen.

Further Return to Question 3-14(3): Drug and Alcohol Treatment Facilities in the North

HON. JANE GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, there are numerous community based services available for drug and alcohol treatment. The Member raises a specific drug addiction, which I cannot speak to the specifics of whether there is treatment exclusively provided for the drug the Member refers to.

There is community-based alcohol and drug funding for the Inuvik region through the health board in the amount of \$836,000, and the health boards then determine what the most effective and efficient means are of delivering these community based services in their region.

As for the specific drug Mr. Krutko refers to, I cannot speak to any specific treatment with respect to that drug addiction. Thank you.

MR. SPEAKER: Thank you, Mrs. Groenewegen. Supplementary, Mr. Krutko.

Supplementary to Question 3-14(3): Drug and Alcohol Treatment Facilities in the North

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, I will try to rephrase my question so I can maybe receive an answer to it. Can the Minister tell me where in the Northwest Territories we have programs that are strictly structured to take care of drug users, especially people who use heroin and cocaine? Can you name a particular facility that strictly deals with that drug? Thank you.

MR. SPEAKER: Thank you, Mr. Krutko. The honourable Minister responsible for Health and Social Services, Mrs. Groenewegen.

Further Return to Question 3-14(3): Drug and Alcohol Treatment Facilities in the North

HON. JANE GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, I am not aware of any facility that specifically deals with the treatment of heroin and cocaine addiction in the Northwest Territories at this time. Thank you.

MR. SPEAKER: Thank you, Mrs. Groenewegen. Final supplementary, Mr. Krutko.

Supplementary to Question 3-14(3): Drug and Alcohol Treatment Facilities in the North

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, can the Minister tell the House or lay out for us and the parents of those children, to give them some assurance that they will get assistance from this government when they are dealing with a problem with their children, instead of having to spend their own resources...

MR. SPEAKER: Mr. Krutko, can you ask the question please?

MR. KRUTKO: Thank you, Mr. Speaker. Can the Minister tell me how the parents of these children can find information to assist them to deal with this problem? Thank you.

MR. SPEAKER: Thank you, Mr. Krutko. The honourable Minister responsible for Health and Social Services, Mrs. Groenewegen.

Further Return to Question 3-14(3): Drug and Alcohol Treatment Facilities in the North

HON. JANE GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, referrals with respect to youth who have problems with the addictions Mr. Krutko refers to, parents can speak to public health nurses, nurse practitioners in their community, drug and alcohol community-based services. The referral for treatment for youth with addictions could come from many different sources at the community level. I would commit to providing Mr. Krutko with a list of contacts in the communities to which parents could consult for help with this problem.

MR. SPEAKER: Thank you, Mrs. Groenewegen. Item 7, oral questions. The honourable Member for the Mackenzie Delta, Mr. Krutko.

Question 4-14(3): Treatment Facilities for Heroin Addiction

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, since we do not have any facilities in the Northwest Territories to deal with heroin addiction, can the Minister tell the House which facilities are being used in southern Canada?

MR. SPEAKER: Thank you, Mr. Krutko. The honourable Minister responsible for Health and Social Services, Mrs. Groenewegen.

Return to Question 4-14(3): Treatment Facilities for Heroin Addiction

HON. JANE GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, I do not know the specific institutions which we refer to in southern Canada. I do know that our government spends \$5.7 million annually on drug and alcohol treatment facilities, some in the North and some in southern Canada.

I would have to take the specific reference to which institutions in the south as notice. Thank you.

MR. SPEAKER: Thank you, Mrs. Groenewegen. The question has been taken as notice. Item 7, oral questions. Item 8, written questions. Item 9, petitions. The Chair recognizes the honourable Member for Nunakput, Mr. Steen.

ITEM 9: PETITIONS

Petition 1-14(3): Retention of Inuvialuktun Translators

HON. VINCE STEEN: Thank you, Mr. Speaker. Mr. Speaker, I would like to present a petition dealing with the matter of retention of Inuvialuktun translators for the Legislative Assembly.

Mr. Speaker, the petition contains 93 signatures of Nunakput residents. Mr. Speaker, the petitioners request that there is interpretation of Inuvialuktun or Inuinaqtun languages during formal session. This service should be reinstated. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Steen. Item 9, petitions. Item 10, reports of standing and special committees. The honourable Member for Frame Lake, Mr. Dent.

ITEM 10: REPORTS OF STANDING AND SPECIAL COMMITTEES

Committee Report 1-14(3): Standing Committee on Oversight and Accountability Report on the Review of the 2000-2003 Business Plans and 2000-2001 Main Estimates

MR. DENT: Thank you, Mr. Speaker. Mr. Speaker, I would like to present the Standing Committee on Accountability and Oversight Report on the 2000-2003 Business Plans and the 2000-2001 Main Estimates.

Mr. Speaker, the review of the draft government business plans and main estimates by standing committees is an integral part of the annual budget development process within the consensus system of government. Business planning, with its processes of setting goals, strategies, outcomes and outcome measures, is crucial as a planning process and as a means to evaluate progress from one fiscal year to the next.

This year's review of the business plans and main estimates was different from the procedure used in previous years. Due to the timing of the territorial elections late in the fall of 1999, the reviews of the 2000-2003 departmental business plans and the 2000-2001 draft main estimates were delayed. The Legislature passed an interim appropriation in March to enable the departments and agencies to continue to function in the short term. For the 2000-2001 fiscal year, the review of the business plans and the draft main estimates was done concurrently. The review process for the 2001-2004 business plans and the 2001-2002 draft main estimates will be done separately, as in previous years.

The standing committees of the Legislative Assembly of the Northwest Territories met from May 23 through June 2, 2000, to review the 2000-2003 departmental business plans and 2000-2001 draft main estimates. This year was the first time that the Government of the Northwest Territories has used tangible capital asset accounting. Last year, the reporting of government accounts was affected by the formation of two new Territories.

These changes have resulted in a number of inconsistencies in reporting and difficulty in the overall examination process. During the review process, Members raised a number of concerns that are common to all of the business plans and pointed out issues of government-wide importance that require common strategies and solutions.

Benchmarking

Benchmarking and the need to have quantifiable and measurable outcomes and outcome measures were identified again as an issue in this year's review of the 2000-2003 business plans and 2000-2001 draft main estimates. The committee expressed that in the absence of targets, goals and benchmarks for programs, the departments have no need to adhere to a work plan or to strive towards a projected outcome. Members likened each department that collectively makes up the Government of the Northwest Territories to an economic venture.

When a business requires cash, a bank is usually approached and a business plan presented to demonstrate how the funds will help the company improve its operations. As with a bank, the business plan and main estimates process provides the committee with an opportunity to examine the direction the

departments are pursuing, strategies used to attain the goals, and outcome measures to mark progress toward desired outcomes.

If the departmental business plans do not contain an adequate level of detail, it is impossible for the committees to truly understand what the department hopes to accomplish. The committee believes that if a bank had reviewed some of the departmental business plans that were presented, a request for funds would be rejected.

Recommendation 1

The Standing Committee on Accountability and Oversight recommends that each department review its goals, strategies, outcomes and outcome measures for presentation in the 2001-2004 Business Plans to ensure that there are substantive benchmarks and measurable outcomes included.

Formatting and Terminology

In past years, the committees recommended that a consistent business plan template and standard terminology be adopted across government. The Standing Committee on Accountability and Oversight would also like to point out that the adoption of a common template and terminology will help achieve increased accuracy and provide more relevant, understandable and timely information for committees and the public.

The committee recognizes that with the formation of two new Territories and the switch to tangible capital asset accounting, departments have been in a state of flux. With these initiatives largely now addressed, the committee looks forward to more consistent terminology and business planning within government.

Mr. Speaker, I seek your consent to have the deputy chair of the committee, Mr. Roland, to continue with the report.

MR. SPEAKER: Thank you, Mr. Dent. Mr. Roland.

MR. ROLAND: Thank you, Mr. Speaker.

Operations and Maintenance - Other Expenses

The committee noted the lack of justification in reporting "other expenses" as a line item under operations and maintenance in budget summaries. Some departments were requested to supply additional information as to how the figures were arrived at.

Recommendation 2

The Standing Committee on Accountability and Oversight recommends that the government develop more detailed categories for "other expenses" to justify the request for funds; and further that, where possible, these categories be consistent across government; and further that, one of the categories should cover items on the controllable asset inventory list that are now, under the new tangible capital asset accounting system, considered as an operations expense.

Information Supplied in Overhead Presentations and Other Documents

Members were concerned about the amount of information that was not included in the departmental business plans but supplied in overhead presentations and other documents not

previously available to the committees. This additional information does not become part of the public record because committee consideration of business plans and budgets are confidential.

While the business plans do eventually become public, the overhead presentations do not. While the committee does not want to discourage departments from supplying information, it is the opinion of the Members that the level of detail in overhead presentations should be in the business plan. It is also suggested that documents used to support the business plans be supplied to the committee well in advance of the review.

Sectors of Government Involved in Intergovernmental Negotiations

The committee has serious concerns about the numerous sectors of government that are involved in self-government, land claims, devolution and resource revenue sharing negotiations. In the past year, the Department of Executive has added the Intergovernmental Forum Secretariat to coordinate the GNWT participation in aboriginal, territorial and federal government discussions such as devolution, resource revenue sharing, oil and gas developments, the fiscal relationship with Ottawa, and northern control over northern resources. A regional relations section assists the regions in preparation for the transfer of government programs and services through capacity building and aboriginal self-government.

Another section added to the Executive, Intergovernmental Affairs, assists in the preparation of strategies to address territorial, national and international issues. There are also sections in the Ministry of Aboriginal Affairs; the Department of Municipal and Community Affairs; Resources, Wildlife and Economic Development; and Health and Social Services involved in intergovernmental negotiations.

With so many sectors of government involved in intergovernmental negotiations, the committee wonders about the real potential for the inefficient use of people and government funds; funds that could possibly be better spent on infrastructure or other essential programs or services for the people of the Northwest Territories.

Recommendation 3

The Standing Committee on Accountability and Oversight recommends that the government establish clear lines of authority and develop mandates for all sectors of government involved in self-government negotiations.

The committee is of the opinion that this could be accomplished without prolonging any of the negotiations. Improved efficiency and effectiveness should be an important part of any decision to increase staff and financial resources, and departments should in the future demonstrate to committees that their rationale for increased resource levels is sound.

Community Devolution and Accountability

An increasing proportion of public funds are being spent through alternative service delivery arrangements at the regional and community levels. There is little or no control over the day-to-day operations of service providers yet, should the alternative service delivery system fail, the government is

ultimately responsible. There is a fundamental requirement for better information to be supplied by the service providers and effective government monitoring systems to be developed and implemented. It is of ultimate importance for the government to have adequate tracking and monitoring systems in place before more devolution occurs. This will become increasingly evident as the government continues to move from direct program delivery to service management.

The committee points out that many non-government organizations have highlighted the need for multi-year funding to assist the organization in its long range planning. It is imperative that monitoring and tracking systems be in place to accommodate this initiative.

Consistent, measurable targets and outcomes developed with the input from delivery agents would greatly assist in the building of this new level of accountability.

Regional Capacity Building

It is the committee's opinion that adequate funding, training and facilities must accompany the devolution of programs and services to communities and non-government organizations. The Auditor General, in his 1997-1998 Report on Other Matters, reminds government of the need for regions and communities to adhere to a third party accountability framework. The government must ensure that communities are managing and administering their programs and services in an accountable, safe and effective manner.

Mr. Speaker, I would like to hand the duties back to the chairman of the AOC. Thank you.

MR. SPEAKER: Thank you, Mr. Roland. Mr. Dent, please continue.

MR. DENT: Thank you, Mr. Speaker. Mr. Speaker, I would like to draw Members' attention to the graphic under capital expenditures. Note that since 1996-1997, there has been a marked decrease in the percentage of the Government of the Northwest Territories' monies being spent on capital items.

Capital Expenditures

Mr. Speaker, it was brought to the Standing Committee on Accountability and Oversight's attention that there seemed to be an increase in the percentage of funds being used to increase and sustain bureaucracy.

It is the opinion of the committee that these funds could be better spent on infrastructure or other essential programs or services for the people of the Northwest Territories. By drastically cutting capital expenditures for projects and maintenance we have only postponed the inevitable. Decreases in capital expenditures may get us through our present cash crisis, but in the long term we are just getting behind -- not keeping up with necessary repairs and replacement. Deferring the inevitable cost for building and maintaining our infrastructure will only result in the problem being compounded in the future.

As indicated earlier, since 1996-1997, there has been a marked decrease in the percentage of the Government of the Northwest Territories monies spent on capital items. The committee is of the opinion that reductions in capital

expenditures must stop before the state of government infrastructure reaches a crisis level.

Informatics

Mr. Speaker, throughout government, an informatics strategy exercise is underway. This undertaking has been long-drawn-out and has produced little results. Each department is carrying out their own review of informatics in addition to a government-wide review.

Members expressed concern with respect to the methodology employed in the review. Individual departmental and government-wide reviews require a great deal of resources. It is important that the informatics strategy be updated and implemented to allow for increased efficiency in the workplace. There are people doing manual work that should be handled by computers. Perhaps it is time for a more efficient and cost effective approach for the management of informatics within government to be explored.

Program and Functional Review

Measuring the effectiveness of government programs and functions is an ongoing need, particularly in the era of fiscal restraint. Programs must be justifiable. The committee had expected that the long-awaited program and functional review would supply direction in regard to government programs and functions and the identification of programs that are duplicated or unneeded. However, indications are that the government's senior management task team, which was responsible for this review, has made little progress.

Recommendation 4

The Standing Committee on Accountability and Oversight recommends that the final report and recommendations of the Government's Program and Functional Review Senior Management Task Team be presented to committee before the next business plan review process scheduled for the fall of 2000.

Human Resource Management

According to the statistics provided by the government, 32.6 percent of the Government of the Northwest Territories workforce are indigenous aboriginal persons. Only 12.3 percent of management positions are occupied by indigenous aboriginal persons and only 31.9 percent of the management positions are occupied by women. The committee does not have confidence in these numbers as during the business plan review, we noted inconsistencies in human resource management between the departments, such as in their definitions of management positions. When queried, the government had difficulty advising us how many people are currently involved in human resource management throughout the government.

Our affirmative action statistics are abysmal and few departments have made concerted efforts to improve upon them.

The committee is of the opinion that the government must reassess and improve upon its human resource management.

Staff Retention Policy

The committee was briefed on the new Staff Retention Policy. Members were disappointed that there was no research done on the effect this policy might have on the existing Affirmative Action Policy.

The government has shown their commitment to the public service by announcing a Staff Retention Policy with \$250,000 in funding. The policy focuses expressly on retention and development of GNWT employees when government goes through organizational change.

However, the committee also observed that last year, the Department of Education, Culture and Employment lapsed over \$400,000 in public service career training funds and over the past three years there has been over \$935,000 lapsed in the program. Overall, the committee does not feel that the government has demonstrated a great deal of commitment when it comes to training for its public service.

The committee has noticed that some departments have a high number of vacancies. The committee is aware that if a position is not filled, monies approved by the Legislature for salaries become available for use in other areas of the department. Members feel that monies approved by the Legislative Assembly for salary purposes should be used for such. Mr. Speaker, that concludes the introductory portion of the report. Formal committee motions will be moved at the appropriate time.

Therefore, I move, seconded by the honourable Member for Inuvik Boot Lake, that the report be received and moved into committee of the whole.

MR. SPEAKER: Thank you, Mr. Dent. There is a motion on the floor. The motion is in order. All those in favour? All those opposed? Thank you. The motion is carried. The Chair recognizes Mr. Dent.

MR. DENT: Thank you, Mr. Speaker. Mr. Speaker, I seek unanimous consent to waive Rule 93(4), and have Committee Report 1-14(3) ordered into committee of the whole for tomorrow. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Dent. The Member is seeking unanimous consent to waive Rule 93(4). Are there any nays? There are no nays. Therefore, Committee Report 1-14(3) is ordered into committee of the whole for tomorrow.

Item 10, reports of standing and special committees. The Chair recognizes the Member for Inuvik Boot Lake, Mr. Roland.

Committee Report 2-14(3): Standing Committee on Governance and Economic Development Report on the 2000-2003 Business Plan and the 2000-2001 Main Estimates

MR. ROLAND: Thank you, Mr. Speaker. Mr. Speaker, I would like to present the Standing Committee on Governance and Economic Development Report on the 2000-2003 Business Plan and the 2000-2001 Main Estimates.

This is the first set of business plans and draft main estimates for the 14th Assembly and the newly formed Standing Committee on Governance and Economic Development. The committee met from May 25, 2000, through June 1, 2000, to

review the 2000-2003 business plans and 2000-2001 draft main estimates for the departments within its terms of reference. The number of departments and the limited time to complete the reviews necessitated an intense and concerted effort by all those involved.

Business Plans

The committee expresses the need for departments to have benchmarks and quantifiable and measurable goals and outcomes. Without these markers, it is difficult for departments to measure their successes and decreases the need to adhere to a work plan.

The Members also noted that there were differences between departments in the terms and formats used in the business plans. For example, most departments did not provide an itemized list of capital assets that are now reported under operational expenses or O and M. Some departments listed their affirmative action statistics, including the number of women in management, whereas other departments did not. The committee encourages the government to adopt standard terminology and formats for future business plans.

Sectors of Government Involved in Intergovernmental Negotiations

The committee has reservations in respect to the increasing number of government departments and sections within departments entering into intergovernmental negotiations. With so many pockets of government involved in intergovernmental negotiation, there is concern about the real potential for the inefficient use of people and government funds. The Members' concern is compounded by what appears to be a lack of clear lines of authority between the different groups involved.

Regional Capacity Building and Accountability

The Government of the Northwest Territories is relying more and more upon alternative service providers to deliver programs. There is little or no control over the operations of service providers yet, should the delivery system fail, the government is ultimately responsible. The committee would like to point out that many non-government organizations have indicated a need for multi-year funding to assist them in their long range planning. It is imperative that monitoring and tracking systems be in place to accommodate this initiative.

The committee also felt that it was necessary that adequate funding, training and facilities accompany the devolution of programs and services to communities and non-government organizations.

Decreasing Capital Expenditures

The Standing Committee on Governance and Economic Development note that there is a marked increase in the amount of funds being used to increase and sustain bureaucracy. It is the opinion of the committee that these funds could be better spent on infrastructure or other essential programs or services for the people of the Northwest Territories.

Informatics

Each department is carrying out their own review of informatics in addition to a government-wide review. The Members

question the efficiency and effectiveness of the approach employed in the review. Individual departmental and government-wide reviews require a great deal of resources.

Mr. Speaker, that concludes the introductory portion of the report. I move, seconded by the honourable Member for Tu Nedhe, that the report be received and moved into committee of the whole.

MR. SPEAKER: Thank you, Mr. Roland. There is a motion on the floor. The motion is in order. All those in favour? All those opposed? Thank you. The motion is carried. The Chair recognizes Mr. Roland.

MR. ROLAND: Thank you, Mr. Speaker. Mr. Speaker, I seek unanimous consent to waive Rule 93(4), and have Committee Report 2-14(3) ordered into committee of the whole for tomorrow. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Roland. The Member is seeking unanimous consent to waive Rule 93(4). Are there any nays? There are no nays. Therefore, Committee Report 2-14(3) is ordered into committee of the whole for tomorrow.

Item 10, reports of standing and special committees. The Chair recognizes the Member for Thebacha, Mr. Miltenberger.

Committee Report 3-14(3): Standing Committee on Social Programs Report on the Review of the 2000-2003 Business Plans and the 2000-2001 Main Estimates

MR. MILTENBERGER: Thank you, Mr. Speaker. I am pleased to present the Standing Committee on Social Programs Report on the 2000-2003 Business Plans and the 2000-2001 Main Estimates.

Mr. Speaker, in the previous two years, departmental business plans were developed to follow the framework set out in a government-wide business plan. These business plans were developed in the absence of a government-wide business plan. Committee members understand that time-constraints involved in putting together the business plans and main estimates at the same time impacted on the ability of the government to develop a government-wide business plan. The business plans followed the same format as in previous years, and made it easier for committee staff and Members to move from department to department during their review. However, the disappointing lack of detail and recognizable targets and measurable goals provided in the departments' business plans will be a concern for the Standing Committee on Social Programs.

Members expect to see a government-wide business plan utilized in the formulation of the departmental business plans for the 2001-2004 planning cycle.

Committee members were disappointed with the lack of apparent cooperation between the departments in the social program envelope. Members feel that because the departments serve the same client base, there are opportunities that need to be explored by the departments in cooperation rather than isolation. These opportunities will be commented on later during the individual reviews of the departments.

Mr. Speaker, that concludes the introductory portion of the report. I move, seconded by the honourable Member for Deh

Cho, that the report be received and moved into committee of the whole.

MR. SPEAKER: Thank you, Mr. Miltenberger. There is a motion on the floor. The motion is in order. All those in favour? All those opposed? Thank you. The motion is carried. The Chair recognizes Mr. Miltenberger.

MR. MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, I seek unanimous consent to waive Rule 93(4), and have Committee Report 3-14(3) ordered into committee of the whole for tomorrow. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Miltenberger. The Member is seeking unanimous consent to waive Rule 93(4). Are there any nays? There are no nays. Therefore, Committee Report 3-14(3) is ordered into committee of the whole for tomorrow.

Item 10, reports of standing and special committees. Item 11, tabling of documents. Item 12, notices of motion. Item 13, notices of motion for the first reading of bills. The honourable Member for Weledeh, Mr. Handley.

ITEM 13: NOTICES OF MOTION FOR FIRST READING OF BILLS

HON. JOE HANDLEY: Thank you, Mr. Speaker. Mr. Speaker, I have five notices of motion for first reading of bills. I can deal with them all at once.

Bill 1: Appropriation Act, 2000-2001

Mr. Speaker, I give notice that on Thursday, June 22, 2000, I will move that Bill 1, Appropriation Act, 2000-2001 be read for the first time. Thank you, Mr. Speaker.

Bill 2: Write-off of Debts Act, 2000-2001

Mr. Speaker, I give notice that on Thursday, June 22, 2000, I will move that Bill 2, Write-off of Debts Act, 2000-2001 be read for the first time. Thank you, Mr. Speaker.

Bill 3: Forgiveness of Debts Act, 2000-2001

Mr. Speaker, I give notice that on Thursday, June 22, 2000, I will move that Bill 3, Forgiveness of Debts Act, 2000-2001 be read for the first time. Thank you, Mr. Speaker.

Bill 4: An Act to Amend the Workers' Compensation Act

Mr. Speaker, I give notice that on Thursday, June 22, 2000, I will move that Bill 4, An Act to Amend the Workers' Compensation Act, 2000-2001 be read for the first time. Thank you, Mr. Speaker.

Bill 5: An Act to Amend the Workers' Compensation Act No. 2

Mr. Speaker, I give notice that on Thursday, June 22, 2000, I will move that Bill 5, An Act to Amend the Workers' Compensation Act No. 2 be read for the first time. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Handley. Item 12, notices of motion for first reading of bills. The honourable Member from Hay River South, Mrs. Groenewegen.

Bill 6: An Act to Amend the Nursing Profession Act

HON. JANE GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, I give notice that on Thursday, June 22, 2000, I will move that Bill 6, An Act to Amend the Nursing Profession Act, be read for the first time. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mrs. Groenewegen. Item 13, notices of motion for first reading of bills. Item 14, motions. Item 15, first reading of bills. The honourable Member for Weledeh, Mr. Handley.

ITEM 15: FIRST READING OF BILLS

HON. JOE HANDLEY: Mr. Speaker, I seek unanimous consent to proceed with first reading of Bill 1, Appropriation Act, 2000-2001.

MR. SPEAKER: Thank you, Mr. Handley. The Member is seeking unanimous consent to proceed with first reading of Bill 1. Are there any nays? There are no nays. Mr. Handley, you may continue.

Bill 1: Appropriation Act, 2000-2001

HON. JOE HANDLEY: Thank you, Mr. Speaker. I move, seconded by the honourable Member for Hay River South, that Bill 1, Appropriation Act, 2000-2001, be read for the first time. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Handley. The motion is in order. All those in favour? All those opposed? Thank you. The motion is carried. Bill 1, Appropriation Act, 2000-2001 has had first reading.

Item 15, first reading of bills. Item 16, second reading of bills. The honourable Member for Weledeh, Mr. Handley.

ITEM 16: SECOND READING OF BILLS

Bill 1: Appropriation Act, 2000-2001

HON. JOE HANDLEY: Mr. Speaker, I move, seconded by the honourable Member for Hay River South, that Bill 1, Appropriation Act, 2000-2001, be read for the second time.

Mr. Speaker, this Bill authorizes the Government of the Northwest Territories to make operations expenditures and capital investment expenditures for the 2000-2001 fiscal year. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Handley. The motion is in order. To the principle of the bill. To the motion. All those in favour? All those opposed? The motion is carried. Bill 1, Appropriation Act, 2000-2001 has had second reading. Accordingly, the Bill stands referred to committee of the whole.

Item 16, second reading of bills. Item 17, orders of the day. Mr. Clerk.

ITEM 17: ORDERS OF THE DAY

CLERK OF THE HOUSE (Mr. Hamilton): Mr. Speaker, a meeting of the Standing Committee on Accountability and Oversight at adjournment tonight. Meetings tomorrow morning at 9:00 a.m. of the Standing Committee on Accountability and Oversight and at 10:30 a.m. of the Standing Committee on Social Programs.

Orders of the day for Wednesday, June 21, 2000:

The House adjourned at 4:40 p.m.

1. Prayer
2. Ministers' Statements
3. Members' Statements
4. Returns to Oral Questions
5. Recognition of Visitors in the Gallery
6. Oral Questions
7. Written Questions
8. Returns to Written Questions
9. Replies to Opening Address
10. Replies to Budget Address
11. Petitions
12. Reports of Standing and Special Committees
13. Reports of Committees on the Review of Bills
14. Tabling of Documents
15. Notices of Motion
16. Notices of Motion for First Reading of Bills
17. Motions
18. First Reading of Bills
19. Second Reading of Bills
20. Consideration in Committee of the Whole of Bills and Other Matters
 - Bill 1, Appropriation Act 2000-2001
 - Committee Report 1-14(3), Standing Committee on Accountability and Oversight Report on the Review of the 2000-2003 Business Plans and 2000-2001 Main Estimates
 - Committee Report 2-14(3), Standing Committee on Governance and Economic Development Report on the Review of the 2000-2003 Business Plans and 2000-2001 Main Estimates
 - Committee Report 3-14(3), Standing Committee on Social Programs Report on the Review of the 2000-2003 Business Plans and 2000-2001 Main Estimates
21. Report of Committee of the Whole
22. Third Reading of Bills
23. Orders of the Day

MR. SPEAKER: Thank you, Mr. Clerk. This House stands adjourned until Wednesday, June 21, 2000 at 1:30 p.m.

