



# **NORTHWEST TERRITORIES LEGISLATIVE ASSEMBLY**

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**The Honourable Tony Whitford, Speaker**



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**YELLOWKNIFE, NORTHWEST TERRITORIES****TUESDAY, MARCH 6, 2001****Members Present**

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

**ITEM 1: PRAYER**

-- Prayer

**SPEAKER (Hon. Tony Whitford):** Merci pour le priere, Mr. Allen. Assez vous, s'il vous plait. Bonjour, mon colleagues. Declarations de ministre. Item 2, Ministers' statements. The honourable Member for Weledeh, Mr. Handley.

**ITEM 2: MINISTERS' STATEMENTS****Minister's Statement 73-14(3): Changes to Fuel Rebate Program**

**HON. JOE HANDLEY:** Mr. Speaker, I am pleased today to announce the following changes to the government's fuel rebate program.

First, provided that their combined income does not exceed \$75,000, all households who are responsible for their own fuel costs will be eligible for a rebate of \$320, while eligible apartment dwellers will qualify for a rebate of \$150.

Second, a fifty percent rebate will now be available to households with a combined income between \$75,000 and \$85,000. This will provide a rebate of \$160 to those living in a house and responsible for their own fuel costs and a rebate of \$75 to eligible apartment dwellers. Mr. Speaker, I am pleased to announce these changes in response to recommendations made by my colleagues in this House.

-- Applause

All residents applying for the fuel rebate will be required to file a statutory declaration regarding their income and may be required to provide proof of payment for fuel.

Mr. Speaker, the NWT Housing Corporation will proceed with finalizing the program and providing information to the public. Details on how to apply, eligibility criteria, the relationship of rebate to tax and income support and so on will be made available to the public shortly through a press release and extensive background.

Mr. Speaker, we hope this one-time fuel rebate will help Northerners offset the high cost of fuel we have experienced this winter. Thank you.

-- Applause

**MR. SPEAKER:** Merci, Minister Handley. Item 2, Ministers' statements. The honourable Member for Hay River South, Mrs. Groenewegen.

**Minister's Statement 74-14(3): The Protection of Children**

**HON. JANE GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, I rise today to address the difficult and emotional issue of child protection.

Mr. Speaker, in October 1998, new legislation was passed to improve the way the child protection services are delivered. The Child and Family Services Act was developed following extensive consultation with a broad range of stakeholders. During these consultations, it was stated quite clearly that this act must place the real interests of the child and the well-being of families at the forefront.

Child protection work is difficult. It is hard to imagine any social worker actively seeking out an opportunity to apprehend a child unless there was a compelling reason to do so. That compelling reason, Mr. Speaker, is the need for society to intervene when children are at risk of abuse or neglect. No child in the NWT should have to live with abuse and neglect. We task social workers with taking action on our behalf when children are being abused or neglected.

As we all know, children who have been the victims of abuse or neglect often require a great deal of help to recover and come to terms with what has happened to them. Removing children from such situations means that the abuse or neglect stops, at least while the child is in protective custody. It means that parents are forced to recognize that their behaviour has consequences for their children, which in turn provides an opportunity to work with the family to try to stabilize the home environment so that the child can then return home. Unfortunately, for some children this cycle in and out of care is repeated, often over a period of years.

Mr. Speaker, no one can deny that it is a terrible thing to have one's children apprehended. Surely no one would suggest that we should tolerate cases of child neglect and abuse in the hopes that the situation would eventually resolve or because other families in the community have similar problems.

Yes, parents have rights. They have the right to make choices about how they are going to parent their children. However, with that wonderful gift and privilege of parenthood comes the responsibility to care for each child and to provide the necessities of life. None of us has the right to abuse or neglect our children, or to expect that society will not intervene if we do so.

Mr. Speaker, children also have rights, even though they cannot advocate for themselves in the manner that their parents can. Our legislation says that children have the right to grow up free from the fear of abuse and neglect. They have the right to be loved and cared for by responsible adults. They have a right to be safe and secure.

Sadly, this is not always the case. In some regions and communities, up to 90 percent of child protection cases involve alcohol abuse. There are cases of young children who are not fed or who are abandoned for hours or days at a time while their parents drink or gamble. Our nurses and doctors are diagnosing and treating children, including babies and toddlers, with sexually transmitted diseases they have contracted from the very people who are supposed to love and care for them. Many of the children in care have special needs due to FAS/FAE that are beyond the capacity of their parents to address.

We should be very concerned about these children, Mr. Speaker.

The choices social workers face when dealing with families where children are being abused or neglected are extremely difficult. In many cases, the choices are also very limited. In every case, Mr. Speaker, the assessment is based on the least harmful alternative available in that community for that child. Mr. Speaker, I absolutely agree that children who must be removed from their homes should remain in their home communities wherever possible. Our child protection practice guidelines emphasize this. It is important that children remain connected to their families and their friends so that the disruption in their lives is kept to an absolute minimum. Children need these vital supports and connections to their community to help them cope.

In a November 2000 snapshot of children receiving some form of child protection services, 80 percent of these children were receiving services in their home communities, 14 percent received services in another NWT community, and six percent required high specialized intervention services that are only available outside of the NWT.

Placement in another community or jurisdiction may be due to a number of reasons:

- the child is not considered safe in their home community, either because of their own actions or those of others;
- there are no services available to meet the child's needs in their home community;
- the child needs specialized services available only at a regional or territorial level or, in some instances, in another jurisdiction.

It is important to note, however, that the majority of placements outside of the home community occur with the full support of the child's family. These families realize that their child's needs come first and they want the best possible care for them.

The same snapshot has also revealed that 49 percent of children receiving protective and/or support services under the Child and Family Services Act are receiving these services through voluntary agreements between the parents and social workers. Mr. Speaker, this is most promising as it demonstrates that our new legislative base for protecting both the interests of the child and the family is indeed working, and that many parents are actively seeking support to deal with family problems.

As Members know, the review of child and family services by the Child Welfare League of Canada is evidence of our

department's commitment to the well-being of children and families. We have begun to implement many of the recommendations and appreciate your support for the establishment of ten new social worker positions to help alleviate some of the worst workload pressures on our front-line staff and to ensure that more preventative work can be done. New funding will also be invested in training for social workers and foster parents.

Mr. Speaker, I want to thank and acknowledge social workers in our communities, who have the very difficult job of acting on our behalf in enforcing our legislation. The well-being of all our children is paramount. I will continue to keep this issue a priority as Minister responsible for these most vulnerable constituents. Thank you, Mr. Speaker.

-- Applause

**MR. SPEAKER:** Merci, Madam Minister. Déclarations de ministre. Item 2, Ministers' statements. The honourable Member for Inuvik Twin Lakes, Mr. Allen.

#### **Minister's Statement 75-14(3): Nordic Skiing in the NWT**

**HON. ROGER ALLEN:** Thank you, Mr. Speaker. I would like to let Members know about an exciting event held this past weekend at the Yellowknife Ski Club involving athletes from Tuktoyaktuk, Inuvik, Fort Providence, Hay River, Fort Smith and Yellowknife. Approximately 100 skiers and biathletes enjoyed competing in the Nordic Cup No. 3 and Polar Cup No. 3 races.

Prior to the beginning of the races on Saturday, the Yellowknife Ski Club named its biathlon venue the Mary Beth Miller Biathlon Centre. This was done to honour the memory of Mary Beth Miller, a Yellowknife athlete who was killed last summer during a training session at the Miriam Bedard Biathlon Centre in Val Cartier, Quebec.

Mr. Speaker, it was exciting to witness the athletes competing in last weekend's events. Skiers ranged in age from the four- and five-year-old cradle group to a group of adults working hard to maintain their youth and their health. They were supported by parents and friends, many of whom volunteered to help officiate at the two events. The participation of some members from Canada's military stationed in Yellowknife, including their commanding officer, was an exciting development for the biathlon event.

As you know, the Northwest Territories has a proud history in Nordic skiing events. During the late 1960s, 1970s and early 1980s, several territorial athletes represented Canada in the Olympic Games and in several world championships. Inuvik played host to athletes from as many as ten countries who sent members of their national teams to compete in the annual Top of the World Ski Championships.

There are several skiers and biathletes from the Northwest Territories who are working towards representing their country in upcoming Olympic games and world championships. The Northwest Territories ski division and Northwest Territories Biathlon Association, like many other territorial sports organizations, are to be commended for their efforts to ensure athletes from northern communities get an opportunity to compete and develop their skills, both in northern competitions and in competitions held in the provinces. We need to

encourage more of this. I would like to see more people get out to watch these young athletes compete. Their energy and enthusiasm is infectious, a healthy infection.

We need to support those who volunteer their time and skills to coaching these athletes. The investment of time and effort is very cost-effective, leading to life-long healthy living. Thank you, Mr. Speaker.

-- Applause

**MR. SPEAKER:** Thank you, Mr. Allen. I would just like to remind Ministers that we are translating, so just be a little slower in your speech. Declarations de ministre. The honourable Member for Weledeh, Mr. Handley.

#### **Minister's Statement 76-14(3): Coordinating the Review Process for Northern Gas Development**

**HON. JOE HANDLEY:** Mr. Speaker, last week the chairs of the boards and agencies responsible for assessing and regulating energy development projects in the Northwest Territories met in Inuvik. The parties involved included the Inuvialuit and Mackenzie Valley Environmental Impact Review Boards, the National Energy Board, the Canadian Environmental Assessment Agency as well as the various land and water boards in the Northwest Territories.

Mr. Speaker, we recognize and are working to address the concerns industry has raised about the regulatory regime in the Northwest Territories. The work being done by the regulatory agencies to coordinate the environmental assessment and regulatory review processes is essential for northern gas development.

I understand the meeting last week was very successful and that all parties involved are pleased with the progress made in determining possible approaches for a coordinated review and regulatory process for Northwest Territories gas development and pipeline projects.

A number of cooperative approaches for the review of both a Mackenzie Valley pipeline and a Beaufort offshore route from Alaska have been identified. These approaches are consistent with existing legislation.

A preliminary information package for oil and gas development in the Northwest Territories was also approved. This means proponents will have the opportunity to provide basic information on potential gas development and pipeline projects. This approach is based on the operating guidelines under the Canadian Environmental Assessment Agency.

This optional step for proponents will help the regulators to clearly identify the project components, their scale, location and potential environmental issues. It will also assist in advancing the discussions on developing an approach for a coordinated review and regulatory process.

Mr. Speaker, I am pleased with the progress to date and want to commend all parties involved for their commitment to developing an approach for a coordinated review and regulatory process.

We will continue to encourage and support the efforts of these boards and agencies to develop a fair, predictable and efficient regulatory process. Thank you, Mr. Speaker.

-- Applause

**MR. SPEAKER:** Merci, Mr. Handley. Item 2, Ministers' statements. Declarations de ministre. The honourable Member for Hay River South, Mrs. Groenewegen.

#### **Minister's Statement 77-14(3): Development of a Social Agenda**

**HON. JANE GROENEWEGEN:** Mr. Speaker, we all agree that a strong economy is critical in terms of providing productive choices for Northerners. However, the economic opportunities that lie ahead will do little to improve the quality of life in northern communities unless our people are able to participate fully.

Towards a Better Tomorrow affirms that this government is committed to doing our part to make the North a better place to live for everyone. We are, however, only one player and cannot do it alone. We need to partner with other governments, communities, stakeholders and individuals in realizing our vision.

The Premier indicated in his January address to the people of the Northwest Territories that our government is committed to developing a social agenda and, Mr. Speaker, today I am pleased to affirm that work on this important initiative is underway. The agenda will identify concrete actions intended to enhance health and wellness in our communities. It will identify areas where we need to do more or to do things differently to ensure that our social programs are meeting the needs of people and our communities.

Mr. Speaker, we recognize the merits of involving from the very onset other governments, program clients, community leaders, practitioners and non-government organizations in the development of a social agenda. To this end, we are planning on hosting a social agenda conference in order to continue the dialogue. We will share ideas and collaborate on how we can address our challenges, build on our successes and learn from the past.

Specifically, I am looking for concrete suggestions about how we can work in partnership to:

- enhance our awareness of the issues and encourage collaboration in working to find the solutions;
- prepare Northerners for our bright economic future;
- encourage a greater sense of ownership over personal and community wellness;
- reaffirm our mutually respectful relationships with other governments, community leaders, service providers and above all, clients;
- improve the design and delivery of social programs, including better integration and coordination of programs; and
- collaborate with aboriginal governments in building their capacity to successfully assume much of the decision-making

authority for social programming through self-government.

To support our work, I am pleased to announce that the Ministerial Committee on Social Agenda is establishing a Council of Grandmothers. In establishing this council, we are looking for advice and guidance from women who are respected in their communities and regions, passionate about personal and community wellness and interested in working for positive change. Grandmothers are strong matriarchs who have raised their families, who have a history of caring deeply about social issues and who bring the wisdom of their years and experience to all that they do. A Council of Grandmothers will help us ensure that positive social change is practical, workable, based on community realities and more importantly, connected to the people. This council will be involved in the social agenda conference and will hopefully enhance the continuity and momentum of the conference well into the future.

I will be pleased to routinely update this House on the progress made towards developing a social agenda and the conference itself. I look to the invaluable experience and knowledge of all Members to help make this very important initiative a success. Thank you, Mr. Speaker.

-- Applause

**MR. SPEAKER:** Merci, Madam Minister. Déclarations de ministre. Déclarations de députes. Item 3, Members' statements. The honourable Member for Thebacha, Mr. Miltenberger.

### ITEM 3: MEMBERS' STATEMENTS

#### Member's Statement on Fort Smith Fire Abatement Program

**MR. MILTENBERGER:** Thank you, Mr. Speaker. Mr. Speaker, we have all seen in the news and are probably aware of the devastating effects forest fires can have in heavily forested parts of the country where there are communities. Mr. Speaker, the constituency I come from is in the middle of the boreal forest on the banks of the Slave River. We are in exactly that predicament.

Mr. Speaker, over the last number of years, we have been trying to pull together a fire abatement program to help thin out the heavy timber and bush that surrounds the community, in fact, that the town is situated in. It has been a difficult process. It has been a difficult project. It is one with tremendous potential. There is almost unlimited supply of firewood in there, lumber that could be harvested if it was done selectively.

Mr. Speaker, just last year on television we saw what happened in the United States when the community of Los Alamos had a backfire that went wrong. The community lost hundreds of houses. I have seen it happen in Alaska and I have heard of it happening in other jurisdictions in Canada.

Mr. Speaker, it always comes down to the issue of money. It would be far better to put money into the front end for prevention, as we talk about in a lot of the social areas, then wait and see what happens when you come to communities like Norman Wells, where you have to evacuate if you are not ready and the community is not prepared for a fire.

Mr. Speaker, the issue is one between the community and the Department of Resources, Wildlife and Economic Development. Later today, I will be asking the Minister questions about how we can move this process along, how we can look at a long-term program that will put local people to work clearing and harvesting and putting that wood they are going to thin out to good use in the community.

Mr. Speaker, this is a very pressing issue. Spring is once again around the corner. Fire season will soon be here. It would be to our benefit, to the government's benefit, to be ready and not be responding after the fact. Thank you.

-- Applause

**MR. SPEAKER:** Merci, Mr. Miltenberger. Déclarations de députes. The honourable Member for Deh Cho, Mr. McLeod.

#### Member's Statement on Fort Providence Land Lease Cost Increases

**MR. MCLEOD:** Thank you, Mr. Speaker. Mr. Speaker, I would like to bring to the attention of this House a situation I feel is unfair. The community corporation in my hometown of Fort Providence has brought this situation to my attention. I touched upon this issue in committee of the whole on Friday, March 2<sup>nd</sup> during the review of the main estimates for Municipal and Community Affairs.

Over the last ten years, the community corporation has leased a parcel of land from the territorial government through the Department of Municipal and Community Affairs. Each of those ten years, those lease costs were \$250. Last September, the lease on this parcel of land expired and because there were no changes to the leasing arrangement, MACA gave a credit of three percent each year for the old lease. Further, MACA also gave a credit for the value of lease payments made over the term of the original lease.

Mr. Speaker, imagine my constituents' surprise when they were informed that despite these deductions made to their lease, there was going to be a major increase in the cost of the lease. The community development corporation was also given the opportunity to choose between two different types of leases, a regular lease and an equity lease. If the regular lease was chosen, then annual lease payments would increase to \$2,000 a year for 20 years and be subject to review and adjustment on each five-year anniversary. GST was not included in these figures. If the equity lease was chosen, annual payments of \$2,500 would be required for the ten-year term. Again, this excludes GST. For the remaining ten years in the lease, the lessee would pay a dollar a year. The equity lease would result in a lower cash outlay for the 20-year period rather than the regular lease.

Mr. Speaker, should my constituents choose the regular lease option, the cost will increase from \$250 a year to \$2,000 a year. This is close to eight times the present yearly rate. Should the equity lease be chosen, the cost would go to \$2,500 a year, ten times the present rate.

Mr. Speaker, these increases are not reasonable. I am concerned that the impact of major land lease increases like these on my constituents and other residents of the Northwest Territories will have dramatic effects. I will be posing questions later to the Minister. Thank you.

-- Applause

**MR. SPEAKER:** Thank you, Mr. McLeod. Declarations de deputes. Item 3, Members' statements. The honourable Member for Great Slave, Mr. Braden.

**Member's Statement on Akaitcho Hall Students and Staff Reunion**

**MR. BRADEN:** Thank you, Mr. Speaker. We all acknowledge the importance of education to the development of our society. Equally important are the friendships, associations and events that we have experienced through our years at school. On June 30<sup>th</sup> and July 1<sup>st</sup> of this year, there will be another historic gathering in Yellowknife, one which we hope will see hundreds of participants. The event I am referring to, Mr. Speaker, is the reunion for Akaitcho Hall students and staff.

Mr. Speaker, since its opening in 1958, Sir John Franklin School and Akaitcho Hall, as the companion residential facility, provided very high academic and vocational standards. Education made a positive difference in the lives of thousands of students who passed through those doors and hallways.

Students from 37 communities have attended Sir John and many Members of this Assembly, Mr. Speaker, have been residents of Akaitcho Hall. With the proposed demolition of the residence in the very near future to make room for new development, now is a fitting time to have a reunion.

There is a small organizing committee putting the plans in place for this reunion. Some of the activities include a dinner and dance on June 30<sup>th</sup>, combined barbecue on Canada Day, along with other festivities. The committee, which includes yourself, Mr. Speaker, is putting promotional plans in place and looking for sponsors.

The committee is also working on 37 years for a commemorative gazette covering those decades of operation. Contributors and researchers and a variety of production staff are now being put together from existing students at Sir John Franklin School. We will need volunteers to help make this happen. I hope former residents of Akaitcho Hall and Sir John Franklin School will join me and others in marking this reunion at the end of June and on Canada Day. I look forward to renewing friendships from my younger days when I went there and exchanging views on how we shall all continue to successfully meet the future. Thank you, Mr. Speaker.

-- Applause

**MR. SPEAKER:** Thank you, Mr. Braden. Declarations de deputes. Item 3, Members' statements. The honourable Member for Inuvik Boot Lake, Mr. Roland.

**Member's Statement on Non-Insured Health Benefits Dental Program**

**MR. ROLAND:** Thank you, Mr. Speaker. Mr. Speaker, the day of the toothless smile in the Northwest Territories is gone, or is it, Mr. Speaker? Mr. Speaker, I say this and I ask this for one reason. I have been made aware that the NIHB, non-insured health benefits, relating to the dental program for status Indian and Inuit in the Northwest Territories has been taken over by Ottawa. Mr. Speaker, since they have taken over this program, trying to get dental treatment in the Northwest Territories has been difficult. In fact, when dentists send for approvals, Ottawa

sends back a question asking if there is another alternative instead of the treatment plan that has been provided.

I have been given some numbers, Mr. Speaker, that show that in fact across Canada, based on 1999 statistics, the only other jurisdiction that has a lower cost per client is in Saskatchewan, where they average \$317 per client. Here in the Northwest Territories, the average cost for clients is \$351. When you look at Alberta, they have a \$424 average cost per client.

Mr. Speaker, even when we look at the cost of per item of treatment that a dentist goes through, they are more expensive here in the Northwest Territories than most other jurisdictions. The fact is we are still getting less dollars per client in the Northwest Territories since Ottawa has taken over.

I wonder what they are pushing for when they ask for other alternatives. Instead of repairing teeth, are they back in the days when they came North to pull teeth? Mr. Speaker, that is a very serious concern to residents. It is an issue I have dealt with on behalf of a number of constituents. Again, I think it is an area we need to focus on. During question period, I will have questions for the Minister of Health and Social Services. Thank you.

-- Applause

**MR. SPEAKER:** Thank you, Mr. Roland. Declarations de deputes. Item 3, Members' statements. The honourable Member for Hay River North, Mr. Delorey.

**Member's Statement on Programs to Ensure the Return of Well-Educated Young Northerners**

**MR. DELOREY:** Thank you, Mr. Speaker. Mr. Speaker, early in the life of the 14<sup>th</sup> Legislative Assembly, we released our vision for attaining a better future for our residents. This vision was included in our document Towards a Better Tomorrow. Mr. Speaker, in the document we stated that we should promote self-reliant, healthy, well-educated individuals, families and communities doing their part to improve the quality of life for themselves. Mr. Speaker, in this same document, we go on to say that we should have a motivated young generation prepared to take advantage of the opportunities the North has to offer.

Mr. Speaker, I wanted to commend this government for the positive steps they have taken towards this vision. Maximizing northern employment should have far-reaching, positive benefits and improve on our track record in attracting our educated youth back to the Northwest Territories. I see this as accomplishing more than just filling jobs.

Mr. Speaker, many of our young people who go on to post-secondary education have been raised in the North and have many ties to the North, not the least of which are their families. We have a growing population of parents whose well-educated children have remained in the south to retain adequate employment.

Mr. Speaker, we need those young people here so that their parents may be more inclined to remain here during their retirement years. Many of these retiring parents have been contributing to our well-being for many years and will continue to do so if we give them reason to. This, Mr. Speaker, will include grandfathers. I would like to put a proposal forward to form a Council of Grandfathers...

**SOME HON. MEMBERS:** Hear, hear!

-- Applause

**MR. DELOREY:** ...and I hope we have as much money as the Minister does for grandmothers, Mr. Speaker.

Mr. Speaker, small- to medium-sized businesses will play a large role in the economic development of the North. We must do more to help them remain competitive so they can do their part in putting our people to work. This will be a tall order, Mr. Speaker, in light of the fact that practically every province in Canada is struggling with a shortage of a qualified labour force in just about every sector. Mr. Speaker, the reality is we will never put all of our people to work nor will we succeed in keeping them all in the North, but we must do all we can towards that goal. Thank you, Mr. Speaker.

-- Applause

**MR. SPEAKER:** Thank you, Mr. Delorey. Let us hope there is not a shortage of qualified grandfathers. I would like to volunteer. Item 3, Members' statements. The honourable Member for North Slave, Mr. Lafferty.

#### **Member's Statement on Sustainable Health Care in Small Rural Communities**

**MR. LAFFERTY:** Thank you, Mr. Speaker. Mr. Speaker, I think all of us in the House are aware of the crisis in staffing nurses and doctors throughout the North. In my region, the Dogrib Community Services Board is responsible for operating and maintaining the health system for the North Slave.

The board receives funding for their programs from the Department of Health and Social Services. In November, the board wrote to the Minister of Health and Social Services outlining a realistic plan for ensuring that a basic level of health care is provided to the outlying communities.

They suggested increasing the role of community health representatives, lay dispensers, and adding paramedics to the standard mix of community health centres. In this way, local people could be trained now for these positions. We would be strengthening our human resource base, increasing local employment and improving our health care system in a feasible way.

By training local people, we would also ensure that most day-to-day health issues in northern communities are dealt with effectively. I would like to point out that by addressing health care in this way, one of my communities would benefit tremendously.

Currently in Wekweti, there is a half-time lay dispenser who cannot even begin to meet the health care demands of the community. This position cannot be expanded unless the board receives increased funding from the Government of the Northwest Territories. This would be a worthwhile investment given the shortage of doctors and nurses. Thank you, Mr. Speaker.

-- Applause

**MR. SPEAKER:** Thank you, Mr. Lafferty. Declarations de deputes. Item 3, Members' statements. The honourable Member for Range Lake, Ms. Lee.

#### **Member's Statement on Support for Special Needs Students**

**MS. LEE:** Thank you, Mr. Speaker. Mr. Speaker, I would like to speak on the need for additional funding and attention to take care of our special needs students in our school system. I do not think I could do this better than a very articulate testimonial of one of the parents. It goes like this:

"I was recently involved in a parent-led campaign that sought to have a full-time education assistant assigned to the grade 2 class at J.H. Sissons School in Yellowknife. At that time, the class was made up of 27 students. Nine were being counselled to encourage more positive behaviour and at least five were known to be below the academic level for that grade. Two were later identified as having special needs due to either a mental or physical handicap.

This entire class, including the high-end special need student, was in the care of only one teacher. The school teaching staff have been assisting these children by providing counselling and program support. The time they are able to dedicate is limited to a few hours each week as their services are shared by numerous other high-need students.

Eventually, testing of the children was done and the two special needs children were identified. In January, these two students began sharing one education assistant for half of their school day. Another child was placed in the Strategies for Success Program, which helps students become better and more positive learners. These actions are helping the children involved but it does not address all of the high-need children in the class.

Six families moved their children to another school as they felt the class make-up did not promote a healthy learning environment for their children. This move, which was upsetting to all involved, may have been avoided if:

1. funds were available to provide immediate help when it is needed;
2. administrators were trained and equipped to identify and respond to high and special needs students in their schools; and
3. pupil/teacher ratios were reduced when

high-need students  
are involved.

This may mean the schools are funded in the future based more on the needs of the students and not just on the number of students enrolled."

Mr. Speaker, I would like to conclude by lending support to her suggestion or her plea to the Minister, which says:

"I strongly urge you to direct whatever resources you can towards developing a strategy for early identification and support of high-end special needs students. The investment will appear small in comparison to the cost to society..."

**MR. SPEAKER:** Ms. Lee, your time for your Member's statement has expired.

**MS. LEE:** Thank you, Mr. Speaker. Mr. Speaker, I seek unanimous consent to conclude my statement. Thank you, Mr. Speaker.

**MR. SPEAKER:** The honourable Member is seeking unanimous consent to conclude her statement. Are there any nays? There are no nays. Ms. Lee, you may conclude.

**MS. LEE:** Thank you, Mr. Speaker. Thank you, colleagues. I would just like to conclude her urge to the Minister, which says:

"I strongly urge you to direct whatever resources you can towards developing a strategy for early identification and support of high-end special need students. The investment will appear small in comparison to the cost to society if these children do not receive the support they so desperately need at an early age."

Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Ms. Lee. Declarations de deputes. Item 3, Members' statements. The honourable Member for Mackenzie Delta, Mr. Krutko.

#### **Member's Statement on Municipal Funding Formula Changes**

**MR. KRUTKO:** Thank you, Mr. Speaker. Mr. Speaker, I too have concerns in regard to the land pricing policy of the Government of the Northwest Territories, especially with the major increases that have been noted, such as in the community of Aklavik, where the property values have been assessed at \$13,000 per lot.

Mr. Speaker, this policy only came into effect in 1997 but there is no room in the policy to consider there was a land freeze as a result of land claims being settled in the Mackenzie Valley, where people were only in the position of leasing property through this long-term lease from the 1980s to the 1990s. The prices presently there are unacceptable to the residents of the Mackenzie Delta and Aklavik.

I think it is clear, Mr. Speaker, that we as a government have to do more to reflect the wishes of the residents of our

communities and the homeowners in our communities to reflect the realistic costs of trying to live in our small, isolated communities. Mr. Speaker, this is one more burden on our residents with a cost that is unforeseen, uncalled for and one that had no public involvement in implementation.

Mr. Speaker, this government has been funding municipalities and settlements for a number of years through the MOPE and SOAP program, which identified resources to communities to allow for the building of roads, culvert costs, power poles and other associated costs within our small municipalities. Now, Mr. Speaker, we are in the process of clawing back dollars for those development costs and putting it on the shoulders of the residents of our communities.

Like my colleague from the Deh Cho, I too will have questions to the Minister on this matter. Thank you, Mr. Speaker.

-- Applause

**MR. SPEAKER:** Thank you, Mr. Krutko. Declarations de deputes. Item 3, Members' statements. The honourable Member for Frame Lake, Mr. Dent.

#### **Member's Statement on Zero Tolerance of Family Violence**

**MR. DENT:** Thank you, Mr. Speaker. Mr. Speaker, last session, Members of this Assembly unanimously passed a declaration on family violence in an effort to help stop family violence. We are all aware of the statistics in the Northwest Territories that paint a disturbing picture of assault and abuse within families.

This issue is so important that the Premier appointed the Minister of Health and Social Services to oversee the government's efforts to combat family violence. Mr. Speaker, I believe the Minister responsible must now accept this challenge and run with it.

Front-line workers are stretched to their limits. They need someone to rally around, to raise the profile of this issue. Minister Groenewegen can and should be that person. Unfortunately, in a letter to the Social Programs Committee, Minister Groenewegen has stated that one person cannot champion this cause.

Mr. Speaker, I disagree. I realize this is a big challenge. However, the Minister is in a position to coordinate an effort to develop a strategy implementing zero tolerance of family violence. An effective strategy will only result from collaboration between all GNWT social envelope departments, NGOs, community leaders and those affected by family violence across the Northwest Territories.

Mr. Speaker, the Minister should also bring in family violence legislation similar to that already in place in several provinces. This legislation would provide for clear, enforceable intervention orders so authorities can respond to family violence situations more effectively. However, the immediate priority is the need to find more money.

Mr. Speaker, organizations that deal with family violence are underfunded. They need additional resources to help train counsellors, improve rehabilitation programs and add to the amount of shelter space that is available.

It is not good enough for the Minister to state that there is no room for expansion of services within existing resources. If necessary, Mr. Speaker, the Minister must reallocate resources and work with the Members of this Legislative Assembly to find the funds that are required.

As Minister Groenewegen said to the Standing Committee on Social Programs, "it is something that if we truly believe in, the amount that we invest will reflect that." Mr. Speaker, as a society, we pay a huge price for family violence. We must break the tragic cycle. It is time for the Minister responsible to champion this cause and lead this Assembly in our efforts to raise awareness across the North of this terrible problem. Thank you, Mr. Speaker.

-- Applause

**MR. SPEAKER:** Thank you, Mr. Dent. Item 3, Members' statements. Declarations de deputes. The honourable Member for Tu Nedhe, Mr. Nitah.

#### **Member's Statement on Federal Government Commitments and Responsibilities**

**MR. NITAH:** Mahsi, Mr. Speaker. Mr. Speaker, I rise today to challenge the Minister of Aboriginal Affairs, the Premier, the Minister of Health and Social Services and all the chiefs in the Northwest Territories. As my colleague, Mr. Roland just pointed out, Ottawa is penny-pinching on services that they provide in an agreement called treaty.

Under treaty, there is such a thing as non-insured health benefits. In the past, they have given full dental treatments, glasses and health and education. Now what we are seeing today is Ottawa slowly clawing this back. They are slowly clawing the dollars that they have committed to this government, to the aboriginal people of the Northwest Territories and Canada.

I was just reading an article on oil and gas development. Millions of dollars of diamonds are pulled out of the Northwest Territories and the federal government is the one collecting most of the royalties, or will be collecting most of the royalties.

They are the biggest benefactor in terms of collecting taxes from people who work. As the Government of the Northwest Territories, they decide how much money we need. We tell them how much we need and there is a big difference, Mr. Speaker.

At the end of the day, what we are seeing is the federal government slowly taking treaty rights away from people of the Northwest Territories. This government is going to contractual arrangements with the federal government. They are gypping this government as well. When are we as a people and as the Government of the Northwest Territories finally going to stand up and say enough is enough?

-- Applause

We have natural resources, oil and gas, that are badly needed in North America. The price of fuel is going up. We have water. Five percent of the fresh water in the world. That is going to be a big commodity.

We have to stand up and say enough is enough. Mr. Speaker, we need to say no, enough is enough. Unless the federal

government wants to play ball with us, why should we be willing to play ball anymore?

Again, I call on the Premier, the Minister of Aboriginal Affairs, the Minister of Health and all the chiefs to fight for the rights of the people of the Northwest Territories in terms of non-insured health benefits, and just to get our due. Thank you, Mr. Speaker.

-- Applause

**MR. SPEAKER:** Thank you, Mr. Nitah. Item 3, Members' statements. The honourable Member for Inuvik Twin Lakes, Mr. Allen.

#### **Member's Statement on Muskrat Trapping Season**

**HON. ROGER ALLEN:** Thank you, Mr. Speaker. This is an important time of the year for the people of the Mackenzie Delta, especially for a majority of my constituents in the riding of Inuvik Twin Lakes. The cultural importance I am speaking of is this is the time for rat trapping season, as we call it back home.

The season for trapping for later spring hunters lasts March 1<sup>st</sup> to June 15<sup>th</sup> annually. Rat trapping plays a significant role in the lives of Inuvik Twin Lakes, as it brings families back onto the trap line to harvest these resilient little rodents, Ondatra Zibethica.

The ratting season also gives an opportunity for people to go out and enjoy a traditional lifestyle. To put it mildly, get a good wind burn and enjoy the return of long daylight. Fresh tea and bannock beside a good fire alongside the lake seem to put the people back into a refreshed state of mind.

Mr. Speaker, I want to pass along my sincere good wishes to all those who are going to enjoy this annual practice to which I can safely say that I am envious of at this time of the year. Thank you, Mr. Speaker.

-- Applause

**MR. SPEAKER:** Thank you, Mr. Allen. That brings back a lot of fond memories. Item 3, Members' statements. The honourable Member for Yellowknife Centre, Mr. Ootes.

#### **Member's Statement on Recognition of Yellowknife Volunteers**

**HON. JAKE OOTES:** Thank you, Mr. Speaker. Volunteers play an essential role in Yellowknife as they do in all Northwest Territories communities. Recent surveys show that Northerners lead almost all other Canadians in the amount of volunteering they do. In 1999, 41 percent of Yellowknifers over the age of 15 participated in volunteer activity. The national average was 31 percent.

I was pleased to take part in the official launch of the International Year of Volunteers, which took place here in the Legislative Assembly in December. Several of the volunteers singled out for special recognition were Yellowknife residents. Among these, three were Cappy Elkin, Meryl Falconer and Ann Peters. They were recognized for their work with a number of activities and events, including the Stanton Regional Hospital Foundation, the Breast Cancer Awareness Program, Girl Guides, the Guild of Crafts and Folk on the Rocks.

I would also like to recognize a few of the volunteer organizations operating in my constituency of Yellowknife Centre. The individuals who volunteer for these organizations are, through their efforts, making Yellowknife a better place to live. The Yellowknife Women's Centre has just celebrated its tenth anniversary. It exists because a group of volunteers decided they would improve the situation for women in this city. They started out as a small, on-the-job training program in 1991 and continued to increase and improve services they were providing. Last year, they assisted approximately 400 families.

The Yellowknife Food Bank has been operating for a number of years, always relying completely on volunteers to deliver this service.

The Side Door is a no-cost hangout for youth in the Yellowknife downtown core. About 100 young people a week take advantage of the Side Door's activities that are geared specifically for them and find a listening ear when they need one. The Side Door is a volunteer board and also has volunteers working with youth and helping to manage the organization.

Mr. Speaker, there are many other organizations in Yellowknife which would not be able to carry out their mandates if it were not for the involvement of volunteers. There are many, many more volunteers that I could possibly name, but it is important and very appropriate that we show volunteers that we appreciate them because our society is greatly improved because of their efforts. Thank you, Mr. Speaker.

-- Applause

**MR. SPEAKER:** Thank you, Mr. Ootes. Item 3, Members' statements. Item 4, returns to oral questions. Item 5, recognition of visitors in the gallery.

#### **ITEM 5: RECOGNITION OF VISITORS IN THE GALLERY**

Colleagues, at this time, I would like to recognize in the gallery our Conflict of Interest Commissioner, Ms. Carol Roberts.

-- Applause

Item 5, recognition of visitors in the gallery. The honourable Member for Mackenzie Delta, Mr. Krutko.

**MR. KRUTKO:** Thank you, Mr. Speaker. I would like to recognize Lee Selleck in the press corps and also the guests in our gallery. Thank you.

-- Applause

**MR. SPEAKER:** Thank you, Mr. Krutko. Item 5, recognition of visitors in the gallery. Thank you. I would like to welcome everyone who is here today to observe your Legislative Assembly at work. Item 6, oral questions. The honourable Member for Great Slave, Mr. Braden.

#### **ITEM 6: ORAL QUESTIONS**

##### **Question 451-14(3): Large-Scale Lottery Licence Fees**

**MR. BRADEN:** Thank you, Mr. Speaker. My question this afternoon is for the Minister responsible for Municipal and Community Affairs. Last year, I raised a question about the

fairness of lotteries, especially large-scale lotteries which cross boundaries and have substantial prizes attached to them. However, because of the percentage of licence fee established, they do not become economic and therefore people of the Northwest Territories miss out on the potential benefits of these lotteries, and also being able to contribute to worthy causes such as the Canadian Cancer Society. I would like to ask the Minister, Mr. Speaker, what progress he is making on reviewing this situation with large-scale lotteries that cross our boundaries? Thank you.

**MR. SPEAKER:** Thank you, Mr. Braden. The honourable Minister responsible for the Department of Municipal and Community Affairs, Mr. Allen.

##### **Return to Question 451-14(3): Large-Scale Lottery Licence Fees**

**HON. ROGER ALLEN:** Thank you, Mr. Speaker. Mr. Speaker, the department has reviewed the current fee structure and the revisions are currently being drafted by the Department of Justice and will take effect April 1<sup>st</sup> of this year. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Allen. Supplementary, Mr. Braden.

##### **Supplementary to Question 451-14(3): Large-Scale Lottery Licence Fees**

**MR. BRADEN:** Thank you, Mr. Speaker. I am pleased that there is some action. I wonder if the Minister could give the Assembly some idea of what kind of criteria are being established that would potentially make these lotteries more successful in the North? Thank you.

**MR. SPEAKER:** Thank you, Mr. Braden. The honourable Minister responsible for the Department of Municipal and Community Affairs, Mr. Allen.

##### **Further Return to Question 451-14(3): Large-Scale Lottery Licence Fees**

**HON. ROGER ALLEN:** Thank you, Mr. Speaker. Yes, I would like to advise the Members that the fee for office, the total prize payout of \$30,000 or less, would be five percent of the prize total. The fee for office of a total prize in excess of \$30,000 would be a flat rate of \$1,500. Thank you.

**MR. SPEAKER:** Thank you, Mr. Allen. Supplementary, Mr. Braden.

##### **Supplementary to Question 451-14(3): Large-Scale Lottery Licence Fees**

**MR. BRADEN:** Thank you, Mr. Speaker. In the area of the larger prize, that sounds quite realistic. In the information relating to the five percent of total fees for lotteries under \$30,000, I think most of the lotteries we run in the NWT are in that scale. Is this five percent an increase or a decrease from the current fee? Thank you.

**MR. SPEAKER:** Thank you, Mr. Braden. The honourable Minister responsible for Municipal and Community Affairs, Mr. Allen.

**Further Return to Question 451-14(3): Large-Scale Lottery Licence Fees**

**HON. ROGER ALLEN:** Thank you, Mr. Speaker. I do not have the specific details to respond to that question. I will be able to provide that at a later date. Thank you.

**MR. SPEAKER:** Merci, Mr. Minister. Mr. Braden, your final supplementary.

**Supplementary to Question 451-14(3): Large-Scale Lottery Licence Fees**

**MR. BRADEN:** Thank you, Mr. Speaker. I look forward to getting that information. I am wondering by what means will the department be publicizing or making this information available to charitable organizations in the North? Thank you.

**MR. SPEAKER:** Thank you, Mr. Braden. The honourable Minister responsible for the Department of Municipal and Community Affairs, Mr. Allen.

**Further Return to Question 451-14(3): Large-Scale Lottery Licence Fees**

**HON. ROGER ALLEN:** Thank you, Mr. Speaker. I believe that as of April 1<sup>st</sup> of this year, we will be able to communicate that back to the interested groups, either through a letter or through a public announcement. Thank you.

**MR. SPEAKER:** Thank you, Minister Allen. Item 6, oral questions. The honourable Member for Range Lake, Ms. Lee.

**Question 452-14(3): Recommendation to Establish a Child Advocate**

**MS. LEE:** Thank you, Mr. Speaker. Mr. Speaker, my question today goes to the Minister of Health and Social Services, and it is with regard to the statement she made earlier. First of all, Mr. Speaker, I want to commend the Minister for a very well-stated position about the need to protect the rights of our children and the children's right to be free from neglect and abuse.

Mr. Speaker, my question today comes from the report I had talked about earlier in this House, the Child Welfare League of Canada. Out of the 52 recommendations the report had, one of the recommendations was a suggestion for a child advocate whose responsibility would be to ensure the rights of children and their families are articulated and respected, and that children and their families have access to an independent arbitrator if they believe their rights are abrogated. I would like to ask the Minister whether she has had a chance to review this recommendation and what the department's position is. Thank you.

**MR. SPEAKER:** Thank you, Ms. Lee. There were two questions there. The honourable Minister responsible for the Department of Health and Social Services, Mrs. Groenewegen.

**Return to Question 452-14(3): Recommendation to Establish a Child Advocate**

**HON. JANE GROENEWEGEN:** Thank you, Mr. Speaker. Yes, we have looked at that particular recommendation. Included in the \$1.2 million critical investment that was approved under the Health and Social Services budget is funding to begin to do the

research and putting the legislation in place for a children's advocate for the Northwest Territories. Thank you.

**MR. SPEAKER:** Merci, Madam Minister. Supplementary, Ms. Lee.

**Supplementary to Question 452-14(3): Recommendation to Establish a Child Advocate**

**MS. LEE:** Thank you, Mr. Speaker. Mr. Speaker, I appreciate the Minister's answer and the positive nature of that. I wonder if the Minister could elaborate more on how far she is with this project. Is there a team working together? Are there staff assigned? I hope it is not going to be done by someone else outside of the government. Can we get more elaboration please?

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

**Further Return to Question 452-14(3): Recommendation to Establish a Child Advocate**

**HON. JANE GROENEWEGEN:** Thank you, Mr. Speaker. As for the elaboration of the activity under this particular initiative, it is necessary to examine what is being done in terms of child advocacy in other jurisdictions. I am not exactly sure who is undertaking to do this work within the department, but the response to the Child Welfare League of Canada's report was intended to be a phased-in response over a three-year period.

What we have seen here in the last few weeks is the first year's activities and, as I mentioned, included in that are the financial resources necessary to do the research to form the foundation to respond to that particular recommendation for a child advocate. Thank you.

**MR. SPEAKER:** Thank you, Madam Minister. Supplementary, Ms. Lee.

**Supplementary to Question 452-14(3): Recommendation to Establish a Child Advocate**

**MS. LEE:** Thank you, Mr. Speaker. I think this is the second time the Minister has mentioned the action plan responding to this report. I wonder if the Minister could make a copy available to us? Thank you.

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

**Further Return to Question 452-14(3): Recommendation to Establish a Child Advocate**

**HON. JANE GROENEWEGEN:** Thank you, Mr. Speaker. Yes, certainly if the initial year's activities and the outline of what the \$1.2 million critical investment is intended to do would help provide a better understanding for the Member, I will be happy to provide it. Thank you.

**MR. SPEAKER:** Thank you. Your final supplementary, Ms. Lee.

**Supplementary to Question 452-14(3): Recommendation to Establish a Child Advocate**

**MS. LEE:** Thank you, Mr. Speaker. At the same time, could I get the Minister to commit to having as much input as possible from the Members on this side with regard to coming up with a child advocacy office? Thank you, Mr. Speaker.

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

**Further Return to Question 452-14(3): Recommendation to Establish a Child Advocate**

**HON. JANE GROENEWEGEN:** Thank you, Mr. Speaker. Certainly my department does work with the Standing Committee on Social Programs, but I realize that not all Members have a chance to participate on that committee. If Members have a particular interest in this area and would like to have an opportunity for input, we are more than happy to receive that. Thank you.

**MR. SPEAKER:** Thank you, Madam Minister. Item 6, oral questions. The honourable Member for North Slave, Mr. Lafferty.

**Question 453-14(3): Health Care Delivery in the Dogrib Region**

**MR. LAFFERTY:** Thank you, Mr. Speaker. My question is for the Minister of Health and Social Services, Mrs. Groenewegen. In my Member's statement, I pointed out that the Dogrib Community Services Board had written to the Department of Health and Social Services in November with a feasible plan to address health care in the outlying communities. I would like to ask the Minister if the department would consider alternative models of health care delivery in outlying communities? Thank you, Mr. Speaker.

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

**Return to Question 453-14(3): Health Care Delivery in the Dogrib Region**

**HON. JANE GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, in response to some of the questions that have been raised by the terms of reference for the review that we are undertaking right now, we have an opportunity to address things such as the equity and distribution of services throughout our communities.

Also, through the Canada Health and Social Transfer, there is a strong commitment in that agreement towards primary care reform. I believe that is encompassed in the kinds of suggestions that have been made to us by the Dogrib Community Services Board through their correspondence that Mr. Lafferty refers to. Thank you.

**MR. SPEAKER:** Thank you, Madam Minister. Supplementary, Mr. Lafferty.

**Supplementary to Question 453-14(3): Health Care Delivery in the Dogrib Region**

**MR. LAFFERTY:** Thank you, Mr. Speaker. I would like to ask the Minister if she is willing to work with the Department of Education to develop and implement a training program which would allow such a health care system to be implemented? Thank you, Mr. Speaker.

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

**Further Return to Question 453-14(3): Health Care Delivery in the Dogrib Region**

**HON. JANE GROENEWEGEN:** Thank you, Mr. Speaker. Yes, as we move along in the direction of primary care reform, it will be necessary to ensure that the competency levels at the community level are available and training is made available to enhance those. Certainly in the area of lay dispensers and community health representatives, in those two areas particularly, we will be looking at ensuring that we have the capacity to train Northerners to do that work. Thank you.

**MR. SPEAKER:** Merci, Madam Minister. Supplementary, Mr. Lafferty.

**Supplementary to Question 453-14(3): Health Care Delivery in the Dogrib Region**

**MR. LAFFERTY:** Thank you, Mr. Speaker. I would like to ask the Minister if she will work with the Dogrib Community Services Board to ensure that the core funding is provided for these positions in outlying communities? Thank you, Mr. Speaker.

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

**Further Return to Question 453-14(3): Health Care Delivery in the Dogrib Region**

**HON. JANE GROENEWEGEN:** Thank you, Mr. Speaker. If I could also respond to Mr. Lafferty's last question, I would like to tell him that the Department of Health and Social Services has entered into a contribution agreement with Aurora College to review and renew the training curriculum for health representatives over the coming year. That is a little more specific to Mr. Lafferty's question.

With response to working with the Dogrib Community Services Board to ensure a higher level of service for the outlying smaller communities, yes, we will certainly be doing that through the review process that we are undertaking now. I would also hope that Mr. Lafferty will have a chance in the next couple of days to speak with a member of the review team so that these kinds of diversity of needs of different regions will be brought to light and reflected in the results of the review. Thank you.

**MR. SPEAKER:** Merci, Madam Minister. Item 6, oral questions. The honourable Member for Yellowknife South, Mr. Bell.

**Question 454-14(3): Funding for Youth Programs**

**MR. BELL:** Thank you, Mr. Speaker. My question today is for Roger Allen, the Minister responsible for Youth. I have decided that I am going to ask him this question every budget session until we start to hear the answers we want to hear. We are almost through the budget. We have looked at all the departments. We have not quite gotten to the Department of Youth. I would like to ask the Minister for Youth, what is his budget this year? Thank you.

**MR. SPEAKER:** Thank you, Mr. Bell. The honourable Minister responsible for Youth, Mr. Allen.

**Return to Question 454-14(3): Funding for Youth Programs**

**HON. ROGER ALLEN:** Thank you, Mr. Speaker. I can inform the Member that we are working very closely with the Department of the Executive. They assured us as recently as last weekend that we should be entitled to a small budget at the end of this month, this current fiscal year, in the amount of \$30,000. Thank you.

**MR. SPEAKER:** Thank you, Minister Allen. Supplementary, Mr. Bell.

**Supplementary to Question 454-14(3): Funding for Youth Programs**

**MR. BELL:** Thank you, Mr. Speaker. In future years then, will this be coming forward as presentation in the mains? This will be an amount of money to the base in the future? Thank you.

**MR. SPEAKER:** Thank you, Mr. Bell. The honourable Minister responsible for Youth, Mr. Allen.

**Further Return to Question 454-14(3): Funding for Youth Programs**

**HON. ROGER ALLEN:** Thank you, Mr. Speaker. Yes, I can inform the Member that we are putting together a comprehensive proposal to ensure that there is a Youth budget in the next main estimates. Thank you.

**MR. SPEAKER:** Merci, Mr. Minister. Supplementary, Mr. Bell.

**Supplementary to Question 454-14(3): Funding for Youth Programs**

**MR. BELL:** Thank you. I am wondering if the Minister can speak to the Child and Youth Strategy the government is working on and let us know exactly where that is. Thank you.

**MR. SPEAKER:** Thank you, Mr. Bell. The honourable Minister responsible for Youth, Mr. Allen.

**Further Return to Question 454-14(3): Funding for Youth Programs**

**HON. ROGER ALLEN:** I apologize, Mr. Speaker, for the little delay here. No, I cannot speak to that specific matter. That lies with another department. The Youth portfolio basically plays an advocacy role with other departments to ensure that all youth programs and projects are looked at from this government's perspective. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Minister. Final supplementary, Mr. Bell.

**Supplementary to Question 454-14(3): Funding for Youth Programs**

**MR. BELL:** Thank you, Mr. Speaker. I apologize. I was under the impression that the Minister of Youth would play a role in implementing the strategy once it was developed. Was I mistaken? Thank you.

**MR. SPEAKER:** Thank you, Mr. Bell. The honourable Minister responsible for Youth, Mr. Allen.

**Further Return to Question 454-14(3): Funding for Youth Programs**

**HON. ROGER ALLEN:** Thank you, Mr. Speaker. I am going to clarify our role and responsibilities in terms of how we function as the Minister responsible for Youth, that is to play more of an advocacy role than anything else at this point. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Minister Allen. Item 6, oral questions. The honourable Member for Thebacha, Mr. Miltenberger.

**Question 455-14(3): Community Fire Abatement Program**

-- Interjection

**MR. MILTENBERGER:** Thank you, Mr. Speaker. I apologize. I was having a side conversation. My questions are directed to the Minister responsible for Resources, Wildlife and Economic Development. They are in regard to the fire abatement program in our community. I would like to ask the Minister, is there a formal fire abatement program for communities that are in the heart of the boreal forest that they can plan on to make their communities safe during the forest fire season? Thank you.

**MR. SPEAKER:** Thank you, Mr. Miltenberger. The honourable Minister responsible for the Department of Resources, Wildlife and Economic Development, Mr. Handley.

**Return to Question 455-14(3): Community Fire Abatement Program**

**HON. JOE HANDLEY:** Yes, Mr. Speaker, we do not refer to it as a fire abatement program, but there is a program called the Community Protection, Planning and Support Program. Thank you.

**MR. SPEAKER:** Thank you, Minister Handley. Supplementary, Mr. Miltenberger.

**Supplementary to Question 455-14(3): Community Fire Abatement Program**

**MR. MILTENBERGER:** Thank you, Mr. Speaker. Mr. Speaker, we have been working with RWED for a number of years. There seems to be some money for the planning phase, but the proposal that was done was multi-year, like five or ten years to do it properly, to do it incrementally so it does not cost a fortune in one year. I would like to ask the Minister, is there funding available to do that kind of program for communities? Thank you.

**MR. SPEAKER:** Thank you, Mr. Miltenberger. The honourable Minister responsible for the Department of Resources, Wildlife and Economic Development, Mr. Handley.

**Further Return to Question 455-14(3): Community Fire Abatement Program**

**HON. JOE HANDLEY:** Yes, Mr. Speaker, we do budget \$300,000 through the forest management division for community protection, planning and support services. That money could be used for planning or it can be used to assist communities in doing their fire abatement work, whether it is cleaning up, cutting trees, or whatever it may be. It is up to the communities to apply through the district office. Thank you.

**MR. SPEAKER:** Merci, Mr. Minister. Supplementary, Mr. Miltenberger.

**Supplementary to Question 455-14(3): Community Fire Abatement Program**

**MR. MILTENBERGER:** Thank you, Mr. Speaker. Mr. Speaker, could the Minister indicate whether there is a plan in the Department of RWED to work with the communities that are affected, to in fact ensure that all communities over time will have a proper fire abatement program and that there is the proper protection, the steps are taken to make sure the communities are as fire-proof as possible? Thank you.

**MR. SPEAKER:** Thank you, Mr. Miltenberger. The honourable Minister responsible for the Department of Resources, Wildlife and Economic Development, Mr. Handley.

**Further Return to Question 455-14(3): Community Fire Abatement Program**

**HON. JOE HANDLEY:** Yes, Mr. Speaker, we as a department work with the community or town council, with the fire marshal's office, with the aboriginal corporation that might be running a fire crew, or band council office. We work with all of them to help to identify a plan.

The views of communities differ from situation to situation in terms of what they want to do. Some communities want a clear fireguard around the communities. Others want to trim some trees out. Others just want to clean up dead fall and so on. It is really up to the community to determine what the plan will be. We will work with them.

We have a program called Fire Smart that we work with each community on. Thank you.

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

**Supplementary to Question 455-14(3): Community Fire Abatement Program**

**MR. MILTENBERGER:** Thank you, Mr. Speaker. Mr. Speaker, could the Minister indicate whether he would be willing to assist the community of Fort Smith to try to develop and get the resources for a multi-year, long-term program that will allow us to in fact do the work that has to be done to make our community fire smart? Thank you.

**MR. SPEAKER:** Thank you, Mr. Miltenberger. The honourable Minister responsible for the Department of Resources, Wildlife and Economic Development, Mr. Handley.

**Further Return to Question 455-14(3): Community Fire Abatement Program**

**HON. JOE HANDLEY:** Mr. Speaker, we have been supporting a multi-year program, along with the leaders in the community and the Thebacha Forestry Company, on the fire abatement plan they have been working on. We are quite pleased to have been a part of that. Certainly we will consider any proposals they bring forward now to actually put that plan into action. The responsibility is up to the community leaders to put an application to us. We will certainly have a look at it. Thank you.

**MR. SPEAKER:** Thank you, Minister Handley. Item 6, oral questions. The honourable Member for Inuvik Boot Lake, Mr. Roland.

**Question 456-14(3): Non-Insured Dental Benefits**

**MR. ROLAND:** Thank you, Mr. Speaker. Mr. Speaker, as I stated in my Member's statement, the non-insured health benefits in the dental program area continue to be a problem for status Indian and Inuit families.

Mr. Speaker, using a figure that I have, in the Yukon Territory, our neighbours have an average cost of \$458 per client when they go to Ottawa and put a claim in. Here in the Northwest Territories, as I stated earlier, we are down to about the \$351 mark. Mr. Speaker, it has been a problem in the North ever since Ottawa took control of that program back. I know there have been meetings between the dental association and the department, and I believe at one time with representatives of the federal government.

I would like to know from the Minister what is being done in this situation to try and alleviate the problem so that Ottawa does not only take our oil and gas out of the ground, but we stop them from taking out teeth as well? Thank you.

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

**Return to Question 456-14(3): Non-Insured Dental Benefits**

**HON. JANE GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, this issue was raised in the House previously by Mr. Nitah. The information that I provided at that time was that there is a discrepancy in the fees that are provided to various jurisdictions under NIHB. The Yukon, in fact, is paid a higher fee to their dentists for NIHB clients. This is a matter of concern to us. The Northwest Territories/Nunavut Dental Association has attempted to resolve this issue directly with representatives of the federal government. It is our intention as a department to provide any kind of support we can to the dentists in their desire to have parity at least with other jurisdictions with similar sorts of costs, overheads and challenges. Thank you.

**MR. SPEAKER:** Thank you, Madam Minister. Supplementary, Mr. Roland.

**Supplementary to Question 456-14(3): Non-Insured Dental Benefits**

**MR. ROLAND:** Thank you, Mr. Speaker. I think the association will be glad to hear that. More for the residents' sake, what is the process now for people who are feeling they are not getting due process and fair treatment when it comes to their teeth in the Northwest Territories, besides going to visit the dentist? Thank you.

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

**Further Return to Question 456-14(3): Non-Insured Dental Benefits**

**HON. JANE GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, besides attempting to support the dental association in their efforts, if individual constituents are having difficulty with receiving services for any number of reasons, certainly through MLAs or directly through correspondence with my department, we would like to be able to articulate those so we can properly respond to them. Thank you.

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. Supplementary, Mr. Roland.

**Supplementary to Question 456-14(3): Non-Insured Dental Benefits**

**MR. ROLAND:** Thank you, Mr. Speaker. In the area of support for the dental association to try and secure a better fee structure, is there a plan being put together working with the dental association to ensure residents or the status Indian and Inuit people have fair treatment? Thank you.

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

**Further Return to Question 456-14(3): Non-Insured Dental Benefits**

**HON. JANE GROENEWEGEN:** Thank you, Mr. Speaker. Up until this point, what we have just done is played a role of facilitating communications between representatives of the federal government and the dental association. We have not become directly involved in any kind of strenuous lobbying efforts.

Certainly if the dental association signals to us that it is time to do that, it is necessary to do that, then we would be looking at collaborating with aboriginal leaders to make a very strong case for the fact that we expect our recipients of the NIHB benefits to be treated fairly and adequately. Thank you.

**MR. SPEAKER:** Thank you, Madam Minister. Final supplementary, Mr. Roland.

**Supplementary to Question 456-14(3): Non-Insured Dental Benefits**

**MR. ROLAND:** Thank you, Mr. Speaker. I am aware that there is some work going on with the Northwest Territories and Nunavut Dental Associations, possibly with the Yukon Dental

Association to try and work together. Has the department been involved in any of that process? Thank you.

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

**Further Return to Question 456-14(3): Non-Insured Dental Benefits**

**HON. JANE GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, apart from perhaps having written letters outlining this concern to the federal government, we have not been directly involved. Thank you.

**MR. SPEAKER:** Thank you. Item 6, oral questions. The honourable Member for Mackenzie Delta, Mr. Krutko.

**Question 457-14(3): GNWT Land Pricing Policy**

**MR. KRUTKO:** Thank you, Mr. Speaker. Mr. Speaker, my question is for the Minister responsible for Municipal and Community Affairs. It is regarding my Member's statement and the concerns I have with the land pricing policy and how it is that the government has not considered the effects or the program dollars that have gone into communities before. They were exempt and were not being taxed but yet, Mr. Speaker, there has been a major increase in the cost of property.

Mr. Speaker, I would like to ask the Minister, has his department considered looking at some sort of a cutoff date to have people who are exempt from paying \$13,000, knowing their lots were purchased earlier rather than later? Would he consider allowing homeowners who purchased their lots prior to 1997 to be based on the date set in their leases? So when they purchased their leases, that is the date that they should have to pay for the actual asset value or the value of that property.

**MR. SPEAKER:** Thank you, Mr. Krutko. The honourable Minister responsible for the Department of Municipal and Community Affairs, Mr. Allen.

**Return to Question 457-14(3): GNWT Land Pricing Policy**

**HON. ROGER ALLEN:** Thank you, Mr. Speaker. Mr. Speaker, I believe the department has taken some new direction on how we were dealing with the land administration of all municipalities across the North. It has been a trying exercise, but we have set the direction now, and hopefully we can address every individual community as each one presents a different set of problems.

I can advise the Member that I have been to Aklavik and have discussed this quite openly with the council. We are trying to find some immediate solutions to that problem. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Allen. Supplementary, Mr. Krutko.

**Supplementary to Question 457-14(3): GNWT Land Pricing Policy**

**MR. KRUTKO:** Thank you, Mr. Speaker. Mr. Speaker, just reviewing the process that they use for assessing the land pricing policy, there are a few areas I have concerns about,

especially in the planning and engineering and cost of legal surveys. A lot of these costs are already encompassed in the department's budget and main estimates that we have gone through, where you have department policy and planning, dollars for engineers and what not. Why is it that this government is double-dipping? Getting money from this Legislature and then turning around and getting money back from the residents?

**MR. SPEAKER:** Thank you, Mr. Krutko. The honourable Minister responsible for the Department of Municipal and Community Affairs, Mr. Allen.

#### **Further Return to Question 457-14(3): GNWT Land Pricing Policy**

**HON. ROGER ALLEN:** Thank you, Mr. Speaker. I believe that we are trying to recapture some of the fees that we do provide so that we can continue this service in the communities in how they administer their lands. Of course, we are taking the initial step and we are hoping to get the officials back into the communities rather quickly to help them resolve those problems. Thank you.

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

#### **Supplementary to Question 457-14(3): GNWT Land Pricing Policy**

**MR. KRUTKO:** Thank you, Mr. Speaker. Mr. Speaker, my question to the Minister is exactly what method is being used to determine the actual cost of a piece of property? The process the government has been using is basically using the typical development costs of a community. Without actually doing an appraisal of that property, how do you come up with that cost?

**MR. SPEAKER:** Thank you, Mr. Krutko. The honourable Minister responsible for the Department of Municipal and Community Affairs, Mr. Allen.

#### **Further Return to Question 457-14(3): GNWT Land Pricing Policy**

**HON. ROGER ALLEN:** Thank you, Mr. Speaker. I am going to take the balance of this question as notice. I will get back to the Member. Thank you.

**MR. SPEAKER:** Thank you. The question has been taken as notice. Item 6, oral questions. The honourable Member for Deh Cho, Mr. McLeod.

#### **Question 458-14(3): Increase in Land Lease Costs**

**MR. MCLEOD:** Thank you, Mr. Speaker. I mentioned earlier in my Member's statement that there has been a major increase in the costs of land leases from the Government of the Northwest Territories. In Fort Providence, for many of my constituents, there has been an eight to ten-fold increase. I would like to ask the Minister of Municipal and Community Affairs if he can explain why there has been such a huge increase in the costs of lands leased from the Government of the Northwest Territories.

**MR. SPEAKER:** Thank you, Mr. McLeod. The honourable Minister responsible for the Department of Municipal and Community Affairs, Mr. Allen.

#### **Return to Question 458-14(3): Increase in Land Lease Costs**

**HON. ROGER ALLEN:** Thank you, Mr. Speaker. Again, I would just like to make the Member aware that this has just recently come to our attention. I would like to advise the Member that I will ensure that the department officials go back into the communities and start dealing with the communities to see where the core of the problems are and try to come to some formal resolution on the matter. Thank you.

**MR. SPEAKER:** Thank you, Mr. Allen. Supplementary, Mr. McLeod.

#### **Supplementary to Question 458-14(3): Increase in Land Lease Costs**

**MR. MCLEOD:** Thank you, Mr. Speaker. I take it from that statement that the Minister will be looking at this issue again. He has also indicated in committee of the whole that he would take a look at this issue and re-evaluate the overall approach. I would like to ask him, when can we expect this information, Mr. Speaker?

**MR. SPEAKER:** Thank you, Mr. McLeod. The honourable Minister responsible for the Department of Municipal and Community Affairs, Mr. Allen.

#### **Further Return to Question 458-14(3): Increase in Land Lease Costs**

**HON. ROGER ALLEN:** Thank you, Mr. Speaker. I can commit to the Member that we are taking significant steps to try to resolve these problems. I know it is a long overdue process that is needed. We had sent out letters to each Member and also to the communities saying that we are taking a proactive approach to this. It is going to be a while yet, but I can assure the Member that it is being tackled at this point. Thank you.

**MR. SPEAKER:** Thank you, Mr. Allen. Supplementary, Mr. McLeod.

#### **Supplementary to Question 458-14(3): Increase in Land Lease Costs**

**MR. MCLEOD:** Thank you, Mr. Speaker. In my statement earlier, I mentioned that the lease increases have increased from \$250 to \$2,500 a year. I would like to ask the Minister if his department considered implementing a gradual increase to lease costs rather than hitting people with a massive increase that may cause hardship? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. McLeod. The honourable Minister responsible for the Department of Municipal and Community Affairs, Mr. Allen.

#### **Further Return to Question 458-14(3): Increase in Land Lease Costs**

**HON. ROGER ALLEN:** Thank you, Mr. Speaker. Yes, the department is looking at trying to be more responsive. We understand that there are some administration problems. We will look at that in the context of our land administration program as we go forth. Thank you.

**MR. SPEAKER:** Thank you, Mr. Minister. Final supplementary, Mr. McLeod.

**Supplementary to Question 458-14(3): Increase in Land Lease Costs**

**MR. MCLEOD:** Thank you, Mr. Speaker. Mr. Speaker, as the Minister is aware, the Deh Cho First Nations are now in negotiations and land is one of the issues that will be discussed. I would like to ask the Minister if he would consider a moratorium on land leases and taxes for the people of the Deh Cho? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. McLeod. The honourable Minister responsible for the Department of Municipal and Community Affairs, Mr. Allen.

**Further Return to Question 458-14(3): Increase in Land Lease Costs**

**HON. ROGER ALLEN:** Thank you, Mr. Speaker. Mr. Speaker, I cannot commit to a land moratorium at this point. We still have to work with MAA in the context of the land claims and self-government negotiations. We have taken the responsibility to work with all of the communities and all of the regions across the Northwest Territories. Every region and community has different problems and we are trying to resolve that on a territory-wide basis. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Minister Allen. Item 6, oral questions. The honourable Member for Frame Lake, Mr. Dent.

**Question 459-14(3): Zero Tolerance for Family Violence Strategy**

**MR. DENT:** Thank you, Mr. Speaker. Mr. Speaker, my question is for the Minister of Health and Social Services. As Minister responsible for coordinating this government's action to combat family violence, Minister Groenewegen is in a position to coordinate development of a strategy implementing zero tolerance in family violence, which might include setting up a broad collaborative process, finding the scope of the work, committing resources and so on. There is no question this initiative will need some dedicated funding for coordination, travel, research and writing. Is the Minister willing to undertake to lead in developing such a strategy?

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

**Return to Question 459-14(3): Zero Tolerance for Family Violence Strategy**

**HON. JANE GROENEWEGEN:** Thank you, Mr. Speaker. Yes, I am willing to lead in this area. I appreciate the interest and the support for this very important issue of family violence from the Members on the other side of the House. Thank you.

**MR. SPEAKER:** Thank you, Madam Minister. Supplementary, Mr. Dent.

**Supplementary to Question 459-14(3): Zero Tolerance for Family Violence Strategy**

**MR. DENT:** Thank you, Mr. Speaker. I appreciate the Minister's answer and her willingness to lead in this area. Is the Minister familiar with family violence legislation currently in place in Manitoba, Saskatchewan, Yukon, Prince Edward Island, Alberta and proposed in Ontario?

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

**Further Return to Question 459-14(3): Zero Tolerance for Family Violence Strategy**

**HON. JANE GROENEWEGEN:** Thank you, Mr. Speaker. No, I am not aware of the specifics of family violence legislation in other jurisdictions, but it is something that I would commit and undertake to gain an understanding of as it may relate to a deficiency in our legislation here in the Northwest Territories. Thank you.

**MR. SPEAKER:** Thank you, Madam Minister. Supplementary, Mr. Dent.

**Supplementary to Question 459-14(3): Zero Tolerance for Family Violence Strategy**

**MR. DENT:** Thank you, Mr. Speaker. Mr. Speaker, once the Minister has familiarized herself with this legislation, will she commit to looking at bringing forward legislation that provides for clear, enforceable intervention orders for more effective responses to family violence situations by police or other local authorities?

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

**Further Return to Question 459-14(3): Zero Tolerance for Family Violence Strategy**

**HON. JANE GROENEWEGEN:** Thank you, Mr. Speaker. Yes, as I indicated in the previous answer, Mr. Speaker, if it appears there is good and proven legislation that helps to address the issues of family violence that exists in other jurisdictions, and it would appear that they may have advanced efforts in these areas and it has benefit and merit and application in our circumstances, we would be willing and prepared to look at such legislation in the Northwest Territories. Thank you.

**MR. SPEAKER:** Merci, Madam Minister. Final supplementary, Mr. Dent.

**Supplementary to Question 459-14(3): Zero Tolerance for Family Violence Strategy**

**MR. DENT:** Thank you, Mr. Speaker. All good answers by the Minister. Will the Minister now agree to be the champion for this cause, not to take it on by herself, but to lead, to rally people of the North around to make sure that we all get together towards zero tolerance for violence in the Northwest Territories?

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

**Further Return to Question 459-14(3): Zero Tolerance for Family Violence Strategy**

**HON. JANE GROENEWEGEN:** Thank you, Mr. Speaker. I appreciate the Member articulating the challenge so definitively and yes, Mr. Speaker, I am prepared to lead the efforts on this behalf. I have indicated in my Minister's statement today that I am very interested in seeking input from other parties, not the

least of which would be input from people such as our representatives on our Council of Grandmothers, and certainly from any other stakeholders and NGOs who work in this area in the front line. I agree with the Member that it does take someone to take a lead role in this and I am prepared to do that. Thank you.

**MR. SPEAKER:** Thank you, Madam Minister. Item 6, oral questions. The honourable Member for Hay River North, Mr. Delorey.

**Question 460-14(3): Dealing With Tragic Incidents in Schools**

**MR. DELOREY:** Thank you, Mr. Speaker. Mr. Speaker, I would like to address my question to the Minister of Justice, in light of a couple of terrible tragedies that have hit the news waves in the last day. For instance, in California a 15-year-old kid opened fire on his classmates in a school, killing two and injuring another 13. I was wondering, Mr. Speaker, if the Minister responsible for Justice is going to take any steps in working with the Minister of Education to put word out into the schools of this terrible tragedy and the impact this has on kids and their families when something like this happens, knowing full well that we are not immune to something like that. Something could happen like that at any time. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Delorey. The honourable Minister responsible for the Department of Justice, Mr. Antoine.

**Return to Question 460-14(3): Dealing With Tragic Incidents in Schools**

**HON. JIM ANTOINE:** Thank you, Mr. Speaker. Mr. Speaker, the honourable Member is asking a very serious question. As we all know, this type of incident has happened before in other parts of this country as well as in the United States. With the modern communication through television and the news, it is brought right into everybody's living room and everybody is aware of these kind of situations. In the Northwest Territories, we have access to the news as well, so everybody is fairly aware of that. It is something that has happened that we have to be aware of.

It is the RCMP who do the policing work for us in the Northwest Territories. They have different programs where they go to the communities and work very closely with the communities. In talking to some of the Members, I am aware that some of them are doing really close work with the communities and have access to the younger children and are doing activities with the kids in the communities.

I think there is a recognition that whatever happens outside of the Northwest Territories has effects on us through the media. There are existing programs now that are being utilized to try to bring awareness to the communities. I think everybody in the communities is very aware of it and community leadership is aware of a lot of the problems that come from social pressures that cause things to happen. We all have to work together, not only the Minister of Education and I, but we have to work with people at the community level as well as the departmental level to bring awareness to communities. Thank you.

**MR. SPEAKER:** Thank you, Mr. Minister. Supplementary, Mr. Delorey.

**Supplementary to Question 460-14(3): Dealing With Tragic Incidents in Schools**

**MR. DELOREY:** Thank you, Mr. Speaker. One of the bits of information that has come out about this already is the fact that this 15-year-old kid had been bragging about doing this for three days. He talked the whole weekend about going to school with a gun and shooting. A lot of kids heard him say that, but nobody took him seriously or brought this to the attention of any officials or school officials.

Would the Minister commit to putting the word out to the kids and try to educate the kids that if somebody is talking in that way, somebody should be paying attention and somebody should be addressing it? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Delorey. The honourable Minister responsible for the Department of Justice, Mr. Antoine.

**Further Return to Question 460-14(3): Dealing With Tragic Incidents in Schools**

**HON. JIM ANTOINE:** Thank you, Mr. Speaker. Mr. Speaker, I will certainly do what the honourable Member is saying. I think we have to be cognizant of the information that is out there and the access is easily accessible to our younger kids. They may have good ideas and so forth. I think it is important that we bring that notice out to everybody. Thank you.

**MR. SPEAKER:** Thank you, Mr. Minister. Supplementary, Mr. Delorey.

**Supplementary to Question 460-14(3): Dealing With Tragic Incidents in Schools**

**MR. DELOREY:** Thank you, Mr. Speaker. The other incident I was referring to was the news that came out of Cape Dorset, where an RCMP officer was shot to death in the line of duty. I was wondering if the Minister or this government has put a message out? I would certainly like to relay my condolences to both sides, the accused and the victims. I was wondering if this government has taken steps to relay their condolences to both the victims and the accused? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Delorey. I just want to remind Members that a question should only have one topic. I realize this is a very serious subject, but there are two different items there. The honourable Minister responsible for Justice, Mr. Antoine.

**Further Return to Question 460-14(3): Dealing With Tragic Incidents in Schools**

**HON. JIM ANTOINE:** Thank you, Mr. Speaker. Yes, Mr. Speaker, we will do that as a government. I was speaking to the Premier and he says that is what we will be doing as a government. Thank you.

**MR. SPEAKER:** Thank you, Mr. Minister. Item 6, oral questions. The honourable Member for Tu Nedhe, Mr. Nitah.

**Question 461-14(3): Non-Insured Health Benefits**

**MR. NITAH:** Mahsi, Mr. Speaker. Mr. Speaker, my question is for the Premier dealing with the non-insured health benefits. As I stated in my opening remarks, the Northwest Territories is a haven for developers. The Canadian government, the federal

government, being the biggest benefactor of all. They are sucking out oil and gas, sucking out diamonds and now they want to come and pull our teeth. Pretty soon we will not have any eyeglasses under the non-insured health benefits as well. Pretty soon we will not see well enough to grab our dentures from our bedside table, Mr. Speaker. When will this government step in and stop the flow of Government of Canada taking back non-insured health benefits from the people of the Northwest Territories? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Nitah. The honourable Premier, Mr. Kakfwi.

**HON. STEPHEN KAKFWI:** Mr. Speaker, the question will be taken by the Minister of Health and Social Services. Thank you.

**MR. SPEAKER:** Thank you. The question has been directed to the Minister responsible for the Department of Health and Social Services, Mrs. Groenewegen.

#### **Return to Question 461-14(3): Non-Insured Health Benefits**

**HON. JANE GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, the erosion of services provided under the non-insured health benefits, the change in the programming, the policy amendments that get made by the federal government which would, at times, appear to undermine the quality of services, are something which my department has been seeking to address.

The plans that we had to consider in turning the administration of these services back over to the federal government because of their lack of support for things like administration have been resolved. I will be going to my Cabinet colleagues for permission to rescind our previous direction of returning this NIHB services to the federal government. We have come up with what we consider to be a satisfactory level of support from the federal government to continue to do this. However, we must remain vigilant, as Mr. Nitah indicates, to ensure that there is no decrease in the services that are covered in this plan. Thank you.

**MR. SPEAKER:** Thank you, Madam Minister. Supplementary, Mr. Nitah.

**MR. NITAH:** Thank you, Mr. Speaker. Mr. Speaker, the non-insured health benefits erosion has been happening over a number of years. As Mr. Roland indicated, the dental service area has been taken back by the federal government. I understand it is because the Government of the Northwest Territories was a little bit too generous.

I think there is a need for leadership here, not to question the leadership of the Minister of Health and Social Services, but we need action from the Premier of the Northwest Territories. When will the Premier step in to stop the erosion of the clawback of non-insured health benefits from aboriginal people with treaties and Inuit people...

**MR. SPEAKER:** Mr. Nitah, order, please. Mr. Nitah, I just want to remind you that you cannot ask a question like that. Could you ask a question of the Minister which is in her realm? Mr. Nitah, your question.

**MR. NITAH:** Thank you, Mr. Speaker. The original question was for the Premier.

**MR. SPEAKER:** Mr. Nitah, your question must be on health care, health questions, to the Minister of Health. Thank you. Item 6, oral questions. The honourable Member for...Mr. Nitah, you have your hand up? Mr. Nitah.

#### **Supplementary to Question 461-14(3): Non-Insured Health Benefits**

**MR. NITAH:** Thank you, Mr. Speaker. Will the Deputy Premier lobby the Premier of the Government of the Northwest Territories to battle for non-insured health benefits for the people of the Northwest Territories? Thank you very much, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Nitah. I will direct the question to the Deputy Premier. The honourable Deputy Premier and Minister responsible for Health, Mrs. Groenewegen.

#### **Further Return to Question 461-14(3): Non-Insured Health Benefits**

**HON. JANE GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, I will work with my Cabinet colleagues, including the Premier, the Minister of Aboriginal Affairs, Mr. Antoine, to alert them to any signals from the federal government that there would be any decrease in the services provided under the NIHB and would commit to you that we would work together to ensure that these services are protected. Thank you.

**MR. SPEAKER:** Thank you, Madam Minister. Supplementary, Mr. Nitah.

#### **Supplementary to Question 461-14(3): Non-Insured Health Benefits**

**MR. NITAH:** Mahsi, Mr. Speaker. I would say that the erosion has already started and if she has not alerted her Cabinet colleagues already, it might be a little late. Can I get a commitment from the Deputy Premier that she will not only work with her Cabinet colleagues, including the Premier, but also with the Dene national chief, the leader of the Inuvialuit and all chiefs of the Northwest Territories to protect non-insured health benefits and stop the erosion of non-insured health benefits of the Northwest Territories? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Nitah. The honourable Deputy Premier and Minister responsible for Health and Social Services, Mrs. Groenewegen.

#### **Further Return to Question 461-14(3): Non-Insured Health Benefits**

**HON. JANE GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, certainly it is in this government's interest to ensure that the services provided to northern residents through the NIHB continue at the same level that they have been. I have been attempting to get together with Chief Bill Erasmus from the Dene Nation, but during session we have been busy and it has not been possible to get together. I know from communications from him and he knows from communications from me that we need to get together. We want to talk about this particular subject. So yes, I want to assure the Member that we are doing everything we can.

As for the erosion and changes, under the actual part that the territorial government administers, we feel we have made

significant progress recently after the threat of returning this to the federal government. We have made significant progress in dealing with disputed claims and the required administrative support in order to continue delivering this service. I think that is very good news. Thank you, Mr. Speaker.

**MR. SPEAKER:** Merci, Madam Minister. Final supplementary, Mr. Nitah.

**Supplementary to Question 461-14(3): Non-Insured Health Benefits**

**MR. NITAH:** Mahsi, Mr. Speaker. Will the Minister also work towards getting dental health returned to the Government of the Northwest Territories to be administered in the Northwest Territories for the people of the Northwest Territories? Thank you.

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

**Further Return to Question 461-14(3): Non-Insured Health Benefits**

**HON. JANE GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, right now, the dentists themselves are the direct service providers. I will undertake to communicate with the Northwest Territories and Nunavut Dental Associations and see if there is a role that our government could play as an administrator/overseer of these program dollars that might make it easier for them. Certainly if the dentists are not being compensated on par with their other colleagues, it can make it very difficult for us to recruit and retain dentists to continue working in private practice in the Northwest Territories. Thank you.

**MR. SPEAKER:** Thank you, Madam Minister. Item 6, oral questions. The honourable Member for Mackenzie Delta, Mr. Krutko.

**Question 462-14(3): Funding Non-Insured Dental Benefits**

**MR. KRUTKO:** Thank you, Mr. Speaker. Mr. Speaker, I too have questions for the Minister of Health and Social Services on the same matter. I am not clear on what the Minister meant in her statement where she says the same level of funding. Does that mean the funding that is apparent today, or is that the funds that will cover the full costs associated with the dental costs?

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

**Return to Question 462-14(3): Funding Non-Insured Dental Benefits**

**HON. JANE GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, what I am saying is that I think that there should not be a discrepancy, for example, between what dentists in the Yukon are paid on their fee schedule for services provided to status Indians and Inuit people under the non-insured health benefits. I do not believe it should be a lower fee schedule for the residents of the Northwest Territories. What that does is discourage dentists in private practice in the Northwest Territories from providing those services because it is on a

capped and limited fee schedule, which is significantly lower than what they would charge if somebody was just coming in from the public. There is just no reasonable explanation for me why they would be on a lower fee schedule in the Yukon. It is the same challenge, the same issues. Thank you.

**MR. SPEAKER:** Thank you, Madam Minister. Supplementary, Mr. Krutko.

**Supplementary to Question 462-14(3): Funding Non-Insured Dental Benefits**

**MR. KRUTKO:** Thank you, Mr. Speaker. Presently, the funding that is allocated is insufficient. It is not meeting the needs of the client, who is the individual who needs the dental work and needs the eyeglasses. Would the Minister allow for this government to pay the full cost associated with those needs?

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

**Further Return to Question 462-14(3): Funding Non-Insured Dental Benefits**

**HON. JANE GROENEWEGEN:** Mr. Speaker, I believe that it is the federal government that has the responsibility under arrangements they have made for the provision of these services. It is not so much entirely just the level of funding that is provided under the fee schedule, but it is also -- and someone alluded to it today in the House -- the process which is required, the permissions that are sought in advance. When dentists travel to remote communities and someone needs work done and they need to seek prior authorization from the federal government, from Health Canada to do the work, sometimes the time delay and the paper shuffle when they are dealing with something that might be an emergency situation, the situation could deteriorate to the point where the dental health of the patient has been jeopardized. It is issues like that. It is not just the level of funding, but it is also the process associated with getting the services. Thank you.

**MR. SPEAKER:** Thank you, Madam Minister. Supplementary, Mr. Krutko.

**Supplementary to Question 462-14(3): Funding Non-Insured Dental Benefits**

**MR. KRUTKO:** Thank you, Mr. Speaker. Mr. Speaker, I think that has been the problem all along, where we have been disassociating ourselves from the federal government. It has always been them and us and I think we as a government with responsibility for health and social services and to ensure programs and services to all residents of the Northwest Territories should not be splitting people up because of race, creed or whatever.

I would like to ask the Minister, when will she have an idea of what the actual pay levels will be and what cost is the federal government willing to pay? Thank you

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

**Further Return to Question 462-14(3): Funding Non-Insured Dental Benefits**

**HON. JANE GROENEWEGEN:** Thank you, Mr. Speaker. As I indicated earlier, what I will do is communicate with the dental association and find out where they are exactly in terms of their negotiations with the federal government on their fee schedule. Dental services to all residents of the NWT is not currently an insured health program which this government offers. The dental plan which is offered to the beneficiaries of NIHB, status Indians and Inuit, is a federal insurance program. Thank you.

**MR. SPEAKER:** Thank you, Madam Minister. Your final supplementary, Mr. Krutko.

**Supplementary to Question 462-14(3): Funding Non-Insured Dental Benefits**

**MR. KRUTKO:** Thank you, Mr. Speaker. Will the Minister commit to try to formulate the different programs so that it is more balanced? You have the non-insured health benefits program, you have the Metis health benefit program and you have a program that is general for everyone. Will you somehow try to consolidate those so that everybody is treated on the same footing?

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

**Further Return to Question 462-14(3): Funding Non-Insured Dental Benefits**

**HON. JANE GROENEWEGEN:** Thank you, Mr. Speaker. That is a very big question because there are all different types of insurance coverage that come into play here. A lot of residents of the Northwest Territories, for example, are covered for a variety of health insurance under their employers' insurance coverage. Some insurance is for extended health benefits which pertain to chronic illnesses that not everyone has. It is very difficult to offer a simple answer to that question. However, I would be prepared to prepare a spreadsheet for the Members to show them exactly what the different insurance coverages are, who pays for them, who is entitled to them, and maybe that would be a good place to start. Thank you.

**MR. SPEAKER:** Thank you, Madam Minister. Item 6, oral questions. The honourable Member for Tu Nedhe, Mr. Nitah.

**Question 463-14(3): Protection of Aboriginal Treaty Rights**

**MR. NITAH:** Thank you, Mr. Speaker. My question is for the Minister responsible for Aboriginal Affairs. My question deals with treaty and aboriginal rights, Mr. Speaker.

Non-insured health benefits is a treaty right. Under the treaties that were signed in 1900 and 1921, Treaty 8 and 11, and reviewed later with the Inuit people of the Northwest Territories, the federal government is to pay for certain items in the area of health and education. Is it under the responsibility of the Minister of Aboriginal Affairs to protect aboriginal rights in the Northwest Territories? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Nitah. The honourable Minister responsible for Aboriginal Affairs, Mr. Antoine.

**Return to Question 463-14(3): Protection of Aboriginal Treaty Rights**

**HON. JIM ANTOINE:** Thank you, Mr. Speaker. Mr. Speaker, the Ministry of Aboriginal Affairs is responsible for coordinating the Government of the Northwest Territories' activities in land claims and self-government negotiations, and it is also involved in implementation of the agreements that are reached. We are aware of the treaty and aboriginal rights that aboriginal and treaty people have in the North and make sure that they are there, but we are not responsible for those rights. It is a federal responsibility. That is where we want to make sure it remains at this present time. Thank you.

**MR. SPEAKER:** Thank you, Mr. Minister. Supplementary, Mr. Nitah.

**Supplementary to Question 463-14(3): Protection of Aboriginal Treaty Rights**

**MR. NITAH:** Mahsi, Mr. Speaker. So am I to understand that there is no ministry or department or agency within the GNWT that protects aboriginal and treaty rights for half the population of the Northwest Territories? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Nitah. The honourable Minister responsible for Aboriginal Affairs, Mr. Antoine.

**Further Return to Question 463-14(3): Protection of Aboriginal Treaty Rights**

**HON. JIM ANTOINE:** Thank you, Mr. Speaker. Mr. Speaker, the treaties that the honourable Member mentioned, Treaties 8 and 11, were signed between the aboriginal First Nations in the North here and the Crown, which is the federal government. The federal government has the fiduciary responsibility for First Nations they have signed treaties with.

We are the Government of the Northwest Territories, which is a creation of the federal Department of Indian and Northern Affairs. The treaty and aboriginal rights are the responsibility of the federal government. You know, as well as do many people, that for many years the treaty and aboriginal organizations kept saying that this government is not their government. They say that because they do not see their treaty being signed with us. Their treaty was signed with the federal government.

This is where the negotiations take place, trying to deal with the land and resources and self-government arrangements. They have to meet with the federal government and get that process going with the federal government. We are a third party to that table. In that way, it is the responsibility of the federal government to deal with the treaty issues. Thank you.

**MR. SPEAKER:** Thank you, Mr. Minister. Supplementary, Mr. Nitah.

**Supplementary to Question 463-14(3): Protection of Aboriginal Treaty Rights**

**MR. NITAH:** Mahsi, Mr. Speaker. The Minister for Aboriginal Affairs plays a coordinating role in negotiations of land claims. The land claims are based on treaty and aboriginal rights in terms of self-government negotiations, and non-insured health benefits before that. Is it the responsibility of the ministry to consult aboriginal First Nations when the erosion of non-insured health benefits starts happening through the

contractual arrangements with this government? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Nitah. The honourable Minister responsible for Aboriginal Affairs, Mr. Antoine.

**HON. JIM ANTOINE:** Thank you, Mr. Speaker. Mr. Speaker, the health transfer took place in 1988. Prior to that, the federal government was responsible for health in the Northwest Territories, especially to treaty and aboriginal people. Once the federal government negotiated the transfer of the health programs to this government back in 1988, the non-insured health benefits, which are the benefits for treaty and Inuit people, also went into the mix. It was not transferred to this government.

However, there was no existing body to run this program. In consultation with the aboriginal groups, the Dene Nation and the Inuit of the day were fully aware and involved in the decision for this government to run the program. This government has been running this program and we are paying up front for the services provided to treaty and Inuit people. We send the bill to the feds and they have not been paying the full amount of our expenditures. This has been going on for a number of years.

The reason for the Minister of Health taking the position that she has taken with regard to the non-insured health benefits is to try to give notice that this is a problem that we cannot go on with. We are fighting, in fact, and trying to retain the non-insured health benefits. This is the only mechanism that we have. We keep on doing it with the eroding situation, or do we put it out there, saying if this is the case then the feds should take it back and run it the way they should?

We are in fact doing it, and this is in consultation with the Dene Nation and the other aboriginal groups in the North. We are consulting with them already. I think they are fully aware of what we are doing. I think this awareness has to be broader, to all the chiefs and councils, that this is a benefit that is there for treaty and Inuit people, and that there are some problems with it. The problems are not stemming from us as a government of the Northwest Territories, but are coming from the federal government.

Yes, we are going to do everything we can to try to make sure we retain this benefit for the treaty and Inuit people. Thank you. Mahsi.

**MR. SPEAKER:** Thank you, Mr. Minister. Final supplementary, Mr. Nitah.

**Supplementary to Question 463-14(3): Protection of Aboriginal Treaty Rights**

**MR. NITAH:** Thank you. I am happy to hear the commitment that the government will do everything it can. The erosion of non-insured health benefits and all the stuff that the federal government does to the people of the Northwest Territories and this government, there is a problem then, and that is a question that has to be answered by another Minister.

The non-insured health benefits was to be transferred back to the federal government. There was no consultation process planned. Again I ask, who is responsible for consulting the aboriginal people of the Northwest Territories when non-insured health benefits gets eroded?

**MR. SPEAKER:** Thank you, Mr. Nitah. The honourable Minister responsible for Aboriginal Affairs, Mr. Antoine.

**Further Return to Question 463-14(3): Protection of Aboriginal Treaty Rights**

**HON. JIM ANTOINE:** Thank you, Mr. Speaker. Mr. Speaker, there was some negotiation between the Department of Health with the different appropriate aboriginal governments, but if the honourable Member is requesting that a fuller consultation be undertaken, then we are prepared to do that as well. Thank you.

**MR. SPEAKER:** Merci, Mr. Minister. Le temp pour questions orales tout fini. The time for question period has ended. Responses a des questions ecrites. Item 7, written questions. Item 8, returns to written questions. Item 9, replies to opening address. The honourable Member for the Sahtu, Mr. Kakfwi.

**ITEM 9: REPLIES TO THE OPENING ADDRESS**

**Reply 4-14(3)**

**HON. STEPHEN KAKFWI:** Thank you, Mr. Speaker. Mr. Speaker, in 1983, I was elected as the president of the Dene Nation. That was in September of 1983. There was coverage of the election across Canada on CBC TV, radio and in some of the newspapers.

A few days after I took office, I was in the office of the Dene Nation. Two of the secretaries who worked in the Dene Nation office knocked on the door and asked, with a rather amused look on their face, if I knew a Ms. Victoria Douglas from Vancouver. They said she was on the phone and she says she knows you. I was surprised and excited about it. I said yes, I know her. She used to be my kindergarten teacher. I would like to talk to her. They said sure, as if they were rather amused at this explanation I gave for this call from a lady in Vancouver. Obviously, Victoria Douglas had read an article in the newspaper and decided to call me.

Mr. Speaker, we met in the summer of 1955. At the time, she was 33 years old and married with two children. I was four-and-a-half years old. She had come to teach in Fort Good Hope while her husband, Jim Douglas, worked at the radio station, or the communications station, with the army signal corps. Her youngest son, David, was three-and-a-half years old at the time. David and I became best friends during the years they were there, from 1955 until 1958. This was a time when my mother was hospitalized in Aklavik. It was those three years that Victoria Douglas and her family came to live in Fort Good Hope.

During many parts of those three years, I spent a lot of my time at the Douglas residence playing and visiting David after school until my father came to take me home after work. Victoria helped my family by taking care of me for parts of those days. The first year, 1955, both David and I, because there was no one to keep us either at his home or mine, literally just hung around the school while his mother taught and my father worked as a janitor in the school. Apparently, the second year that David was there, he and I were in something called kindergarten, whatever that meant back in Fort Good Hope in those days. It was non-existent, but this is what his mother had said.

The winters were bitter cold back then and our own little home was cozy when our woodstove was blazing, but the floor was always cold. My father worked all day at the school and cooked for us and made sure we had enough wood to keep warm. Someone had to haul and cut the wood, wash and mend the clothes, cook and clean the house. There was too much for my father to do by himself and many of our relatives and friends helped out, but I remember those years that everybody faced hardship. In fact, those were the years when there was no caribou to be found. The trapping industry had bottomed out.

As well, many of the families had mothers, fathers, aunts and uncles and grandparents away at distant hospitals being treated for tuberculosis, many of them for one to three years at a stretch. In the summer and fall, we would haul water by pail from the creek below our house. In the winter, we hauled snow and blocks of ice for a supply of water. Wood was always a problem. Even after my father bought a small oil-burning heater for our log home, we still needed wood for our wood-burning stove to do our cooking and to keep our house warm enough, especially during the cold months of the winter.

When my father was home, he would make sure the gasoline lanterns were full and lit so that our home would be bright. Otherwise, when we were alone, we lit candles until he came home.

During those dark, cold months of those winters, the school, as I remember it, where Victoria Douglas taught and where my father worked, was an exceptionally warm and brightly lit place, a great place to play where the floors were warm.

The house where Victoria Douglas lived, where I visited and played during those years with her son David, was also a warm, brightly lit place and a fun place to be. That house still stands today in Fort Good Hope on the hillside by the river facing south towards the ramparts. David and his older brother Bobby had toys, lots of toys, and comics. I remember there seemed to be toys and comics everywhere. Every room was an adventure. The school and Victoria's house were warm, safe and fun places to be.

My grandparents' log home was also a great place to visit. There was always a fire going, food cooking and the smell of pipe tobacco in the air. It was a great, safe place, but no toys and no comics.

My father's young sister, my Aunt Bella, worked for a while as a nanny and a housekeeper for the Douglas family, which gave me even more reason to hang around and spend time at the Douglas residence.

Victoria, her husband and her boys left Fort Good Hope in 1958. Bobby was born in 1946. David was born in Fort Smith in 1950. Mark was born in Aklavik while the family lived in Fort Good Hope in 1956. I often used to wonder where they went and what kind of people they turned out to be and if I would ever see them again. Were they the good people I remembered in my memories?

I always wanted to see Victoria again so I could tell her how special she was in my life and to thank her for her kindness at a time when I needed someone to be there. I wanted to see David again to tell him how many great memories I had of our friendship and our adventures together as young boys so long ago.

In March of 1998, I contacted a fellow who had retired from the armed forces, a Ken Slater from Edmonton, who had spoken on CBC Radio about his time during his service in the Northwest Territories in the late 1940s. Mr. Slater passed on photos to me at that time of his time in Fort Good Hope. As well, he helped me contact Victoria Douglas. I found her in June of that year, 40 years after she left Fort Good Hope. She was 76 and in the hospital, the George Pearson Hospital in Vancouver, with Lou Gehrig's disease. We had our first visit that month of June. She was quite ill, but still looked beautiful and more like 40, not 76.

We talked for about three hours and had enough time to tell each other our life stories. I visited as well with David and his younger brother, Mark. I met their wives, Judy and Karen, and I also met their children. They plan to visit Yellowknife and Fort Good Hope this summer, and they will be working with me on a project to present photos and home movies that would be converted to a VHS format to donate to the people of the Northwest Territories those things that they have collected in the form of pictures, photos, and film during the time they lived in the Northwest Territories.

I visited Victoria as often as I could over the next two-and-a-half years as she slowly lost her ability to speak and move. I saw her on June 24<sup>th</sup> last year for the last time as I went to Vancouver to say goodbye to her. I told her I would remember her and speak of her in this Assembly as the little boy from Fort Good Hope she had so positively influenced so many years ago, and to thank her, in front of all of you and everyone in the Northwest Territories.

She was my first teacher, a friend and a supporter, and the mother of my best friend. I promised her that I would make certain that this contribution that I felt she made would be made part of the permanent record of this Assembly. I wanted her to know she had made a difference, and to answer the question that was asked of me in 1983. Yes, I knew of Victoria Douglas, and it has made me a better person for that.

Mr. Speaker, earlier this week there was a commentary in a radio show by a teacher, Mike, who spoke about all of his ambitions and how much he wanted to make a difference in the lives of the students, in the families, and the community he was teaching in. It was a touching piece on the radio in the morning. He compelled me to finish writing this article, because I wanted to say to the teachers and social workers, the nurses, doctors, caregivers and all of the people out there who give so much of themselves daily and find something inside of themselves, being able to reach out to those in need.

To the people who find it in their hearts to show compassion for those in need, I thank you. You do make a difference. I hope all of the little people whose lives you touched have the same opportunity as I had, in my special way, to say thank you. Thank you for allowing me to speak today. Thank you.

-- Applause

**MR. SPEAKER:** Mahsi, Mr. Kakfwi. Item 9, replies to opening address. Item 10, petitions. Item 11, reports of standing and special committees. Item 12, reports of committees on the review of bills. The honourable Member for Inuvik Boot Lake, Mr. Roland.

## ITEM 12: REPORTS OF COMMITTEES ON THE REVIEW OF BILLS

### Bill 17: An Act to Amend the Legislative Assembly and Executive Council Act

**MR. ROLAND:** Thank you, Mr. Speaker. I wish to report to the Legislative Assembly that the Standing Committee on Accountability and Oversight has reviewed Bill 17, An Act to Amend the Legislative Assembly and Executive Council Act, and wishes to report that Bill 17 is now ready for consideration in committee of the whole, as amended and reprinted. Mr. Speaker, I request unanimous consent to waive Rule 70(5) to have Bill 17 ordered into committee of the whole for tomorrow. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you. The honourable Member is seeking unanimous consent to waive Rule 70(5) to have Bill 17 ordered into committee of the whole for tomorrow. Are there any nays? There are no nays. The item is now moved into committee of the whole for tomorrow. Item 12, reports of committees on the review of bills. Item 13, tabling of documents. The honourable Member for Weledeh, Mr. Handley.

## ITEM 13: TABLING OF DOCUMENTS

### Tabled Document 119-14(3): NWT Liquor Commission 46<sup>th</sup> Annual Report

**HON. JOE HANDLEY:** Thank you, Mr. Speaker. Mr. Speaker, I wish to table the following document entitled the NWT Liquor Commission 46<sup>th</sup> Annual Report. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Handley. Item 13, tabling of documents. The honourable Member for Inuvik Twin Lakes, Mr. Allen.

### Tabled Document 120-14(3): 2000 Annual Report, Public Utilities Board of the NWT

**HON. ROGER ALLEN:** Thank you, Mr. Speaker. Mr. Speaker, I wish to table the following document entitled 2000 Annual Report, Public Utilities Board of the NWT. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Allen. Item 13, tabling of documents. The honourable Member for Nahendeh, Mr. Antoine.

### Tabled Document 121-14(3): Speech by Grand Chief Matthew Coon Come to the National Health Conference: 25 February 2001

**HON. JIM ANTOINE:** Thank you, Mr. Speaker. Mr. Speaker, I wish to table the following speech by the National Chief of the Assembly of First Nations, Mathew Coon Come, at the AFN Health Conference in Ottawa on Tuesday, titled First Nations Health: Our Voice, Our Decision, Our Responsibility. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Antoine. Item 13, tabling of documents. Item 14, notices of motion. Item 15, notices of motion for the first reading of bills. Item 16, motions. Item 17, first reading of bills. Item 18, second reading of bills. Item 19, consideration in committee of the whole of bills and other

matters: Bill 16, Bill 19 and Bill 20, Committee Reports 5-14(3), 6-14(3) and 7-14(3), with Mr. Krutko in the chair.

By the authority given the Speaker by Motion 4-14(3), the House is resolved into committee of the whole to sit beyond the time of adjournment until the committee is prepared to report.

## ITEM 19: CONSIDERATION IN COMMITTEE OF THE WHOLE OF BILLS AND OTHER MATTERS

**CHAIRMAN (Mr. Krutko):** Welcome to committee of the whole. We are dealing with Bill 16, Bill 19, Bill 20, Committee Report 5-14(3), Committee Report 6-14(3), Committee Report 7-14(3). What is the wish of the committee? Mr. Dent.

**MR. DENT:** Thank you, Mr. Chairman. I would like to recommend that the committee continue with consideration of Bill 19, Committee Reports 5, 6, and 7 concurrently, specifically to examine the budgets of the Department of Public Works and Services, followed by Finance, and the Legislative Assembly; then perhaps conclude Bill 19.

**CHAIRMAN (Mr. Krutko):** Does the committee agree?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** We will take a short break.

-- Break

**CHAIRMAN (Mr. Krutko):** I will call the committee back to order. We are reviewing the Department of Public Works and Services. I will ask the Minister if he has any opening comments. Minister Steen.

**HON. VINCE STEEN:** Thank you, Mr. Chairman. Mr. Chairman, I am pleased to present the Department of Public Works and Services main estimates for the fiscal year 2001-2002.

The estimates propose a department operations and maintenance budget for 2001-2002 of \$39.2 million and a capital acquisition plan of \$1.9 million. The department will have 185 positions funded within the appropriation.

These resources will be used to provide critical support services to departments and communities, including:

- the operation and maintenance of infrastructure;
- management of capital construction projects;
- safety and inspection services;
- leasing of government offices;
- provision of record management services; and
- monitoring and intervention in northern and national telecommunication proceedings.

As other departments work to achieve government objectives by delivering direct services to our residents, Public Works and Services provides necessary technical and professional support to those departments.

Mr. Chairman, there are many examples of the kind of support Public Works and Services provides to departments as they attempt to achieve an appropriate balance between:

- the expectations of our residents for high quality services;
- the practical constraints of operating in our difficult northern environment; and
- the limitations of our current budgets.

The success of many building and infrastructure projects is often not fully recognized or acknowledged. I would like to mention today:

- the new Inuvik regional health and social services centre, which is in the design state this year;
- the construction of the community office complex in Rae Lakes, which is being carried out by the local community development corporation;
- the \$5 million renovation of the Princess Alexandra School in Hay River; and
- the water supply projects underway in Tulita and Fort McPherson.

These are all critical community and regional projects that will contribute in a positive way to achieving the government's long-term objectives.

Another important role of this department is the provision of essential fuel services. Through the petroleum products revolving fund, Public Works and Services funds the provision of heating fuel and gasoline in communities where a commercial operation does not exist. This includes providing safe tank farms in these remote locations, as well as contracting with and training local fuel delivery agents to provide the services. These agents have an important function in their communities and Public Works and Services works with them to carry out this essential service.

During the year 2000, the price of fuel on the world market increased and the government was forced to include these changes, as well as other cost increases, in the prices paid in communities. In some locations, these higher fuel prices prompted local people to propose taking over the fuel services for their area. For example, services in Tuktoyaktuk were privatized in the year 2000. The department continues to discuss commercialization with other communities and regions.

Finally, Public Works and Services provides information systems and technical communication services for use by the government. More and more, the ability of the government to provide services to northern residents is dependent upon the availability and quality of these systems. The government is already benefiting from the recent installation of a fibre optics network between government offices and health and education facilities in Yellowknife. These circuits provide improved capacity and speed, while saving the government \$450,000 over three years.

Because of departmental expertise in telecommunications, Public Works and Services also represents the interests of the government and all NWT residents in hearings before the CRTC. Many years of work have recently borne fruit with our input contributing to the opening of competition for long distance services in the NWT and lowering of rates for long distance calls. I think that this is a good example of the low profile work of Public Works and Services, which has a high profile impact on the lives of all people in the NWT.

Mr. Chairman, the proposed budget is comparable to last year's budget. Public Works and Services expects to continue to provide a high level of support services to departments within the same budget. No major changes have been proposed for the new fiscal year.

Mr. Chairman, that concludes my opening remarks. I would be happy to answer any questions Members may have. Thank you.

**CHAIRMAN (Mr. Krutko):** Thank you, Minister Steen. I would like to ask the committee responsible for overseeing the department under review if they have any comments on the department's main estimates. Mr. Roland.

**MR. ROLAND:** Thank you, Mr. Chairman. The Standing Committee on Governance and Economic Development met with the Minister and his staff to review the Main Estimates of the Department of Public Works and Services on January 23, 2001. The department is divided into four ongoing activities: directorate, asset management, systems and communication, and petroleum products. The committee noted a \$462,000 increase between the previous year and the 2001-2002 Main Estimates. The recent collective agreement with the UNW is projected to cost the department an additional \$896,000 for the upcoming fiscal year. The committee also noted that the department plans to decrease the number of staff by eight.

#### Functional Audit

In its report "Review of the 2001-2004 Business Plans", the committee made a recommendation that a functional audit be performed upon the Department of Public Works and Services. Changes in government, which include community empowerment, privatization initiatives, user pay, aboriginal self-government, and the formation of Nunavut, have resulted in a new operating environment. The committee was of the opinion that it was time for government to review the present delivery of petroleum, oil and lubricants, capital purchases, records management and asset management programs.

Since the review of the business plans, the department proposes to add a senior policy advisor position to research the role and relationship of the department in regard to self-government and look at different models of service delivery. A questionnaire has been sent to clients in an effort to determine the "shape" the department will have to assume to reflect client needs. However, given all the changes in the operating environment, the committee feels this still falls short of what they wanted. The committee is of the opinion that it is time for the government or an outside agency, not the department, to review the Department of Public Works and Services to determine the best methods of delivery for services the department presently provides.

The committee recommends a functional audit be conducted to determine the best long-term delivery method for the services presently delivered by the Department of Public Works and Services.

### **Records Management**

Also in the report Review of the 2001-2004 Business Plans, the committee recommended that the government revisit their overall approach to records management with a view to a more customer-oriented approach to suit individual departments.

To date, there has been no resolution to this issue. Departments do not feel they can conform to the Administrative Records Classification System (ARCS) that PWS wishes to implement. The committee understands the Knowledge Management Strategy will address records management and hopes that the strategy will suggest a resolution which can work for all departments.

### **Program and Functional Review Fee Increases**

The committee notes that the department has incorporated into the main estimates, fee increases for electrical permits, boiler registrations, gas permits and elevator permits. These increases were first presented in the program and functional review. These fee increases result in an increase of \$187,000 in revenues. The committee is concerned about the cumulative impact of fee increases on the residents of the Northwest Territories.

### **Vacant and Deleted Positions**

#### **Vacant Positions**

The committee notes that salary dollars from vacant positions are being used to cover funding shortfalls in the department. As was highlighted in the Standing Committee on Accountability and Oversight's report, when positions are held vacant, programs and services suffer. Members feel that monies approved by the Legislative Assembly for salary purposes should be used for such.

#### **Deleted Positions**

The 2001-2004 Business Plans contained a list of changes in the staff positions for the department. There were nine positions deleted and one position added, resulting in a net effect of a reduction of eight positions. During the review of the main estimates, the committee observed that the net reduction of positions remained at eight.

However, upon questioning the department, the committee learned that the method to arrive at the eight deleted positions had changed. Now, the department will be deleting ten positions and adding two positions. Further to this, in comparing the list of deleted positions supplied in the business plans with the list supplied during the main estimates review, there have been changes in the positions to be deleted.

The committee requests that, as was the protocol in the 13<sup>th</sup> Legislative Assembly, Members of the Legislative Assembly be notified in writing of any deletions and additions of Government of the Northwest Territories positions in their riding.

### **PWS Water and Sewage Services Operating Agreements With Communities**

The recent problems with drinking water quality in Fort McPherson has brought the issue of the department's water and sewage services operating agreements with communities to the forefront. In some operating agreements that presently exist, the municipality does not have the ability to have input respecting proposed costs before the costs are incurred on behalf of the community.

Essentially, as the agreement is worded, DPW can perform acts to carry out its responsibilities under the agreement, bill the community and the community has to pay, no questions asked.

Some of these agreements date back over 12 years and are not reflective of community empowerment initiatives. The Minister has stated that the department is open to renegotiating these agreements. The committee encourages the department to approach all communities with water and sewage services operating agreements and advise them that these agreements can be renegotiated. It would be in the best interest of the communities to review their contracts with DPW to prevent future incidents such as that which occurred in Fort McPherson.

### **Petroleum Products**

#### **Privatization Proposals**

The Northwest Territories Power Corporation (NWTPC) has expressed interest in assuming responsibility for petroleum, oil and lubricant (POL) delivery in communities presently served by the GNWT. The Minister informed the committee that the department is accepting proposals for the privatization of POL delivery. However, Cabinet will not be awarding any contracts until the government has considered the recommendations arising from the NWTPC review.

The committee feels that this is unfair to individuals and groups that spend time and money developing their proposals in hopes of acquiring a contract to deliver fuel to a community when, depending on the recommendations from the review on NWTPC, that option may not be possible.

#### **Misconceptions Regarding Privatization**

The committee observed that there may be misconceptions when the term "privatization" is applied to POL. When POL delivery is privatized, the GNWT is not absolved of responsibilities. The government maintains ownership of POL assets and retains responsibility for the bulk delivery of fuel to some communities. Further, despite privatization, the government is still responsible for some environmental liabilities.

#### **POL and the Business Incentive Policy**

The committee requested clarification as to how the Business Incentive Policy applied to the privatization of POL in communities. Departmental staff assured the committee that the Business Incentive Policy applied.

The Minister reassured the members that part of the criteria of Cabinet, when it comes to privatization of POL, is political support. Despite these assurances, there still is concern that there may be circumstances where POL contracts are slipping through the cracks and are being acquired by non-northern businesses.

The committee noted that bulk fuel distribution is exempted from the Business Incentive Policy; a Cabinet exemption that dates back to 1985. The committee would like clarification for the situation where a contractor may submit proposals for fuel supply in more than one community using their own bulk fuel resupply and whether these contractors, who may not be headquartered inside the Northwest Territories, be exempted from the Business Incentive Policy when POL contracts are awarded in individual communities.

### Service Delivery

As was done in the review of the 2000-2001 Main Estimates, the committee encourages the government to proceed with care when it comes to privatization of services, such as the delivery of electrical power and petroleum products to northern communities.

The committee supports industry but believes there must be a means of preventing companies from picking only profitable ventures and leaving high cost areas behind, resulting in a higher cost to government.

Thank you, Mr. Chairman. That concludes the committee's report on the Department of Public Works and Services.

**CHAIRMAN (Mr. Krutko):** Thank you, Mr. Roland. At this time, I would like to ask the Minister if he will be bringing in any witnesses.

**HON. VINCE STEEN:** Yes, Mr. Chairman.

**CHAIRMAN (Mr. Krutko):** Does the committee agree?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Sergeant-at-Arms, please escort the witnesses in. Mr. Minister, please introduce your witnesses for the record.

**HON. VINCE STEEN:** Mr. Chairman, on my right is Mr. Bruce Rattray, deputy minister; on my left is Ms. Bev Chamberlin, director of the petroleum products division.

**CHAIRMAN (Mr. Krutko):** Thank you, Mr. Minister. Welcome, witnesses. General comments. Mr. Miltenberger.

**MR. MILTENBERGER:** Thank you, Mr. Chairman. Mr. Chairman, just some brief comments that I will address in more detail when we get to the activity. Public Works and Services is a department that has had a long and important history in the community I represent. Over the years, like a lot of other places, its presence has diminished substantially. There is basically no more tradesmen; work is done by "as and when" contracts.

It still plays a key role in terms of overseeing the significant government infrastructure and various contracts and projects in the region. The one concern I do have, and I have written to the Minister about, is the concern I had with the quiet erosion of the presence of Public Works in Fort Smith. One of the areas of concern is the project officer staff issue. It all focuses around how much work is in the capital plan, how much work is in the region and the workload that is there for the staff who are on the payroll.

One of the issues that has struck me as being of interest, and I wanted to raise in the House with the Minister, is the potential for a department like Public Works to play a role in housing projects. Fort Smith is scheduled in the next couple of years for a 15-unit or 12-unit seniors housing complex. We are going to be importing a project officer staff from Housing in Hay River to come over when we have a whole complement of project officer staff sitting in Public Works in Fort Smith who have, in my opinion, all of the expertise and capacity they need to do that kind of work.

I think the same situation will apply, maybe not in Hay River since they already have their own project officer staff as well as the Housing district office, but it is more of a question of trying to integrate the common functions within the government. Public Works has a certain critical mass of specially trained technical people for those kinds of capital projects. My interest, of course, is to see them all fully and gainfully occupied, and involved in Fort Smith and the communities they service as possible. That is the one area that I have a concern with.

The other broader issue is the whole fate of the POL, the Energy Strategy, the report that is done on electrical distribution and the tie-in with NTPC. This has been an issue that has been on the table now for a number of years. There is a significant deficit in the revolving fund.

The concern is, as has been evidenced in the report, that it has to be done carefully so the small communities are not left high and dry and the high cost centres are left to the government or Public Works to administer and the cream is siphoned off through a contract.

Mr. Chairman, when you look at the role of Public Works over the last five years, where they fit in the territorial strategy is a question. There has been talk of consolidation in the past. There are a lot of common functions, capital planning functions, that are there with Housing and Public Works, possibly some with capital projects with MACA. There has been talk of that kind of integration so you get the maximum value for our money.

Once again, when the Minister replies to general comments, I would be interested to hear his thoughts about where there are any plans to try to at least coordinate the capital planning functions of government, so they are as integrated as possible. Those are my general concerns and general comments on Public Works and Services, Mr. Chairman. Thank you.

**CHAIRMAN (Mr. Krutko):** The Minister responsible for Public Works and Services, Mr. Steen.

**HON. VINCE STEEN:** Thank you, Mr. Chairman. Mr. Chairman, does the committee want me to respond one by one or wait until everyone has finished general comments?

**CHAIRMAN (Mr. Krutko):** The Minister is asking whether you wish him to respond to each comment or do it all after? Mr. Miltenberger.

**MR. MILTENBERGER:** Thank you, Mr. Chairman. If I am the only one with general comments, it will be a self-evident response. I am not sure how many other general comments there will be. If there is more than one, I can wait. I am sure the Minister has been taking copious notes. Thank you.

**CHAIRMAN (Mr. Krutko):** General comments? Mr. Minister, could you respond to Mr. Miltenberger's questions, since he is the only person that has made general comments.

**HON. VINCE STEEN:** Thank you, Mr. Chairman. Mr. Chairman, on the first point the Member raised as to the Public Works presence in Fort Smith, I am not aware that there are any plans in place to reduce staff in Fort Smith. We did have talks as to trying to identify where most of our capital projects have been taking place and where we should have our project office located in relation to this work, but we have not firmed that up yet.

As has been the practice in the past, we normally have some discussion with the Members through the committees before we make any decisions that affect positions in their ridings. At this point in time, we do not have plans to relocate those positions.

With regard to Public Works taking on some of the project officers' duties relative to Housing Corporation projects, that is something we certainly could consider. I will make a point of having the department look into this and discuss it with the Housing Corporation. Perhaps we can respond to the Member after we have discussed this with the Housing Corporation to see if in fact there might be some benefit to this idea.

With regard to POL, at this point in time we have the same concerns as the Members, in that there would be a tendency from the private sector to pick the most profitable communities for privatization and leave the government with only the smaller communities and with the same debt to wipe out but through a smaller group of communities to spread the cost over. We are well aware of that. We have been making this one of the main points that we would take into consideration in any privatization.

We also have stated in the past that Public Works is basically waiting on hold right now until the review is done on exactly what we are going to do with NTPC and whether NTPC will take on responsibilities for POL. However, we still have been accepting offers or proposals from the private sector with regard to privatization of communities, either individually or by region. The overall thought here is that although it may seem as if it is unfair that we are holding these proposals until the review is in place, in fact these proposals will be put on the table to compare with what NTPC is offering. That is the reason to have these in place, to compare one option with the other.

As I have said in the past, one of the main factors governing these offers is that we must have the political support from the communities and the MLA for the region as well. We are hoping that by the spring there should be a review done with NTPC and we should be able to make some movement on the POL privatization if we are going to do it. Thank you.

**CHAIRMAN (Mr. Krutko):** General comments? Detail?

**SOME HON. MEMBERS:** Detail.

**CHAIRMAN (Mr. Krutko):** We are on page 5-9, directorate, operations expense, total operations expense, \$6,834,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Mr. Miltenberger.

**MR. MILTENBERGER:** Mr. Chairman, I want to ask a question about asset management. Am I ahead of myself? Yes, I am.

**CHAIRMAN (Mr. Krutko):** We are under activity summary, directorate. Page 5-9, directorate, operations expense, total operations expense, \$6,834,000. Mr. Miltenberger.

**MR. MILTENBERGER:** Mr. Chairman, I want to ask a question on this as well, the records management services to government departments. The issue of government information systems, of which record keeping is a part, has been a chronic area where there have been ongoing problems and an inability of the government to get their systems up to the 21<sup>st</sup> century for records management. This issue has been on the table for some time.

There are warehouses and every storage space and nook and cranny in a lot of government buildings are crammed with records.

I would like the Minister to indicate, are they going to be able to get their handle on this? The sense I had from the report and going through the business plan is that the department has thrown up its hands. This is difficult. They do not have the resources and they do not have the authority to be able to go to departments and impose systems or requirements for records management. Thank you.

**CHAIRMAN (Mr. Krutko):** The Minister responsible for Public Works and Services, Mr. Steen.

**HON. VINCE STEEN:** Mr. Chairman, this is the same issue that was brought up in committee. Mr. Rattray responded at that time and I think it would be beneficial if I let Mr. Rattray respond.

**CHAIRMAN (Mr. Krutko):** The deputy minister, Mr. Rattray.

**MR. RATTRAY:** Thank you, Mr. Chairman. We did indicate that there are a number of basic systems in place to assist with the management of government records. We have put in place an administrative records management system. We have government storage facilities located in most major centres and we have been working on development of an electronic file management system to allow us to track records essentially from the time they are created to the time they are disposed of. Many of those pieces have been developed.

At this point, we are in the process of encouraging departments to make use of them. We are providing training to departments to assist them in using these tools. We are finding that there is an increase intake by departments on the use of these tools to manage their records. I believe we are making some progress.

In terms of authority, no, we do not have the authority. We do not have the responsibility to require departments to do this. They have the responsibility to manage their own records. At this stage of the game, we are providing the tools for them to do that.

The piece that we discussed when we were in standing committee was the Knowledge Management Strategy that is under development. Records management is included within the scope of that work. We are expecting to get a more coordinated and a more directed approach to records management as a result of the recommendations of that

strategy development exercise. We should have more information on that within the next few weeks.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Mr. Miltenberger.

**MR. MILTENBERGER:** Thank you, Mr. Chairman. The information systems in government, the corporate history, the ability to track and store in a comprehensive way that is accessible, has bedeviled the government. I am not sure what "there is an increasing uptake" means. Is that from five percent to ten percent of all communities with the Government of the Northwest Territories presently have adequate storage facilities? I am not sure.

It is very tough, it would appear, for the department to have a strong handle on where they would have to encourage. They do not have authority. There has to be some liability issues for the government here in terms of the safe and secure storage of files, of confidential files, of health files, of education files, of contract information, any number of things that would be confidential.

In Fort Smith, if you ask -- probably here as well -- some departments to get stuff, if it is more than a couple of years old, they will throw up their hands and say they do not have the manpower because they have to go to a warehouse someplace and root around a bunch of cardboard boxes trying to find the information. So could the Minister give a time line when they are going to get this more directed approach, this more coordinated plan to deal with this particularly important part of information systems and the knowledge management system? Thank you.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Miltenberger. Mr. Rattray.

**MR. RATTRAY:** The development of the Knowledge Management Strategy has been underway for some months now. We are at the end of that exercise. We expect to be discussing it at as a group of deputies within the next few weeks. At that time, I would be in a position to give a clearer answer as to the time lines to get the overall government's record management house in order.

Certainly we have seen some significant improvement over the last couple of years in terms of the way departments are managing their records, but it is a huge area. We really have only scratched the surface to date. As the Members realize, much of our documents these days are in electronic format, which makes it an increasing problem and an increasingly technically complex problem to manage. I am afraid I cannot tell the Member there is a fast answer to this. This is an exercise that is going to go on for some years yet, but I believe we will be able to take a significant step forward in the next couple of months.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Mr. Miltenberger.

**MR. MILTENBERGER:** Thank you, Mr. Chairman. Could the Minister indicate then whether this Knowledge Management Strategy is going to look at not only process issues, but some of the structural issues in terms of authority to impose a system and ensure that it is followed? Standards, monitoring, the same thing they do with the Financial Administration Act or any other

kind of significant area with government? Is it anticipated that there will be a lead department that has the authority, and hopefully the resources and the ability, to develop the standards that all departments would be obligated to follow? Thank you.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Miltenberger. Mr. Minister.

**HON. VINCE STEEN:** Thank you, Mr. Chairman. Mr. Chairman, the overall review is basically to identify the issues the Member has stated, and it will go to FMBS and come out with some kind of decisions in that regard.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Minister. We are on page 5-9, directorate, operations expense, total operations expense, \$6,834,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Delorey):** Page 5-11, asset management, operations expense, total operations expense, \$31,275,000. Mr. Miltenberger.

**MR. MILTENBERGER:** Thank you, Mr. Chairman. I just have a couple of questions in this particular area. In terms of the maintenance systems, the government at one point, Public Works, spent a significant amount of money on a maintenance management system. I understand as well MACA is going around to the communities, helping them install a system for maintenance management systems to be able to track the assets. Given the very close funding relationship, is there any kind of coordination with those kind of systems so there is an ability to share information and track in a comprehensive way the hundreds of millions of dollars government has invested in infrastructure? Thank you.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Miltenberger. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, there was a significant amount of discussion that did take place in the early days of the development of both of these systems, but there has been significantly less in recent times. The level of detail and the usability of the systems that Public Works is using is different from what I believe is in place for the communities.

This is going back a little bit before my time, but my understanding is there were some significant differences in the types of systems that were developed. So there is not, at this present time, a capacity for sharing back and forth.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Mr. Miltenberger.

**MR. MILTENBERGER:** Thank you, Mr. Chairman. Mr. Chairman, as devolution moves along and communities, through DEAs and health boards and such, take over the operation of programs and often have to carry the maintenance costs for the facilities in their budgets and such in addition to the community buildings, which are probably funded by MACA and built by the government, if you look at the link and relationship of all those assets, are there any plans for the government, in order to provide good government and good management, to try to link those kind of systems so we can keep a handle on protecting these very expensive investments? Thank you.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Miltenberger. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, in the event that a transfer occurs from, for example, Public Works to another agency, we would certainly make available to that other agency the information we have within our system about the cost to operate it and the types of problems we have had to deal with in the past. However, there is not a direct electronic link between the two. That information would have to be loaded into whichever system is being used in that individual community.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Mr. Miltenberger.

**MR. MILTENBERGER:** Thank you. A final question on this particular area. Regardless of who takes things over at the community level, when it comes to major repairs, maintenance, replacement, it is going to come back to the Government of the Northwest Territories because they are the only body that has the capacity to come up with that kind of money. I am just looking for some sort of comfort or recognition that there is a need to link the system the same way we push the social programming envelope departments to work together better to share information on common projects.

Here we have asset management, we have MACA, we have Housing, we are all over the place with hundreds of millions of dollars of capital infrastructure, and it is all done through the various stovepipes. I would suggest it is not as efficient as it could be. I would be interested to know, are there plans from senior government in the Territory to try to make sure it is as coordinated as possible in all these areas? Thank you.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Miltenberger. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, we can certainly take a look at that. Right now, I am not aware that this is creating any difficulties to us, but I am certainly prepared to take a look at that and see whether or not there are any potential efficiencies that could be gained.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Page 5-11, asset management, operations expense, total operations expense, \$31,275,000. Mr. Lafferty.

**MR. LAFFERTY:** Thank you, Mr. Chairman. The MMS system, from the experience I had with it, I had the understanding there was only one system out there. What the department is saying is there are two. Why would there be two different ones when there was only one out there that people were being trained on in the communities? Why are there two different programs?

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Lafferty. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, I may have the chronology wrong here, but I believe the Department of Public Works and Services was the initial agency that developed or implemented an electronic maintenance management system. That was back in the late 1980s. Somewhere in or around that time or subsequent to that, I understand that Municipal and Community Affairs -- I think it was probably close to the early 1990s -- began development of a system specifically designed for communities for management of their maintenance program.

As I indicated a moment ago, there was a significant amount of discussion at that time as to whether or not the same system could be used or whether not Public Works would agree to using the community system. I believe that the development tended to show some differences in the way we wanted to carry out our individual mandates and the joint development of a system. The potential for joint use kind of broke down in the mid-90s. We have been operating essentially with Public Works operating its system since then.

Those communities which are actually up and running with a system -- which is not a lot of communities, I do not believe -- were using the system that was developed over at MACA. There are certainly similarities in the type of work we are doing. It is conceivable we could use the same system. It has not typically been a problem to date.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Mr. Lafferty.

**MR. LAFFERTY:** Thank you, Mr. Chairman. If I remember right, in the past when DPW was doing the maintenance system on the equipment territorial-wide, what they would do is have their mechanic drive the vehicle over to Yellowknife Motors or Kingland Ford to get it repaired. Or one of the guys from Yellowknife would come to Rae, for example, look at a furnace when somebody called and said the furnace is not working, and he would come in and say yes, it is definitely not working. So he would call somebody else. Is that the kind of maintenance system they had in place at that time and MACA has improved on it, but they are still not using it?

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Lafferty. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, I am not in a position to be able to speak on what systems MACA is using now or which communities are using systems. The maintenance system the Department of Public Works and Services has been using has been essentially the same system for the last ten years, maybe a little bit over that. Back in the days when we used to have a significant fleet of equipment, the number of checks that were done and the frequency of checks and what is included on those checks was all programmed into the system for vehicles and equipment. They were dealt with on a very regular basis.

In the early '90s, we would predominantly use our own staff for a lot of that work, supplemented by some of the heavy equipment contractors. More recently in the late '90s, we have used private sector contractors almost exclusively.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Mr. Lafferty.

**MR. LAFFERTY:** Thank you. Maintenance is the O and M of the infrastructure in most of the communities. For example, the one in Rae, when DPW pulled out of the O and M and were only there for advice, they found there was a great amount of savings because of the administration cost. They were not being billed from Public Works and Services. They were paying 15 percent for administration fees above the contractors doing the job.

If somebody comes out, they have three government cars show up. Three people come out and they stand around a hole. There is a broken pipe. When they go back to Yellowknife, they charge for three vehicles and three people from administration.

Is that still happening in some of the smaller communities, where somebody comes and checks something and calls somebody else to do the work? Is that still happening? I would just like to know.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Lafferty. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, typically if there is a problem in a community, we will send out whoever is in the best position to be able to deal with that. If we do not know what the problem is, then we will send out one of the facility managers who will assess the situation and then assign the work order to the appropriate trade person. If it is a more involved or more complex problem, they will bring in resources from headquarters, either engineering or technologist resources, to assess the problem and try to come up with a solution.

I understand that is currently happening in Rae right now, where they have recently run into some problems operating the water plant. We had to send down some technical support people to demonstrate what the problem was and what the solution was.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Page 5-11, asset management, operations expense, total operations expense...Mr. Braden.

**MR. BRADEN:** Thank you, Mr. Chairman. I wonder if I might ask the committee's indulgence to go back a page to directorate.

**CHAIRMAN (Mr. Delorey):** The Member wants to go back to page 5-9, directorate. Does the committee agree?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Delorey):** Mr. Braden.

**MR. BRADEN:** Thank you, colleagues. I will not be challenging the agreement to the appropriation requested. Under this category, I have a question and I think it belongs under directorate and it is a policy matter. I am referring, Mr. Chairman, to the department's business plan. Under strategies on page 7-10, a discussion about the energy utilities subsidies task team. In that area, Mr. Chairman, is a description of a two-year project, over this current year and the next, for about \$400,000 to look at ways the GNWT could save money through the reduction and consumption of energy and utility services, and from restructuring of energy and utility subsidy programs.

It is quite a large amount of money, \$400,000, with no indication, at least in the business plan, that there is going to be any technical or mechanical investment in actual energy reduction systems. This is basically planning. I wanted to ask the department, how is the planning going? I take it now that it is mid-term, coming up into a fairly large expenditure year. What kind of information and what kind of plans are starting to take shape for looking at ways to save money on energy? Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Braden. Mr. Minister.

**HON. VINCE STEEN:** Thank you, Mr. Chairman. I will ask Mr. Rattray to respond.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Minister. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, the largest portion of the work and the dollar expenditure are related to energy efficiency initiatives. The Department of Public Works and Services is taking a lead in a couple of those initiatives, specifically trying to re-establish a data base of utilities consumption and cost information from which the department and the government can begin to do some more long-range planning on managing its energy consumption.

The work to date has involved identifying a suitable electronic data base that can be used to capture this information and attempting to identify all the various sources of information, so that we can determine how best to access it. Then we will be moving over the next fiscal year to actually trying to load that data into the new information system and begin to track on an annual basis what the consumption and cost of energy and utilities is for all departments and all government agencies.

That is the chunk that the Department of Public Works and Services is predominantly involved in and it is working with a number of other departments in that regard.

There are a number of other initiatives that other departments are taking the lead on, and I am afraid I cannot give you an update on those other than there is an interdepartmental utilities management committee that has been established under the chair of the Department of Resources, Wildlife and Economic Development.

That interdepartmental committee will be attempting to coordinate the various initiatives as well as to act as something of a peer group for the review of initiatives that are undertaken by individual departments and ensure that all departments are taking this initiative seriously.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Mr. Braden.

**MR. BRADEN:** Thank you, Mr. Chairman. Related to that is some information that we were recently advised of in the Assembly here. By about mid-year, this government hopes to release a discussion paper on an overall energy strategy for the whole of the Northwest Territories. That is very welcome news and we are looking forward to that, especially with regard to that part of the plan related to this tasking that Mr. Rattray was telling us about. There is a description here of restructuring of energy and utility subsidy programs. I wanted to ask if in any of the work that your task team is doing, will these be shared or rolled into this overall energy management strategy for the whole Northwest Territories? Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Braden. Mr. Rattray.

**MR. RATTRAY:** Thank you, Mr. Chairman. The discussions about an energy strategy are not sufficiently far along that I can speak from that perspective. It would certainly be my expectation that the energy efficiency initiatives portion of the task team's work and also the subsidies portion would both figure prominently in the energy strategy. I can indicate that the energy subsidies activity also showed up within the

Greenhouse Gas Strategy that has been tabled. There are very strong links between all of these activities.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Mr. Braden.

**MR. BRADEN:** Finally, Mr. Chairman, just as a comment, it is apparent that in various pockets, the government is committing to money and expertise and human resources, all of which at some point, at least in part if not in entirety, would come under the umbrella of an overall energy management discussion paper and strategy. We have the work of this task team here of \$400,000, the draft Greenhouse Gas Strategy, which is already in circulation, the review of the power generation -- all very strong and worthwhile pieces of work.

Again, though, I would urge the Minister and his colleagues to look at what is going on in these various departments, pool them and team up on this very important piece of work. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Lafferty):** Thank you, Mr. Braden. We have dealt with general comments. We are in directorate, operations expense, total operations expense, \$6,834,000. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Lafferty):** Page 5-11, asset management. Mr. Dent.

**MR. DENT:** Thank you, Mr. Chairman. Mr. Chairman, I could not help but notice under other expenses that there are \$20 million here. I expect a lot of this is for lease and so on, but it seems like a fairly large number and there is no breakdown in our budget books. I wonder if we could get a breakdown of what constitutes other expenses of \$20 million in asset management?

**CHAIRMAN (Mr. Lafferty):** Thank you, Mr. Dent. Minister Steen.

**HON. VINCE STEEN:** Thank you, Mr. Chairman. I will ask Mr. Rattray to respond.

**CHAIRMAN (Mr. Lafferty):** Mr. Rattray.

**MR. RATTRAY:** Thank you, Mr. Chairman. Within the department's facility planning sub-activity, there is a small portion of the O and M funding that is included there. That is about \$30,000. That is predominantly for travel for the facility planning group.

We have approximately \$40,000, again for the technical support group. That is the group that is included in providing technical evaluation to the facilities and does troubleshooting, provides support for water and sewer activities and so on.

We have approximately \$60,000 travel/training budget for the inspection services. That is the electrical, elevator inspectors and the boiler inspectors.

We have approximately \$9 million that is in buildings and works. That is for maintenance. Of that \$9 million, approximately \$5 million is for our core staff and the rest is for contract.

We have approximately \$350,000 for vehicles and equipment, and that is operations and maintenance.

We have approximately \$2 million for regional projects. Of that, the majority is for salaries and wages and a small amount for travel and transportation.

We have approximately \$11.5 million for leases, and that is predominately office space.

We have approximately \$2.5 million for utilities for facilities that we are responsible for.

**CHAIRMAN (Mr. Lafferty):** Thank you. Mr. Dent.

**MR. DENT:** Thank you, Mr. Chairman. Mr. Rattray is probably doing some new math here. I get \$22 million out of what he gave me for \$20 million. I just wanted to get an idea of what it was. The bulk is in leases and building works, so I am satisfied. I just wanted to know what the breakdown was.

Another question I have is with inspections, permits and licences under this task. Are there any fee increases proposed in this budget? If so, could we get a listing of what they are? Thank you.

**CHAIRMAN (Mr. Lafferty):** Thank you. Minister Steen.

**HON. VINCE STEEN:** Thank you, Mr. Chairman. I will ask Mr. Rattray to respond.

**CHAIRMAN (Mr. Lafferty):** Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, yes, there are some fee increases that are being proposed this year. The intention is to move the safety group into a full-cost recovery mode. That required an increase of approximately 30 percent in the current fee structure. I believe we have actually previously provided the committee with a copy of that fee structure. It is quite a detailed structure and I do not have it with me here.

**CHAIRMAN (Mr. Lafferty):** Thank you. Mr. Dent.

**MR. DENT:** Mr. Chairman, perhaps if Mr. Rattray or the department does not have the information here on what the actual fee increases are item by item, can we get a sense of what the level of total increase in income from the fees is that we are talking about? Is it \$100,000 or \$200,000 or \$300,000?

**CHAIRMAN (Mr. Lafferty):** Thank you. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, we are projecting approximately \$187,000 increase in revenues as a result of these fee increases.

**CHAIRMAN (Mr. Lafferty):** Thank you. Mr. Dent.

**MR. DENT:** Thank you, Mr. Chairman. As Mr. Rattray has pointed out, the information has been provided to committee. Part of the point that I am making here is that while we were provided that information in confidence, it is not available as yet to the public. This being a public document, I think there should be some indication to the public of what is in there for fee increases.

Earlier when we were considering fee increases, I had asked the Minister if he would table a document that would show what the fee increases were. Would the Minister be prepared to, say tomorrow, table in the House for the public a table outlining what the fee increases are here?

**CHAIRMAN (Mr. Lafferty):** Thank you. Mr. Steen.

**HON. VINCE STEEN:** Mr. Chairman, in regard to the fees for transportation that the Member is referring to, I was not assured that these fees had been approved by FMBS. That is why I could not confirm that I would be able to table this yet. Later on, it was confirmed that the fees were approved by FMBS, so in this situation, it is the same thing. I can table them now. It is not a problem.

**CHAIRMAN (Mr. Lafferty):** Thank you, Mr. Dent.

**MR. DENT:** Thank you Mr. Chairman. Just to make sure that I understand I believe I heard the Minister say he will table them tomorrow?

**CHAIRMAN (Mr. Lafferty):** Thank you, Minister Steen.

**HON. VINCE STEEN:** Yes, Mr. Chairman, I will table them tomorrow.

**CHAIRMAN (Mr. Lafferty):** Page 5-11, Mr. Delorey.

**MR. DELOREY:** Thank you, Mr. Chairman. Mr. Chairman, I wanted to touch base on this study that is being done on Resources, Wildlife and Economic Development on energy consumption and where there could be room for conservation. Would this study take into consideration the amount of greenhouse gases that are being put out by certain energy systems and take that into consideration if they are looking at the overall operation or efficiency of the system? Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Lafferty):** Minister Steen.

**HON. VINCE STEEN:** Mr. Chairman, I will refer that question to Mr. Rattray.

**CHAIRMAN (Mr. Lafferty):** Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, the original report that much of the activity is based on recommended that energy efficiency options be looked at and the government consider paying a premium for those options, which are perhaps more expensive but would help to achieve some of the greenhouse gas reduction objectives the government has. There was a reference in the original report. It is not the primary purpose of the exercise, but it is certainly related.

**CHAIRMAN (Mr. Lafferty):** Thank you. Mr. Delorey.

**MR. DELOREY:** Thank you, Mr. Chairman. Are there any projects going on right now where a study has been conducted into energy systems in some of the schools, for example, that the department has decided to convert either from gas to oil or oil back to gas? Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Lafferty):** Thank you. Minister Steen.

**HON. VINCE STEEN:** I will refer that to Mr. Rattray.

**CHAIRMAN (Mr. Lafferty):** Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, I believe the Member is referring to a situation down in Hay River where, I believe it is the Diamond Jenness School, one of the boilers is being converted over to a dual fuel system through the installation of

a new burner. The intent of that is to allow the flexibility to use either diesel or propane to fire the burner.

**CHAIRMAN (Mr. Lafferty):** Thank you. Mr. Delorey.

**MR. DELOREY:** Thank you, Mr. Chairman. What would have been the reasoning for going back to diesel fuel from propane when that whole system was changed not too long ago actually? Now that the whole town is on a propane system, what would the reasoning be to go back to diesel fuel in that case?

**CHAIRMAN (Mr. Lafferty):** Thank you. Minister Steen.

**HON. VINCE STEEN:** Mr. Rattray will respond, Mr. Chairman.

**CHAIRMAN (Mr. Lafferty):** Mr. Rattray.

**MR. RATTRAY:** Thank you, Mr. Chairman. Mr. Chairman, the incentive there was a financial incentive. There is a significant difference in the cost of operating that building under propane as opposed to fuel oil. I believe the cost differential is approximately \$30,000 per year.

**CHAIRMAN (Mr. Lafferty):** Thank you. Mr. Delorey.

**MR. DELOREY:** Thank you, Mr. Chairman. That is certainly a different figure than what I have been hearing about that. When everything was taken into consideration, the figures I hear are quite different than that. Is there an ongoing process to go back to oil in the whole school or in different buildings in Hay River? Is that the intent, to basically go back? If one building is operating cheaper on diesel rather than propane, then would that not be pretty well standard across the board? Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Lafferty):** Thank you. Mr. Rattray.

**MR. RATTRAY:** Thank you, Mr. Chairman. Mr. Chairman, this decision was made for that particular building. There is not a wholesale or across-the-board move to convert to fuel oil. I believe there is one or two other facilities which have the capacity to operate with either diesel fuel or propane. This will bring it to a total of about three. I think there is one other where there may be a payback on doing it.

**CHAIRMAN (Mr. Lafferty):** Mr. Delorey.

**MR. DELOREY:** When the study was done on this, at what point and at what price were the commodities, the fuel oil, compared to propane when the study was done to determine that it was costing an extra \$30,000 to do it on propane? Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Lafferty):** Thank you. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, I am afraid I do not have that detail.

**CHAIRMAN (Mr. Lafferty):** Thank you. Mr. Delorey.

**MR. DELOREY:** I just wanted to ask another question in the line of permitting. For commercial installations, when contractors take out a job or bid on a job to put heating systems in buildings, what is the difference in permitting between putting in gas boilers or if you are setting up a

complete building on a diesel system? Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Lafferty):** Thank you. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, I am not sure I understand the question.

**CHAIRMAN (Mr. Lafferty):** Mr. Delorey, can you clarify the question?

**MR. DELOREY:** I am referring to permits that have to be taken out to put in a gas system as compared to an oil system.

**CHAIRMAN (Mr. Lafferty):** Thank you. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, I am afraid I do not have that information.

**CHAIRMAN (Mr. Lafferty):** Thank you. Mr. Delorey.

**MR. DELOREY:** I was wondering, Mr. Chairman, if I could maybe get some information on the study that was done to determine where they justify going back to diesel fuel in the Diamond Jenness School, including all of the costs that were involved in getting that whole fuel oil system set up again, all of the piping, the tank, the new burners, and how they justify going back to diesel fuel as a cost-saving measure. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Lafferty):** Thank you. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, yes, we can provide that information. Just for information on the Diamond Jenness School, I believe there was a minimal amount of work that was required because the old oil system was still intact.

**CHAIRMAN (Mr. Lafferty):** Thank you. Asset management, operations expense. Mr. Nitah.

**MR. NITAH:** Thank you, Mr. Chairman. I just wanted clarification on the other expenses. Mr. Rattray had indicated some dollars for salary and benefits associated with that \$20 million item. Can he confirm that, please?

**CHAIRMAN (Mr. Lafferty):** Thank you. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, I was working off of a list that included both the salaries and other O and M expenses. The Member can notice on the page that there is \$9.9 million in compensation and benefits and \$20 million in other expenses. I was working from that base of about \$31 million. As Mr. Dent indicated, my math was close, but not 100 percent accurate. I tried to weed out the salary and wage component and leave just the \$20 million for other O and M.

**CHAIRMAN (Mr. Lafferty):** Thank you. Mr. Nitah.

**MR. NITAH:** Okay. Mr. Dent's estimation was \$2 million. Just a yes or no answer. So there is no salary and benefits dollars within the other expense portion of the budget?

**CHAIRMAN (Mr. Lafferty):** Thank you. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, that is correct.

**CHAIRMAN (Mr. Lafferty):** Thank you. Page 5-11, asset management, operations expense, total operations expense, \$31,275,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Lafferty):** Page 5-12, asset management, grants and contributions, grants, total grants, \$260,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Lafferty):** Systems and communications, page 5-15. Operations expense, total operations expense, \$401,000. Mr. Roland.

**MR. ROLAND:** Thank you, Mr. Chairman. I am just looking for some information here, knowing this is the area the department works with, systems and communications. I believe the department works with NorthwesTel on behalf of the residents of the Northwest Territories. What would the process be for a community who wanted to try and expand the services they have in the community? For example, cell service or other expanded services to phone lines instead of your basic phone line? Call waiting, call display, things like that. What would the process be for communities to try and access that?

**CHAIRMAN (Mr. Lafferty):** Thank you. Minister Steen.

**HON. VINCE STEEN:** Thank you, Mr. Chairman. I have to refer that to Mr. Rattray.

**CHAIRMAN (Mr. Lafferty):** Thank you. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, the first step would be to approach NorthwesTel and request those services, some of which we expect will be coming forth in the next few years as a result of the decision that the CRTC made with respect to the service improvement plan that NorthwesTel had put forward. With respect to cellular service, that is not an area which is considered to be basic services. NorthwesTel makes its decisions on providing those services strictly on a business-case basis.

My understanding is that in the Member's area, they are expanding their coverage because the increased oil and gas activity up there has generated a sufficient level of business activity for them, so they can afford to put in the infrastructure to provide those services.

With respect to the additional services, for example voice messaging services, call forwarding services and so on, those are services that the CRTC was looking at as being part of the basic service package, but did not completely fund all of the service level improvements it would require in order to put those in all communities in the Northwest Territories. They will be available in some communities, but I cannot tell you off the top of my head which ones those are.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Mr. Lafferty.

**MR. LAFFERTY:** Thank you, Mr. Chairman. I have a question just along the lines of Mr. Roland's. Communities that want cellular phone service, if NorthwesTel does not want to offer it, is it open for other competitors to come into a community to offer it?

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Lafferty. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, yes, my understanding is other companies can bring that service in.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. We are on page 5-15, systems and communications, operations expense. Mr. Dent.

**MR. DENT:** Thank you, Mr. Chairman. In terms of Internet access for government departments, does the department monitor what type of sites are being accessed? Is there any kind of firewall that is in place that would limit access to sites that might not be work-related?

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Dent. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, no, our department is not doing that. Some departments have implemented that internally and do some monitoring themselves, but that is left up to individual departments to decide whether there is a need for that.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Mr. Dent.

**MR. DENT:** Thank you, Mr. Chairman. Would this be difficult to do on a government-wide basis? I have been told the hardware is fairly easy to set up to provide some restrictions on on-site access.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Dent. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, it sounds like the Member may know more about the technical details than I do. Off hand, I cannot say how involved technically it is. I suspect that it can be done. Again, I understand that in some specific cases, departments have decided this is a step they wanted to take. It may be possible to do it on a government-wide basis.

Our approach to date has been that relatively recently we communicated with staff our expectations in terms of what is the valid business use of Internet. Employees were required to actually sign a copy of an acknowledgement that they received and read a copy of the guidelines for use of the Internet and e-mail services. It is certainly the expectation that the majority of staff are using those tools in an appropriate manner. If there is abuse, it is a very small percentage that would actually do that. Whether or not it is worth our while to put in a government-wide system to check that is something we will continually re-evaluate.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Page 5-15, systems communications, operations expense, total operations expense, \$401,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Delorey):** Page 5-17, petroleum products. Mr. Krutko.

**MR. KRUTKO:** With regard to the Minister's comments on petroleum products and how there is a review going on regarding the Power Corporation and the consideration of privatization, I have a problem where you have a Crown corporation or a company that has some \$200 million of assets that they can use trying to compete against a community band or corporation that wants to take over such initiatives. It is a

government institution, and when you talk about privatization, privatization means that you are trying to give something to the private sector, but in this case, it is to a corporation that is owned by this government.

From the way the Minister stated it, we are waiting to see how we compare the Power Corporation's proposals to the community's proposals. By that statement alone, I feel it is an imbalance.

You have a corporation that has resources and people in-house who can assist them and capital where they are able to capitalize on these opportunities. When you talk about Fort McPherson or Tsiigehtchic where you have a company such as the co-op or the band corporation, who may presently run a gas station and wants to expand to provide another service, then it automatically gives a disadvantage to the smaller operator because you are competing against a multi-million dollar corporation.

I feel that privatization should be kept within the domain of a community and a band corporation for them to build the expertise and for them to expand an existing business they may already have. How critical is it that the Power Corporation is even involved in this process?

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Krutko. Mr. Minister.

**HON. VINCE STEEN:** Mr. Chairman, I suppose the main advantage to take a firm as big as the Power Corporation would be economies of scale. Other than that, the other factors come into play, like comments made by the Member would be taken into consideration. Whether or not there was political support for the Power Corporation taking on the work is an important factor.

Like I said earlier, regardless of what firm is applying for privatization, whether it is the Power Corporation or whether it is a small firm, they have to have the critical support that is required, community support as well as MLA support. That is what the Power Corporation is up against. Thank you.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Minister. Mr. Krutko.

**MR. KRUTKO:** Thank you, Mr. Chairman. So is the Minister stating that if they do not have political support, they will not be able to take over petroleum products in a community?

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Krutko. Mr. Minister.

**HON. VINCE STEEN:** Mr. Chairman, I am not sure if I understand the question. Is it that the Power Corporation will not be able to take over services in the small communities without the support of the community? I said that is one of the major factors that would be involved in whether they get it or not.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Minister. Mr. Krutko.

**MR. KRUTKO:** So just on that, I will use my riding, for instance. I am presently supporting the proposal by the band corporation and the co-op in Fort McPherson and also the band corporation of Tsiigehtchic to privatize these two operations. I will only

support one organization. I will not support the Power Corporation. Does that mean the Power Corporation will not be submitting a proposal in those two communities?

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Krutko. Mr. Minister.

**HON. VINCE STEEN:** Mr. Chairman, the Power Corporation, if I remember correctly, submitted a proposal. It would have to be taken into consideration how many communities or ridings, like the Member's riding, are not supporting the Power Corporation proposal. That would definitely play a major factor in the decision.

I cannot say right now that the Power Corporation would not take on, in the end, facilities in Fort McPherson and Tsiigehtchic, because it may be that in the end the government decides that on a broad scale the Power Corporation is the better proposal. Again, I cannot say yes or no. We are hypothetical right now and I should not even be involved in this type of discussion because it is hypothetical.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Minister. Mr. Krutko.

**MR. KRUTKO:** Well, that is why you are the Minister. You have the ultimate hammer. You make the final say. You are the Minister of Public Works, so if you say hey, nay or good day, I think someone will listen to you. In this case, because it is a Cabinet directive, does that override your ability as the Minister to make the ultimate decision?

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Krutko. Mr. Minister.

**HON. VINCE STEEN:** Mr. Chairman, these are a form of negotiated contract, so it takes Cabinet approval, not just the Minister. Thank you.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Minister. Mr. Krutko.

**MR. KRUTKO:** Thank you, Mr. Chairman. When will Cabinet, along with yourself, come forth with a final decision on how you are going to privatize petroleum products?

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Krutko. Mr. Minister.

**HON. VINCE STEEN:** Mr. Chairman, based on what is happening with the Power Corporation review right now, I think we are looking at April of this year for some form of decision, one way or the other.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Minister. Mr. Krutko.

**MR. KRUTKO:** In the meantime, with the proposals that are coming forth, will you rationalize the priorities of those proposals so the people who are developing these proposals know ahead of time that they either have a fighting chance of at least having a review of their proposal? That they do not do all this work, realizing that once Cabinet makes a decision, they are going to turn around and privatize, or else they will make a decision to go directly with the Power Corporation taking over petroleum products all together?

Will the Minister state clearly how great a chance these people have of actually having a fair hearing or a fair process once their proposals are submitted? That they will be given due process and they will have an opportunity to have their proposals thoroughly reviewed and they will have the opportunity to eventually take over petroleum products, having submitted proposals and having met the criteria that this government is setting?

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Krutko. Mr. Minister.

**HON. VINCE STEEN:** Mr. Chairman, there is one advantage in delaying the decision in that it allows the smaller operators, the smaller firms, to put forward proposals and the opportunity to fine-tune those proposals, working with petroleum products staff. We work with them to help them improve their proposals to make sure the information required by Cabinet is all there so that we do not have to go back to them later, or that the proposal gets turned down for lack of information. There is that advantage.

I cannot suggest false expectations here that they may in fact have a better chance than NTPC, one versus the other. I cannot suggest that right now. All I can say is that we are working with these smaller operators to fine-tune their proposals.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Minister. We are on page 5-17. Mr. Krutko.

**MR. KRUTKO:** With regard to another matter in petroleum products, there was a study done with regard to an environmental audit done by this government. One of the areas they looked at was the whole area of petroleum products, the fuel tanks and the facilities we have. A lot of those facilities either have to be replaced or there have to be cleanups done at those sites. If the government is going to privatize, will they also make the proponents know that there are these liabilities or these standards where they have to either improve those facilities or do certain work to either remove or replace the existing tank farms because of the liability question? Will the Minister consider that?

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Krutko. Mr. Minister.

**HON. VINCE STEEN:** Mr. Chairman, those are the types of issues that are on the table for discussion and negotiation when we deal with privatization and with the specific contractor. All this is on the table. There are no hidden factors. We have liabilities. We have some facilities that would need replacing. Those are all built into the plan that we will sign with the particular contractor.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Minister. Mr. Krutko.

**MR. KRUTKO:** Thank you, Mr. Chairman. I wonder about the legal aspects of transferring an environmental liability from a government to a private agency. Have you looked at the legal parameters of that? It does not matter whether they take over an asset or what not of this government, it is still a liability of this government. If we know we have developed certain tank farms or what not in an environmentally sensitive area and we have had leaks that have been detected through tests, I wonder what the liability aspect is on the legal side of this

government transferring assets knowing that we have an environmental liability or price tag attached to that. We cannot just automatically, by transferring an asset to a private company or organization, renege on our liabilities, especially when it comes to environmental liabilities for cleanup.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Krutko. Mr. Minister.

**HON. VINCE STEEN:** Mr. Chairman, the process involved, on a general basis anyway, is that the liabilities that exist at the time we sign the agreement are our responsibility. You cannot transfer liabilities. Anything that happens after the signing date is the responsibility of the contractors. That is the deal. We are not asking for the contractors to take on our liabilities. We would work with them to resolve the liabilities.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Minister. Mr. Krutko, anything else? Mr. Nitah.

**MR. NITAH:** Mahsi, Mr. Chairman. I want to know about the fuel being subsidized in the communities. We all worry about the fact that when we are privatized, the private contractors would go after the lucrative ones and exclude those that would cost money to supply. Specifically, I would like to know about Lutselk'e. Is Lutselk'e one of those communities that is more expensive to bring fuel to and the fuel being sold? Or it is fairly reasonable to bring fuel in? Are the fuel prices going up in Lutselk'e to subsidize those communities that are very expensive to supply? Thank you very much, Mr. Chairman.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Nitah. Mr. Minister.

**HON. VINCE STEEN:** Mr. Chairman, the Member has basically voiced the concern that Cabinet has with this whole idea of privatization; pick those that are profitable and leave the rest with the government. We have to think of the consideration of the depths of the revolving fund. We have to take into consideration how we are going to access what is left. So it is not going to be just a matter of who makes the best offer. We have to take into consideration those communities like Lutselk'e. How are we going to continue to supply services to them at a reasonable rate? That is one of the questions that we have to address. Your concern is well taken. We have that concern as well.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Minister. Mr. Nitah.

**MR. NITAH:** Thank you. I am happy that the Minister is addressing my concern. However, I would wish that he would address my question. My question was, does it cost more to bring fuel into Lutselk'e or one of those communities where people have to pay higher prices than it costs to bring into subsidized communities that cost a lot of money to supply? Thank you.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Nitah. Mr. Minister.

**HON. VINCE STEEN:** Mr. Chairman, I am not familiar if Lutselk'e is one of the ones that are being subsidized or whether they subsidize somebody else. I will ask Ms. Chamberlin if she could address the Member's question.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Minister. Ms. Chamberlin.

**MS. CHAMBERLIN:** Thank you, Mr. Chairman. Specifically at Lutselk'e, the residents at that community are paying premium on their fuel. They are subsidizing other communities.

**CHAIRMAN (Mr. Delorey):** Thank you, Ms. Chamberlin. Mr. Nitah.

**MR. NITAH:** Thank you, Mr. Chairman. Well, I hope that I am not starting to sound like Mr. Krutko.

-- Laughter

No pun intended, Mr. Krutko. Just under a Cabinet review of the community of Lutselk'e, knowing they are paying premium for the fuel and they could pay a cheaper rate, does not agree with the Cabinet decision to continue to purchase fuel from the Government of the Northwest Territories through whatever organization, maybe the Power Corporation. What kind of leeway do they have to go after their own contract? To supply their own fuel?

I have always suspected, now it is for sure, that the community is a premium. It is not much to get fuel into Lutselk'e. You rail it or truck it to Hay River, pump it into a barge, you barge the fuel to the community and you pump it into the tanks. There you go. Why should that community pay a premium to subsidize other communities?

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Nitah. Mr. Minister.

**HON. VINCE STEEN:** Mr. Chairman, there is nothing to stop anyone in Lutselk'e from setting up their own system and buying from wherever they want. What we would have to take into consideration is how do we address our stock that we have there and our facility.

We would have to take into consideration what would we do if somebody else sets up and starts selling cheaper. We would basically be in the same situation as we had in Tuktoyaktuk where the guy could undersell us. It was a situation where we negotiated and they took over our facilities. In the end, it was to their advantage in that the tank systems are there, everything is there. It was a matter of them taking over the system.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Minister. Mr. Nitah.

**MR. NITAH:** Thank you, Mr. Chairman. I am glad the Minister brought up the stock. My understanding is the stock of fuel in Lutselk'e was purchased this spring and supplied this summer. Since then, the price of fuel is going up and accordingly, the price of fuel went up in Lutselk'e even though the stock was the same and was purchased for a lower price.

So from the Minister's answer, I take it that the department will be willing to negotiate with an interest group or the band corporation or the co-op in Lutselk'e, who has expressed an interest in negotiating with the department to take over the contract.

The question that I still have, based on the Minister's answers to Mr. Krutko's question, the Cabinet still has to review and still has to decide. If the Cabinet decides that the Power Corporation is going to be the choice for delivering fuel in the community, what avenue does the community have?

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Nitah. Mr. Minister.

**HON. VINCE STEEN:** Mr. Chairman, the community would be back to square one. They are not required to purchase from us. They could set up themselves. Somebody could set up in the community and sell.

What we would have to take into consideration is our future in that community. What will we do with our facilities? Will we still offer to supply services in there? Those are the types of questions the department will have to take into consideration. There is nothing to stop somebody from setting up a private delivery system in Lutselk'e.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Minister. Mr. Nitah.

**MR. NITAH:** In a roundabout way, I think the Minister is committing to me or to the Assembly that the department is willing to negotiate with an interest group in the community to transfer the responsibility of delivering fuel services in the community of Lutselk'e. Is that correct, Mr. Chairman?

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Nitah. Mr. Minister.

**HON. VINCE STEEN:** Mr. Chairman, what the Minister is saying is that we would be in a different situation than in most communities, whereby we would have to consider what we will do with our facilities. In other words, it is to the advantage of the community. In most other cases, that is not the situation. In the other cases, communities are subsidized.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Minister. Mr. Nitah.

**MR. NITAH:** Thank you, Mr. Chairman. So the Minister is saying that if somebody could afford to bring in tanks and the other facilities, they may get into a complicated situation? At that point, they will decide if it is worth the government to stay in there and compete with our private industry or pull out entirely?

If that is the case, are they willing to spend all the money that they invested into the existing facilities rather than negotiate with an interest group in the community, whether they sell or just hand over the ownership of the facilities in the community? Is that what I am hearing, Mr. Chairman?

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Nitah. Mr. Minister.

**HON. VINCE STEEN:** Mr. Chairman, all the facts the Member mentioned will have to be taken into consideration.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Minister. Page 5-17, petroleum products, operations expense, total operations expense, \$774,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Delorey):** Page 5-18, information item, active positions. Mr. Krutko.

**MR. KRUTKO:** Could the department tell us whether there has been any increase in the number of affirmative action people within this department?

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Krutko. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, there has been a slight increase from this time last year.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Mr. Krutko.

**MR. KRUTKO:** Could the deputy minister state exactly how much of a percentage increase we are talking about?

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Krutko. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, at this time last year, with respect to the aboriginal and long-term resident groups, the increase has been from approximately 43 percent to approximately 47 percent.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Mr. Krutko.

**MR. KRUTKO:** Could the deputy minister state exactly where these increases were? Were they at headquarters or in the different regional centres?

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Krutko. Mr. Rattray.

**MR. RATTRAY:** No, I am afraid I cannot, Mr. Chairman. I do not have last year's data with me, other than last year's percentages.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Mr. Krutko.

**MR. KRUTKO:** Does the deputy minister have any idea of what level these positions were? Were they at the lower level, were they middle or senior management?

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Krutko. Mr. Rattray.

**MR. RATTRAY:** No, Mr. Chairman, I do not have that. I can tell you that there was a slight increase in priority groups, which is aboriginal, long-term residents and women. That increased slightly from 37 percent to 38 percent.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Mr. Lafferty.

**MR. LAFFERTY:** Thank you, Mr. Chairman. I just have a question on the North Slave and headquarters. I am not aware of any offices you have in the rest of the region other than Yellowknife. How do you separate headquarters from North Slave?

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Lafferty. Mr. Minister.

**HON. VINCE STEEN:** Mr. Chairman, it is my understanding that we have no stable office here in Yellowknife.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Minister. Mr. Lafferty.

**MR. LAFFERTY:** Mr. Chairman, why would you have a North Slave office in headquarters, if headquarters is in Yellowknife?

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Lafferty. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, the majority of the work we do is in Yellowknife, for everything in the area of North Slave and Yellowknife. We do not have a large enough workload in the North Slave communities to justify a separate office there. We run that out of the Yellowknife office.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Mr. Lafferty.

**MR. LAFFERTY:** Thank you, Mr. Chairman. My question was, why do they have two offices when they could just have one? Thank you.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Lafferty. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, I do not know what the Member is referring to. We do not have two offices. We have a single office that we refer to as the North Slave regional office. That is located in Yellowknife. It deals with our clients both in the Yellowknife area and also in North Slave communities.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Mr. Lafferty.

**MR. LAFFERTY:** Thank you, Mr. Chairman. So the headquarters office is not in Yellowknife?

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Lafferty. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, we have separate headquarter functions that are also located in Yellowknife.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Mr. Lafferty.

**MR. LAFFERTY:** Thank you. Why would you have two offices? Why the extra expenditure of having two offices when you are all doing the same work? Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Lafferty. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, I am not quite following the Member here. We have a significant number of staff doing certain types of work. They are located in a headquarter set of offices. We have other staff doing other types of work, predominantly the program delivery as opposed to technical support or policy development, that are located in the regional office. It is much more of a field operations type group than the headquarters. They have quite different functions. The fact that they are both in the same community, I am not sure that is particularly relevant.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Mr. Lafferty.

**MR. LAFFERTY:** Thank you. What I was getting at is why we have to pay the extra cost of having two offices when you can have one office and have all of the functions happening out of there. Thank you.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Lafferty. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, if the Member is referring strictly to the office space, we could combine both in the same office structure. It would not be any cheaper because you still need a certain amount of space to accommodate a certain number of people. Whether it is in two buildings or one building, it does not typically make a difference.

I am not sure if that was what the Member was getting at, but if it is not, he could perhaps clarify his question.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Mr. Lafferty.

**MR. LAFFERTY:** Thank you. Yes, I was getting at if you had two different offices, you would double some of your support staff for secretaries, receptionists, all doing different work, whereas you could share some of that workload. Thank you.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Lafferty. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, I suppose some of that might be possible, but the two operations do not have a great deal in the way of secretarial or support staff. Where there is some potential for sharing, I believe we have already taken advantage of it.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Mr. Miltenberger.

**MR. MILTENBERGER:** Thank you, Mr. Chairman. Two quick questions. Could the Minister just clarify the drop from 65 to 61 indeterminate full-time in the Fort Smith region? Could he also indicate, from a departmental point of view, what they are planning for in terms of numbers for student hires this summer? Thank you.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Miltenberger. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, we had four positions in the Fort Smith region under this topic. They include a manager of initiatives and support, that is in Fort Smith; a regional computer operator, previously located in Fort Smith; a project officer that was located in Fort Simpson; and a heavy equipment mechanic in Lutselk'e. Those were the four positions that were eliminated from the Fort Smith region.

With respect to the summer students, we have currently identified about 14 positions for summer students. I would expect that as we get a little closer to summer, we will be able to identify some additional positions as well. It is not always easy to identify the positions until we have a clear idea as to what staff will be taking holidays, because in some cases the positions relate to vacancies in existing staff positions. Right now, we have 14 on our list.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Mr. Miltenberger.

**MR. MILTENBERGER:** Thank you, Mr. Chairman. Could the Minister indicate how that compares to last year? Is the work being done with summer students and employment being tied in at all to the Maximizing Northern Employment Initiative with the commitments made by the Premier to provide jobs not only for graduates, but for students? Thank you.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Miltenberger. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, last year we had approximately 20 summer students employed by the department. I expect we will approximately be the same for the current year. Yes, we are looking at these positions and trying to tie them in with the Maximizing Northern Employment Strategy. There appears to be some potentially good opportunities here, particularly for trying to enhance the employment opportunities over the space

of a couple of years for individuals and try to track some of their development.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Mr. Nitah.

**MR. NITAH:** Thank you, Mr. Chairman. The heavy equipment operator position in Lutselk'e, has that happened already? If not, when do we anticipate that to happen?

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Nitah. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, that is actually eliminated from our department, but it was added into MACA's department. We transferred over the responsibility for heavy equipment maintenance from our department to MACA. So the individual is still there, the position still exists. It is just attached to a different department.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Mr. Nitah.

**MR. NITAH:** Thank you, Mr. Chairman. That is a very novel idea. I am just wondering if there are any other positions and/or program responsibilities the department is planning on transferring to other departments. Thank you.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Nitah. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, we do not have anything on the books at the present time. Obviously, we are waiting to find out what the story is on petroleum products program. With respect to this particular item, it has been kind of an orphan. We do not have a great deal of capacity with respect to heavy equipment and vehicles. That is much more a community function. MACA's intention here is to try to tie the function more tightly to communities. That was the reason for this particular transfer.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Mr. Nitah.

**MR. NITAH:** So just to confirm, Mr. Chairman, just the one position in Lutselk'e was transferred from Public Works to Municipal and Community Affairs?

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Nitah. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, that is correct.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. We are on page 5-18, information item, active positions.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Delorey):** Page 5-19, lease commitments infrastructure, information item.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Delorey):** Mr. Lafferty.

**MR. LAFFERTY:** Thank you, Mr. Chairman. I just have a question on office space rental in Rae. What kind of office space is this identifying?

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Lafferty. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, we are referring to the Nishi Khon Centre Building that is leased for the purpose of government offices. There is the friendship centre as well.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Mr. Lafferty.

**MR. LAFFERTY:** Thank you. I do not know how they do this, but I understand MACA is in there; Resources, Wildlife and Economic Development; the band; the hamlet and the friendship centre, I am not sure, just drugs and alcohol, I guess. Why is DPW paying for rent when other people occupy the building?

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Lafferty. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, Public Works and Services pays for lease costs for all general office space for departments.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Mr. Lafferty.

**MR. LAFFERTY:** The other departments do not have the capabilities of leasing the buildings themselves? Why is this happening? Thank you.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Lafferty. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, typically other departments do not have any individuals on staff that do leasing on a regular basis and consequently do not have the skill sets required. We do have those. In addition, typically with government office space, we want some ability to coordinate the acquisition of office space on behalf of a number of departments. It is much easier to coordinate if one group is doing it on behalf of all of the others.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Mr. Lafferty.

**MR. LAFFERTY:** Thank you, Mr. Chairman. So you do the lease for them. What is the administration cost, part of the \$384,000 for 2000-2001?

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Lafferty. Mr. Rattray.

**MR. RATTRAY:** The administration costs? I am not sure what the Member is referring to. There are no Public Works and Services administration costs on this particular information item. The administration of the individual leases, including all the costs for requesting proposals, evaluating proposals that come in, administering the day-to-day and dealing with tenant complaints and so on, all of that is included within our asset management activity that we dealt with earlier.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Page 5-19, lease commitments, infrastructure.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Delorey):** Page 5-20, information item, systems and communications.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Delorey):** Page 5-21, information item, systems and communications, active positions.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Delorey):** Page 5-22, public stores revolving fund.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Delorey):** Page 5-23, petroleum products revolving fund. Mr. Dent.

**MR. DENT:** Thank you, Mr. Chairman. In looking at the closing balance here for the revolving fund, it would appear we are not doing a great deal to get rid of the deficit. In fact, it looks like it might be increasing a bit in 2001-2002 as compared to what we are expecting to see by March 31<sup>st</sup> in this fiscal year. Does the department have any plans to bring things into line, so that the revolving fund does work itself back into a situation where it is not in a deficit?

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Dent. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, I am afraid we have been a bit at the mercy of the low price for this past year. We did impose a couple of price increases in the past year. Our intent going into those was to try and address our deficit position with respect to the revolving fund.

Unfortunately, the world prices escalated as quickly as our prices did, and we essentially are in much the same position this year as we were forecasting to be in when we put forward last year's budget. It would be our intention to revisit this in the coming months. We are currently doing our winter resupply.

Depending on the outcome of that resupply, it may either give us an opportunity to start to draw down on the debt, or if our costs increase this resupply season, then we may find ourselves in a situation where we may have to increase prices again. The two significant factors that are affecting our bottom line right now are the price we charge and the world price. Most of our other factors are fairly stable at present.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Mr. Dent.

**MR. DENT:** Thank you, Mr. Chairman. How big is the differential that we are charged for oil, and what we are selling it at in most communities? Is it fairly close or are we selling it for less than what we pay in some communities?

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Dent. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, when you add in all of our costs, then in most communities, there is a subsidy. We sell it for significantly less than what we get it for. As we mentioned a moment ago, there are a couple of communities where our operating costs -- I am talking operating costs here, I am excluding the capital and the financial charges -- the biggest portion of that is the cost of actually purchasing the fuel and delivering it to the site. On top of that, you have commissions for contractors that deliver it for us, you have losses as a result of evaporation, you have the various taxes that kick into play. Adding all those together, as I say, in most communities we sell it for less than it costs us.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Mr. Dent.

**MR. DENT:** Thank you, Mr. Chairman. Does the department watch to compare prices in the communities where you have a

market and where you do not have a market, to see whether or not there is a differential? What I am interested in finding out is, are we ever in a situation where the government is selling fuel at prices below what the private market is charging for fuel in a community relatively close?

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Dent. Mr. Rattray.

**MR. RATTRAY:** Mr. Chairman, I think for a short period of time we actually found ourselves in a strange situation up in Tuktoyaktuk and Aklavik, whereby we were selling it for a lower cost in Tuktoyaktuk than it could actually be bought in Inuvik. I think that was a relatively short-lived situation. I do not recall all the details on it. It is certainly not an usual occurrence. It is difficult to compare one community to the next. Again, in Tuktoyaktuk for a short period of time, there is a road that connects, but most communities do not have an opportunity to shop around.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Mr. Dent.

**MR. DENT:** Thank you, Mr. Chairman. No further questions on this, just a comment. Earlier this afternoon when we were talking about licence fees, particularly the safety division, we talked about full cost recovery and the need to move to that. I would like to point out that I think it is important that if we are going to get full cost recovery in one area of the department and justify that as being reasonable, it is entirely reasonable to say we should get full cost recovery in this area of the department as well. I would hope that they would move to make sure that, at least on full cost recovery, they are working on a plan to eliminate the deficit over a reasonable period of time. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Dent. We are on general comments, page 5-23, petroleum products revolving fund, information item. Mr. Braden.

**MR. BRADEN:** Thank you, Mr. Chairman. We are just in the middle, if not the final few days, of winter resupply. Those communities that get their year's supply of fuel will also be looking at the prices set according to the cost of the fuel that is being delivered now. Can the department give us some sense for those communities, at least on winter resupply, what kind of a price increase are they looking at for those communities given that things have skyrocketed over the last few months? How much of a difference is there between last year's inventory and the new inventory? Thank you.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Braden. Ms. Chamberlin.

**MS. CHAMBERLIN:** Thank you, Mr. Chairman. There has been a little bit of stabilization in the bulk cost of petroleum products of late and we are able to secure product for about the same price as we paid for the summer barge resupply product on a litre-by-litre basis. Depending on that, and then the transportation component will come into effect, I do not see any reason why we would need to increase the price right away. We would simply need to assess the price during our normal period, which is in October of every year.

**CHAIRMAN (Mr. Delorey):** Thank you. Mr. Braden.

**MR. BRADEN:** Thank you, Mr. Chairman. For clarification, fuel bought now is about the same price as fuel bought in the

summer of last year? How about those communities that are working on last year's inventory? In other words, fuel that was bought a year ago for those communities that only get winter resupply? What is the difference in a year's pricing? Does that question make any sense?

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Braden. Ms. Chamberlin.

**MS. CHAMBERLIN:** Thank you, Mr. Chairman. The question makes perfect sense, but unfortunately I do not have the data at my fingertips to be able to tell you about last year's prices.

**CHAIRMAN (Mr. Delorey):** Thank you, Ms. Chamberlin. Mr. Lafferty.

**MR. LAFFERTY:** Thank you. A question regarding when they privatized Tuktoyaktuk. Would that be the reason there is a difference between 1999-2000 actuals and the main estimates? Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Lafferty. Mr. Rattray.

**MR. RATTRAY:** No, Mr. Chairman, the largest part of that difference relates to the change in the pricing for fuel. We raised the prices twice over the past year, which increased significantly the amount of revenues that we came in with. That reduced the projected overexpenditure, or the problem that we were going to run into with the revolving fund.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Rattray. Page 5-23, information item, petroleum products, revolving fund.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Delorey):** Page 5-24, petroleum products, revolving fund, active positions.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Delorey):** Page 5-25, details of work performed on behalf of others.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Delorey):** Page 5-27, total department, \$1,273,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Delorey):** Page 5-28, revenues, recoveries and transfer payments. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Delorey):** We will go back to page 5-7, Public Works and Services, operations expense, total operations expense, \$39,284,000. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Delorey):** We will go to capital acquisitions, Public Works and Services asset management, total asset management, \$560,000. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Delorey):** Petroleum products, total petroleum products, \$1,375,000. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Delorey):** Total department, \$1,935,000. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Delorey):** Does the committee agree that Public Works and Services is concluded?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Minister, and your witnesses for appearing before the committee. As previously agreed, we will go to the Department of Finance. Does the Minister have any opening comments?

**HON. JOE HANDLEY:** Yes, Mr. Chairman. I am pleased to introduce the main estimates for the Department of Finance for the fiscal year 2001-2002.

The Department of Finance, through its responsibilities for revenue generation and management, and information gathering and distribution, plays an important role in ensuring the government is able to deliver its programs and make informed decisions.

In Towards a Better Tomorrow, the Legislative Assembly laid out a vision and goals for the Northwest Territories and indicated its priorities for achieving these goals. The Department of Finance has focused its outcomes and strategies for the 2001-2002 fiscal year on these priorities and strategies with particular emphasis, because of its mandate, on those relating to the Northwest Territories' fiscal and economic circumstances.

For 2001-2002, the Department of Finance main estimates budget includes a total expenditure budget of \$9,519,000, or 2.8 percent less than in 2000-2001. The budget is also \$1,073,000 less than the forecast in the 2001-2004 business plan.

The decrease in the overall departmental budget is due to a reduction in the forecast of interest expense by \$576,000 from the 2000-2001 Main Estimates. This decrease is due to the improved cash flow forecast for 2001-2002 and the improved fiscal framework.

The decrease in interest requirements is partially offset by an increase of \$198,000 for the implementation of the new collective agreement with the Union of Northern Workers.

The expenditure budget is accompanied by a revenue budget in the main estimates of \$725,894,000, an increase of 9.9 percent over the 2000-2001 main estimates. This increase is largely the result of higher anticipated revenues from income taxes, particularly corporate income tax.

I would be pleased to respond to any questions the committee may have.

**CHAIRMAN (Mr. Delorey):** Thank you, Minister Handley. I would like to ask the committee responsible for overseeing the department under review if they have any comments on the department's main estimates. Mr. Braden.

**MR. BRADEN:** Thank you, Mr. Chairman. The Department of Finance is responsible for obtaining the financial resources to carry on the functions of government, for intergovernmental fiscal negotiation and arrangements, for regulating the insurance industry, and for controlling the sale of liquor in the Northwest Territories. In order to meet its responsibilities, the department is organized into the following activities; the directorate, the treasury, fiscal policy, and the bureau of statistics.

The Standing Committee on Governance and Economic Development met with the Minister of Finance and his staff on Wednesday, January 17, 2001 to review the Department of Finance's 2001-2002 Main Estimates. The committee noted a \$1,073,000 decrease in operations expense from the department's 2001-2004 business plan projections. This resulted from an increase of \$198,000 arising from increases in compensation and benefits as the result of the recent UNW collective agreement, and a \$1,271,000 reduction in expenditure requirements resulting from lower debt servicing costs that resulted from a corporate tax windfall. The Department of Finance did not propose any capital expenditures. The department proposed an additional position to its human resource plan to administer the hotel tax, should the proposed tax become law.

Committee members restated their request for a more consistent financial reporting format from their review of the government's 2001-2004 Business Plan. The standing committee suggests that financial data should be more user friendly and presented in lay person's terms. Further, a separate section should also be established on debt management in the program detail area. Understandable, readable and accurate financial data is requisite for effective debt management and the promotion of economic growth. The committee expects to see progress in this matter in the next business planning cycle.

#### **Liquor Act Plebiscite**

Committee members pointed out that in many communities there is dissatisfaction with the liquor plebiscite process. The committee expressed concern that plebiscite results are accepted only when a community achieves a 60 percent voter turnout. A 60 percent voter turnout may be too rigorous, as many people may have out-of-town responsibilities or duties. Some committee members further remarked that communities should be able to set their own plebiscite parameters. Many communities want to regulate alcohol sales, but there is nothing in place to address this. Each community has its own unique set of concerns and a plebiscite process must be able to respond to these interests. The standing committee recalled that a review was conducted on the Liquor Act in a previous Assembly and questioned why nothing came forward from it.

#### **Recommendation 1**

The Standing Committee on Governance and Economic Development recommends that the government review the plebiscite process to better reflect the wishes of the communities and report back to the committee with options by next business plan cycle.

#### **Forecasting**

Clearer and more accurate financial forecasting is required, especially in light of our increasingly difficult financial circumstances. Forecasting by the Department of Finance is based primarily on historical values. This methodology may exaggerate expenditure or revenue increases, especially given our recent corporate tax windfall of \$60,000,000 from a single filer. Anomalies such as this recent development may misdirect government spending. The committee cautioned that the government prudently manage the \$60,000,000 tax windfall. Unless we work harder to attract similar tax filers in the future, this windfall will be a one-time event. Committee members suggested that the government consider lowering our corporate tax rates further to ensure we remain competitive in relation to other Canadian jurisdictions. A competitive reduction in our rates increases the likelihood that today's tax windfalls become the standard.

Committee members further remarked that all the windfall did was delay the debt wall. The government built the windfall into their budget and got themselves out of trouble temporarily, but our financial troubles remain. However, because the government incorporated the windfall into their base, the government's forecasting model, which appears to be based upon historical values, assumes that we will receive a similar amount in the future. If the forecast is used without consideration for the windfall anomaly, we may compound our financial difficulties.

#### **Tax Collection**

The committee stated that the territorial government must be more diligent in its collection of tax revenues, particularly in the matter of payroll tax and the non-resident workforce.

Committee members added that diligence, consistency and fairness in tax collection would ensure northern residents receive their full share of benefits. Fair and effective tax collection are intertwined and represent an important core of our government operations.

Mr. Chairman, that ends the report of the Standing Committee on the Department of Finance.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Braden. Would the Minister like to bring in any witnesses?

**HON. JOE HANDLEY:** Yes, Mr. Chairman.

**CHAIRMAN (Mr. Krutko):** Does the committee agree?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Sergeant-at-Arms, would you please escort the witnesses in? For the record, Mr. Minister, could you introduce your witnesses please?

**HON. JOE HANDLEY:** Mr. Chairman, with me are Ms. Margaret Melhorn, deputy minister of the department, and Bill Setchell, director of finance and administration for the Department of Finance. Thank you.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Minister. General comments? Mr. Roland.

**MR. ROLAND:** Thank you, Mr. Chairman. Just a couple of general comments on the Department of Finance. As the committee reported, and as we discussed in committee, some of the forecasting and the models used, as informed by the Minister that in the area of revenues or corporate taxes, there was an anomaly. Through the federal government, they give us the numbers when it comes to building into our budget and forecasting in the area of corporate taxes, as well as personal income tax.

Our concern, and it is an area that is highlighted in the committee report, is the fact that we seem to be budgeting on that amount in the area of expenditures. We are hopeful we can achieve the corporate tax as identified, but that is yet to be seen.

From all information gathered so far, we will not have that kind of banner year again for a while, unless somebody else chooses to file their corporate taxes in the Northwest Territories.

The unfortunate thing is at this present time, we are no longer the lowest jurisdiction when it comes to corporate tax rates. I believe Ontario and Alberta are working, if they have not already, to lower their corporate taxes. So we are not far out, I guess, but we will not be as competitive as we were in the previous year.

In the area of revenues again, and with all this increased work that is happening, it would be nice to know if we expect to get more in the area of income taxes and how we will deal...for example, a concern that has been in the Northwest Territories for quite some time, the fly-in/fly-out staff that has been hired for some of the larger companies operating in the Northwest Territories, and if there is going to be any work done to try to capture that market.

I know the payroll tax was identified to try to do that, and there was some discussion of our ability to monitor that and increase or make sure we are getting the revenue we should be getting as a government with that tax being in place. With that, I will save further comments for detail. Thank you.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Roland. What is the wish of the committee? Will we wait until everybody does their general comments before the Minister answers?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Delorey):** Okay. Any more general comments? Mr. Braden.

**MR. BRADEN:** Thank you, Mr. Chairman. Going to the department's business plan and a discussion in there of economic conditions that are going on in Canada and as we might anticipate things, I am wondering if the department could give us a snapshot as of today what some of its expectations are for activity in the Northwest Territories economy. We are obviously in a growth mode here. What kind of numbers does the Minister have in his crystal ball as far as our overall growth in areas such as GDP, population, our final domestic demand? Those kind of big-brush indicators. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Braden. Mr. Handley.

**HON. JOE HANDLEY:** Thank you, Mr. Chairman. Just to answer Mr. Roland's comments first and then Mr. Braden's, we are benefiting this year from large corporate taxes. We cannot count on those happening every year, not in the same way in any case. However, I think as our economy grows, we will see increases in all of the tax areas as people are employed and companies are doing well. So we are going to see a continually improving situation in terms of our revenues. I am fairly optimistic about that.

The other factor in here, is as we are progressing along we are also talking resource revenue sharing. Resource revenue sharing is going to change our whole fiscal situation considerably as well.

As our economy improves, we will also hopefully see some decreases, at least in a proportionate level compared to our whole budget, in social program costs, which would be seeing less of a percentage of our people dependent on income support and the other programs as we get a healthier economy.

On fly-in/fly-out, that is an ongoing issue. We have looked at the payroll tax. We will continue to look at the payroll tax. Because we have to apply it to everyone, it does create a bit of a burden for northern residents, but as our economy improves, maybe we can afford to look at a payroll tax and at the same time, look at tax credits and other incentives for encouraging people to stay in the North as compared to flying to the south.

Certainly in the last year, we have seen a very healthy trend, even setting aside the big corporate windfall we received. There is still a healthy trend going on.

I think, as I mentioned a couple of days ago in my meeting with Paul Martin, it all looks positive. The development that is taking place is real and it is positive on the diamond mining side, on the oil and gas side, and hydro potential. So I think we have a pretty optimistic economic future in the Northwest Territories. Every indication, and I do not think we are taking undue risks, is looking good.

In answering Mr. Braden, looking at the economic indicators for the Northwest Territories, we look at a number of indicators. Final domestic demand, for example, is up. A 19.5 percent increase over last year is what we are projecting. Total investment in the Northwest Territories, we are looking at 68 percent over last year; consumer expenditures, we are looking at four percent over last year; government expenditures, 2.3 percent over last year; average weekly earnings, 2.9 percent; employment change improving by 3.1 percent; and CPI for Yellowknife, improvement by two percent.

So all of the indicators are very positive. I think it is a time where we can be fairly optimistic in terms of our investments and not be too focused on that debt wall. Thank you.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Minister. General comments? We are on page 3-9, activity summary, directorate, operations expense, total operations expense, \$1,185,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Delorey):** Page 3-11, treasury, operations expense, total operations expense, \$7,004,000. Mr. Miltenberger.

**MR. MILTENBERGER:** Thank you, Mr. Chairman. Could the Minister clarify or provide a bit of detail in the other expenses, which is almost a \$6 million hit. It has gone down somewhat from last year. I know you covered that in your opening statement.

The other question I would have is the issue of long-term debt. Could you speak to that as well? I notice it is not on the books here. Could the Minister speak to those two issues, please? Thank you.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Miltenberger. Mr. Handley.

**HON. JOE HANDLEY:** Mr. Chairman, in terms of the other expenses, that is fairly obvious here. It is made up of short-term debt and insurance premiums. Short-term debt, we are budgeting \$3,243,000. Insurance premiums are estimated at \$2,070,000. The rest of it is minor pieces that fit in here, other O and M and so on. The big pieces are short-term debt and insurance premiums.

In terms of long-term debt, the estimates for this year are \$176 million. That is made up of the Power Corporation debt at \$124 million, Energy Corporation at \$24 million and Housing Corporation debt at \$28 million. The Government of the Northwest Territories itself does not have any long-term debt.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Minister. Mr. Miltenberger.

**MR. MILTENBERGER:** Thank you, Mr. Chairman. I think it was in his budget address where the Minister made reference to a total debt of about \$251 million. Where would that be in the scheme of things?

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Miltenberger. Mr. Minister.

**HON. JOE HANDLEY:** Mr. Chairman, that is based on an assumption that was made when we prepared the budget. It continues for the time being, where we would have an accumulated cash deficit of \$74,357,000 at the end of the 2001-2002 fiscal year. Of course, that quickly disappears when we get another payment on the grant in April. We are taking into account a cash deficit as well that is fluctuating continually. Thank you.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Minister. Mr. Roland.

**MR. ROLAND:** Thank you, Mr. Chairman. In the area of taxes in the Northwest Territories, again looking at the projections the department has put forward in this document, we see a large increase in the corporate income tax. Previously, it was \$39 million identified this year. In the revised estimates, \$102 million, projecting \$160 million. The Minister stated that the future looks bright indeed with the potential here and he mentioned royalty revenue sharing.

We have conflicting messages here. At one point, he stated in the House that in fact royalty revenue sharing was something we probably would not hear back from until 2003. We are looking at the next year here at the end of 2002. Is the Finance Minister stating that we will have results and something we can bank on?

I have concerns with the idea of not focusing on the debt wall. I guess when you see it up close, it is hard to focus on it because it takes up the whole view. Those areas are areas I have watched over the last couple of years and continue to watch. We have staved off the debt wall, as the Minister stated, after receiving some one-time payments, some cash assets sort of trades with Nunavut, and this one-time corporate tax filing. What I am saying is can we count on those?

In the corporate tax area, what would you see as the actual number that we would see? Is it identified in this document? Do you think we will actually get another \$160 million? Thank you.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Roland. Mr. Minister.

**HON. JOE HANDLEY:** Mr. Chairman, I think the Member is right. We are not going to likely see any significant revenues from resource revenue sharing arrangements for a number of years, depending on what is negotiated, but we will certainly will not see it next year, I do not believe.

As well, when I say we should not be too concerned about the debt wall, rather than saying focus, I should be saying we do not want to become fixated on it to the point that we do not dare move on anything. I think this is a time for some investments. We are working on a number of fronts. We are not just relying on some huge corporate tax windfalls.

There are other areas, as I have mentioned in my Minister's statement a few days ago, that I think we have made some good headway in meetings with Finance Minister Martin. I hope to see us gain from that.

As well, with our economic situation improving, while we need to pay attention to the debt wall, I do not think we want to become too fixated on it. There is an opportunity now to ensure that Northerners can benefit from the economic upswing we are facing right now.

In terms of the treatment of the corporate taxes and its impact on us next year and in future years, I will ask Ms. Melhorn to speak to that one.

**CHAIRMAN (Mr. Delorey):** Thank you, Mr. Minister. Ms. Melhorn.

**MS. MELHORN:** Thank you, Mr. Chairman. As Mr. Roland points out, our corporate income taxes are projected to be much larger in the current fiscal year than we had anticipated last year as a result of one-time tax receipts. Because of the way Finance Canada makes the remittances for income tax, that large payment is taken into account in determining our corporate income tax estimate, our first estimate of corporate income tax payments for the next fiscal year. It is possible that there will be adjustments to that amount if our corporate taxes do not meet that amount.

However, for the moment, we do not have enough information to assess what our 2000 corporate income tax levels will be. However, given that our economy is based very strongly on the resource sector, which has been performing extremely well in the last year or so, we have every reason to be optimistic about our corporate tax revenues. Over the long-term as well, our corporate tax revenues should be expected to grow quite strongly, given the resource activity.

**CHAIRMAN (Mr. Krutko):** Mr. Roland.

**MR. ROLAND:** Thank you, Mr. Chairman. Just to continue in the area of taxes, tax revenue and the predictions that are made, I know it is not good to become fixated on anything, but when it in fact is a large part of our government as we see it, we are borrowing or are going to borrow more money in the future to maintain what we have. It is something that we must keep in mind. It is always looming out there and we might not get the one-time payments that are predicted.

In the area of resource revenue, knowing that in the Northwest Territories now when we talk about diamond mines that are up and coming and some that are in operation, have we started receiving corporate taxes from any of those mines that are in existence? Thank you.

**CHAIRMAN (Mr. Krutko):** The Minister of Finance, Mr. Handley.

**HON. JOE HANDLEY:** Mr. Chairman, we do not talk about specific tax from specific companies, but generally speaking, as the diamond industry has moved along and blossomed -- and we see not just one but now a second one in construction, a third one in environmental assessment -- then all of our corporate taxes go up now. Whether BHP is paying more corporate taxes, I would say that they are, but we do not want to get into any specific company as such. We do not expect our taxes to drop back down to where they were a couple of years ago or even a year ago, if we set aside the one-time offshore benefit we received.

We are not going to go back to the old levels, pre-diamond mine development and operations and oil and gas development. The whole thing means our corporate taxes will continue to rise, as will income tax. Thank you.

**CHAIRMAN (Mr. Krutko):** Mr. Roland.

**MR. ROLAND:** Thank you, Mr. Chairman. The reason I asked the question about diamond mines is we know that as new companies begin operation and build new developments in the Northwest Territories, for the first number of years they can write down those expenditures and capital expenditures made on behalf of their own companies as they pay those down and begin to make a net profit. Then there are corporate taxes that end up due payable to the Government of the Northwest Territories. That is why I am asking the question.

The point I want to make is we see all the development that is happening, oil and gas sectors and so on, the companies can write down a lot of those expenditures now. We will not see much in any corporate revenue from those companies that are beginning operations. That is why I ask the question. When do we start expecting to see some significant amounts of corporate tax from these companies? Thank you.

**CHAIRMAN (Mr. Krutko):** The Minister of Finance, Mr. Handley.

**HON. JOE HANDLEY:** Mr. Roland is correct. Companies can continue to do exploration, continue to do development and so on and they can avoid a lot of their corporate taxes by doing that, but they cannot continue to develop forever, particularly in a commodity like diamonds that holds its price and has held it well historically. So at some point, they are paying a large amount of taxes.

I expect if we are talking about the diamond mining companies themselves, it probably takes about four years. Some are estimating less than that for them to be able to recoup their full capital investment and beginning to pay taxes and royalties in full.

We have all sorts of other things that happen as Mr. Roland points out. They could do further developments and so on. Our projection is that without any resource royalty sharing or anything else like that, just staying with the present arrangement we have now, the average corporate tax revenues for the Government of the Northwest Territories under today's scenario would be \$161 million a year average over the next 27 years. A lot of that is coming up front in the first ten or so years and gradually tapering off as some of the mining slows down.

That is just based on the current development and an assumption on a pipeline. It is not looking at any further expansion. I guess the bottom line is we will see corporate tax increases and that will start within the next couple of years. Thank you.

**CHAIRMAN (Mr. Krutko):** Mr. Bell.

**MR. BELL:** Thank you, Mr. Chairman. I just have a question about the program delivery detail under the treasury. I understand that treasury falls under other expenses. When I look at the programs here, bank fees and insurance premiums, those two look like expenses to me, short-term debt. I wonder if I can get an explanation. It does not look to me like this is the cost of servicing our short-term debt. Is this principal repayment plus interest? Or is this just interest on short-term debt?

**CHAIRMAN (Mr. Krutko):** The Minister of Finance, Mr. Handley.

**HON. JOE HANDLEY:** Mr. Chairman, the \$3,243,000 that Mr. Bell is referring to on page 3-12, that is all interest. There is no principle there. The \$80,000 is all bank fees and the same is true, Mr. Chairman, of the insurance premiums. That is the cash we pay for insurance premiums. Thank you.

**CHAIRMAN (Mr. Krutko):** Mr. Bell.

**MR. BELL:** Thank you, Mr. Chairman. So when we look at \$3 million in short-term interest, what are we talking about as far as a line of credit here? What is the projection as to how much we borrow in the short term and for what length of time?

**CHAIRMAN (Mr. Krutko):** The Minister of Finance, Mr. Handley.

**HON. JOE HANDLEY:** The amount varies from day to day. Depending on when we are receiving payments and revenues, it could go as high as we pointed out. At the end of the fiscal year, we have a cash deficit of \$74 million, but it varies all the time. It can go from zero to as high as \$70 some million. It could be positive when we are earning interest sometimes. As we have more cash in the bank, the less interest we are going to be paying.

**CHAIRMAN (Mr. Krutko):** Mr. Bell.

**MR. BELL:** Thank you. Do we have various lines of credit with various interest rates that make this up or is this one of credit with one bank?

**CHAIRMAN (Mr. Krutko):** The Minister of Finance, Mr. Handley.

**HON. JOE HANDLEY:** Mr. Chairman, I will ask Mr. Setchell to explain how we do our borrowing here.

**CHAIRMAN (Mr. Krutko):** The director of finance, Mr. Setchell.

**MR. SETCHELL:** Thank you, Mr. Chairman. Borrowing is not done through lines of credit at the banks. Each morning, our tax analyst looks at the government's tax position, estimates payments that are going to be made, revenues that are going to be received, estimates the requirements for the next few days and then goes to the market, phones various brokers looking for who will lend us the appropriate amount of money or who would want to borrow from us any excess we have. It is done at market rates each day.

**CHAIRMAN (Mr. Krutko):** Mr. McLeod.

**MR. MCLEOD:** I would like an explanation on the statement that he made in his response to Mr. Miltenberger about the government not having long-term debt after he has indicated that the Power Corporation and Housing Corporation had debt. Could you clarify for me how that works and how this government is not ultimately responsible if they do not have any long-term debt?

**CHAIRMAN (Mr. Krutko):** The Minister of Finance, Mr. Handley.

**HON. JOE HANDLEY:** The debts for the Power Corporation, the Energy Corporation and the Housing Corporation are debts that we have essentially guaranteed, but those debts are covered through the revenues from the corporations that owed the debt. They appear in a consolidated form as being part of our debt, but they are not debts that we would have to pay off as a government, unless everything really collapsed. Thank you.

**CHAIRMAN (Mr. Krutko):** Mr. McLeod.

**MR. MCLEOD:** Are these amounts calculated when we calculate our maximums for the debt wall?

**CHAIRMAN (Mr. Krutko):** Mr. Minister.

**HON. JOE HANDLEY:** Yes, Mr. Chairman, they are because they are loan guarantees, so they are considered part of our limit.

**CHAIRMAN (Mr. Krutko):** Mr. Dent.

**MR. DENT:** Thank you, Mr. Chairman. I have a couple of questions. We may not have any long-term debt now, but I would expect that since we are predicting an accumulated cash deficit by the end of this upcoming fiscal year of \$74 million, at that point some of the short-term debt might be turned into long-term debt. I would agree with the Minister that we should not focus on the debt wall too much. We had some of this discussion earlier when we went through the budget of FMBS and talked about borrowing, since we know now that we are looking at having available borrowing capacity of \$49 million at the end of this upcoming fiscal year. The budget we are looking at right now has a cash deficit in it of \$55,795,000. Would that not cause us some concern about whether or not we can carry

on with the level of spending and the level of revenues unless we are able to, in the next year, change things with Canada?

I know the Minister suggested that corporate taxes will average around \$160 million, but he said that might start in the next couple of years. Then he talked about pipelines. I know we are not going to see a pipeline in the next couple of years. Since we are predicting \$160 million in this budget in terms of corporate income tax revenues, looking down the road one more year, how close to that \$160 million are we going to be getting? Is it going to leave us enough room that we are not going to have to worry about only having \$49 million in available borrowing capacity? Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Krutko):** Thank you, Mr. Dent. Mr. Handley.

**HON. JOE HANDLEY:** Mr. Chairman, if nothing improves and we made no progress on anything, no increases in revenues but just stayed with what is today, then we probably would be coming close to having a problem some time in later 2002. The accumulated cash deficit of \$74 million, which we are projecting for March 2002, will disappear in April. In March, we will have borrowing capacity of \$49 million. In April, that increases substantially again, as we are probably in a cash surplus position for a little while.

Mr. Chairman, if we had no improvement on revenues at all and we continued along this way, we would be in trouble sometime in 2002. As I said earlier, every sign is for improvements in our economy. As I mentioned, I think we are optimistic about making progress on the resource revenue sharing and improvements to our formula. Thank you.

**CHAIRMAN (Mr. Krutko):** Mr. Dent.

**MR. DENT:** Thank you, Mr. Chairman. I certainly hope that the Minister is successful in his negotiations with Canada. I think he is absolutely right. We have the potential to be a "have" Territory and they should be investing in us. There is this little niggling concern at the back of my mind that in saying 2002 we are talking about part of this budget. If we do not see some action in the next little while on the federal part, it is going to be a bit of a concern. It could be something that a year from now will be a big concern. I wish the Minister Godspeed and hope that he is very successful with the federal government. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Krutko):** Mr. Minister.

**HON. JOE HANDLEY:** Thank you, Mr. Chairman. I think realistically I am optimistic that we are making good progress. Thank you.

**CHAIRMAN (Mr. Krutko):** Treasury. Mr. Roland.

**MR. ROLAND:** Thank you, Mr. Chairman. For clarification, a couple of times regarding questions in this area, the Minister has stated that although we have a cash deficit position in March, come April we will be in a cash surplus position. Is it not a fact that April's money is new year money and we will be using that to pay down the debt of the previous year? In fact, we will be using cash that is for the new fiscal year to pay down old year debt? In fact, we will lose out or we will need to be borrowing that \$74 million sooner? Is that not the fact? Thank you.

**CHAIRMAN (Mr. Krutko):** Mr. Minister.

**HON. JOE HANDLEY:** Mr. Chairman, as I mentioned before, our cash position changes almost on a monthly basis because it is moving around a lot. I suppose because April is a new fiscal year and March is the old fiscal year, you could characterize it that way, because we are spending next year's money to pay something that happened last year. It moves around all the time and sometimes we are in a cash surplus position. The \$74 million cash deficit is one point in time. If we had a rich surplus, I guess that would not be a point at all. Thank you.

**CHAIRMAN (Mr. Krutko):** Mr. Roland.

**MR. ROLAND:** Thank you, Mr. Chairman. Maybe when we actually start seeing some of the revenues flowing from the megaprojects in the Northwest Territories and we become a "have" Territory, we will be in the fortunate position, as Alberta finds itself, we can argue about how we are going to spend the surplus. Right now, as we see it, unless the predictions come in as they are, we are going to find ourselves in trouble. I state that because, as I stated earlier, we are no longer the jurisdiction with the lowest corporate tax rate. These larger companies can file in any other province where they have an office set up. Maybe the Minister has something planned to try and ensure we keep the corporate tax situation in the Northwest Territories. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Krutko):** The Minister responsible for Finance, Mr. Handley.

**HON. JOE HANDLEY:** Thank you, Mr. Chairman. Yes, we are basing a lot of our future predictions and our long-term plan on resource revenue sharing. We are also seeing a pretty healthy growth in our economy. We need to look at personal income tax and we need to look at the corporate income tax, and there may be ways for us to remain competitive with Ontario and Alberta and others who are lowering their taxes. I am not optimistic that we can be a corporate tax haven for offshore companies for very long. I think our corporate taxes are going to be dependent on our own economic activity. That is going to be the most secure kind. The offshore people can come and go. It is not something we want to base our economy on. Thank you.

**CHAIRMAN (Mr. Krutko):** Mr. Roland.

**MR. ROLAND:** Thank you, Mr. Chairman. Not only speaking about offshore companies, but companies that are operating in the Northwest Territories. Just because they have a mine here, they do not have to file in the Northwest Territories. If that is the case, if they can have a lawyer contact or work in any other province and file in that province, then we are out that corporate tax. That is the point I am trying to make. Hopefully as we review the situation, we will try to ensure that we are still the most attractive place to file for existing companies doing business in the Northwest Territories. Thank you.

**CHAIRMAN (Mr. Krutko):** Mr. Minister.

**HON. JOE HANDLEY:** Mr. Chairman, while it is possible for companies to duck around some of the taxes and move some around, where they pay their corporate taxes is basically dependent on where the revenue is generated and where their salaries are paid. They could not operate a mine here and have employees here and pay all their taxes somewhere else. They would have to apportion some of it, a reasonable piece of it, back to here no matter what our rates were. Thank you.

**CHAIRMAN (Mr. Krutko):** Treasury, operations expense, total operations expense, \$7,400,000. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Fiscal policy, operations expense, total operations expense, \$770,000. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Bureau of Statistics, operations expense, total operations expense, \$560,000. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Information item, active positions. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Detail of work performed on behalf of others, total department, \$14,000. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Liquor Commission revolving fund, information item. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Liquor Commission revolving fund, active positions. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Revenues, recoveries and transfer payments. Mr. Bell.

**MR. BELL:** Thank you. I have a question about the payroll tax. We have talked in the past about trying to find some way to generate revenue from people who work in the Northwest Territories and fly back south, filing income tax in the south, living in the south. One of the things that has been suggested in the past was to raise the payroll tax. We have a means for making an adjustment to help Northerners. There is the northern tax credit. I believe this is the same thing that we are talking about using to offset the tolls. We seem to want to make the argument that we cannot raise payroll tax to three or five percent because this would affect people's mobility rights.

I am a little unclear as to whether or not it is the raising of this payroll tax which would affect everybody who works in the Northwest Territories, which does not seem to infringe on anybody's rights yet, or if it is the tax credit to only northern residents that is then the infringement. Could the Minister explain to me where we think we would be violating somebody's Charter rights?

**CHAIRMAN (Mr. Krutko):** The Minister of Finance, Mr. Handley.

**HON. JOE HANDLEY:** Mr. Chairman, the only right we would be violating would be if we tried to levy a tax on people who lived elsewhere and worked here, on their mobility rights. We cannot do that. If we are going to have a tax, it has to apply to everyone.

The issue around increasing payroll tax to three or five percent is more a matter of how do we compensate people in the North that is going to be a fair way for them? We cannot have a rebate program or a program that is directly linked to the payroll tax that they pay, otherwise we would be challenged. So we have to come up with a system that gives people tax credit. The difficulty for people who have a very tight income, tight budgets to have another three or five percent taken off their cheques every two weeks or every month is painful given the cost of living.

To them, once a year when they do their income tax, to have a tax credit refund of whatever that amount might be, is not, in most cases, money that is budgeted throughout the year and used up every two weeks or every month.

More often than not, people will use it to make one-time purchases and so on. So it is hard for lower income people. The way the program is structured, we would not be taxing business income. We would be taxing wage income.

I guess there are also questions about whether or not that is fair. To be clear, I certainly have not given up on the notion of a payroll tax, just how to work it out in a way that is not going to be too onerous on our Northwest Territories residents, especially the lower income people. So as we go along, if there is a way of doing it, then we would appreciate recommendations. We will continue to work on that one.

**CHAIRMAN (Mr. Krutko):** Mr. Bell.

**MR. BELL:** I am just looking for some clarity in this issue. I just want to take it piece by piece because I am having a hard time following. I am sure the Minister probably did make the explanation, but I will not contest that it would certainly be onerous. If we could just forget about that and just discuss this issue of mobility rights.

Slapping the payroll tax on everybody that works in the Northwest Territories, regardless of where they live, does not infringe on anybody's rights. Having a northern tax credit which would apply to northern residents as a separate, unrelated issue does not infringe on anybody's mobility rights.

You can obviously provide incentives for people who live in your province or in your territory. It would be no different than the way provinces now compete on income tax rates or business tax rates. I do not see incentives being a mobility infringement. If a payroll tax is not a mobility infringement, where is the infringement?

**CHAIRMAN (Mr. Krutko):** The Minister of Finance, Mr. Handley.

**HON. JOE HANDLEY:** Mr. Chairman, as I said, the only infringement would be if we only levied the tax against people who lived elsewhere and worked in the North. There is no infringement if we have this as a universal tax that applies to everybody who earns an income. That is the way the current payroll tax works. Everybody pays it.

The main difficulty is the burden it places on people who have money taken off their cheques and then paid back once a year. That is one burden. The second burden is increasing taxing labour income more and more as opposed to business income. Where is the fair balance? Those would be the two main

outstanding issues we are dealing with. The mobility is not a big issue unless we tried to do it in a way that we taxed only people in the south.

**CHAIRMAN (Mr. Krutko):** Mr. Bell.

**MR. BELL:** Thank you for that explanation. I appreciate the Minister walking me through it. I am glad to hear that there really is not a mobility issue here. We never proposed to strictly slap a payroll tax on people who are flying in and working here and leaving. We are talking about a payroll tax that would apply to everybody, so I am hoping this will be the last time a committee will ever discuss the issue of mobility rights and we can move on then to whether or not a payroll tax would be too onerous and get into the details of how we might provide a tax credit to northern residents, whether it be monthly, weekly or some other manner that would reduce the burden.

I hope we can concentrate and focus on that issue, because I think the payroll tax could be a very useful tool and we sort of get off the rails. We seem to be afraid. There seems to be some sort of fear out there that the federal government is going to swoop down and slap us for raising the payroll tax to make the thing make sense. I do not think that is the case.

At the back of the Minister's recent budget, there were various payroll taxes across the country. We are not the only one. I am not sure if we are the only one that taxes the employee as opposed to the employer, but in either case, I hope that is the last we will hear of mobility issues and we can focus on how we might use this northern tax credit that we have to help us in various different manners, including to offset tolls on commercial truck traffic and other things. Thank you.

**CHAIRMAN (Mr. Krutko):** Mr. Minister.

**HON. JOE HANDLEY:** Mr. Chairman, this is an issue and I agree with the Member. I hope we do not have to go back to the mobility issue. I think we understand it. Some members of the public may not because I still hear people saying tax the southern workers, but I think we understand what it is and I think we can move from there to working on how we might be able to do this.

Giving people a credit back monthly, administratively that could be done. We would have to figure out how we would do it in a way that is not going to be too expensive, but it is possible to do something like that. I understand we are the only jurisdiction that puts the tax on payroll. Other similar taxes are based on the business' total payroll rather than on the employee. The reason we do ours differently is we want an incentive for people to live here. Just taxing an employer's payroll would not achieve that. Thank you.

**CHAIRMAN (Mr. Krutko):** Mr. Bell.

**MR. BELL:** Thank you, Mr. Chairman. I know the Minister is also looking at personal income tax and revising the system. Other than the income tax credit, the northern tax credit, what about considering drastically lowering our personal income tax in order to offset some of the high costs of living here and offset some of the other realities that we may pay, such as a high payroll tax and other things? Could we look at reducing tax on individuals?

**CHAIRMAN (Mr. Krutko):** The Minister of Finance, Mr. Handley.

**HON. JOE HANDLEY:** It does not matter whether you give it to people as a tax credit or whether you lower their income tax, it all works out to the same thing. We did say that we want to move towards a tax on income system. At the same time as we do that, that could be a good opportunity to look at completely revising our personal income tax system in the North to have something that is more designed for our northern environment, our northern situation.

I think there are many creative things we can do as we begin to look at revising the whole personal income tax system. I am not talking about raising taxes. I am talking more about creative ways of developing incentives for people to be here and continue to pay their taxes here. Thank you.

**CHAIRMAN (Mr. Krutko):** Revenues, recoveries and transfer payments, Mr. Bell.

**MR. BELL:** Thank you. I just want to make one further point. To the Minister's suggestion that there is no difference between a tax credit and lower tax rates, in reality I would agree with him. At the end of the day, it is identically the same thing. I think when you look at a comparison of tax rates across the country, you look at charts and you are an employee for a large company thinking of moving to the Northwest Territories, they are looking at various regions of the country they might live in.

You always see these charts and they always compare tax rates. If there is an asterisk beside one and you go to the bottom of the ledger to figure out what it means, I think that it is different. I think people do compare the numbers. They look at a provincial tax rate of 11 percent compared to nine and they make assumptions based on that. You do not see the tax credits.

The same for the small business tax rate. We compare ourselves to Alberta tax credits on employment or infrastructure investment or any other kind of tax credit that might exist in the province. Soon it gets lost in the shuffle and just talks about the final numbers, the nine or the 11. So I think that is something we might want to look at when we talk about whether or not it is even worthwhile looking at our tax tables, because I think it probably is.

**CHAIRMAN (Mr. Krutko):** Mr. Minister.

**HON. JOE HANDLEY:** Mr. Chairman, the only thing that I will say is I look forward to a lot of good discussions on the whole issue of developing a northern tax for our people. There are a lot of good suggestions that we can deal with. Thank you.

**CHAIRMAN (Mr. Krutko):** Revenues, recoveries and transfer payments. Mr. Roland.

**MR. ROLAND:** Thank you, Mr. Chairman. Just in the area of revenues in the tax area, what was the impact when the federal government lowered the personal income tax rate? What was the impact on our revenues?

**CHAIRMAN (Mr. Krutko):** The Minister of Finance, Mr. Handley.

**HON. JOE HANDLEY:** Mr. Chairman, it had about approximately a \$5 million impact, but then we got about \$4

million back on the grant. The net amount is roughly \$1 million. Thank you.

**CHAIRMAN (Mr. Krutko):** Mr. Roland.

**MR. ROLAND:** Thank you, Mr. Chairman. So that is identified here? The \$54 million personal income tax that is identified with the reduction through the federal government and the corresponding increase through the grant of Canada of \$489 million?

**CHAIRMAN (Mr. Krutko):** The Minister of Finance, Mr. Handley.

**HON. JOE HANDLEY:** Yes, Mr. Chairman, it is taken into consideration.

**CHAIRMAN (Mr. Krutko):** Mr. Roland.

**MR. ROLAND:** Thank you, Mr. Chairman. Again in the personal income tax area, the Minister is looking at an advisory committee and talking of delinking from the federal government. I believe at that point, we would be looking at what they call a TONI or the tax on net income. What impact would that have on the situation as we view it now?

**CHAIRMAN (Mr. Krutko):** The Minister of Finance, Mr. Handley.

**HON. JOE HANDLEY:** Mr. Chairman, the impact that it would have would be entirely in our hands. We could move on a tax on net income and change nothing and just have it at the same rate. So it could be nothing or we could change it considerably. We would have a lot more flexibility to do things with it. We would have more flexibility in terms of the credit programs that we could put in place. It would give us more flexibility.

However, changing to a tax on income from our tax being a percentage of federal tax in itself does not change anything. We would have to make those decisions separately. The only difference is we would not be linked to the federal tax. If the federal government lowered their tax, in ours we would not necessarily lose revenue.

I think particularly as we move toward resource revenue sharing and so on and more of our own economy, then it is important to take that step. I should also mention that all of the provinces have gone to tax on income now. It is only the territories that have not. Thank you.

**CHAIRMAN (Mr. Krutko):** Mr. Roland.

**MR. ROLAND:** Thank you, Mr. Chairman. As the Minister stated tax on income, tax on net income?

**CHAIRMAN (Mr. Krutko):** Mr. Minister.

**HON. JOE HANDLEY:** Mr. Chairman, that is based on your taxable income. That is defined in the Income Tax Act. It is not just straight gross income. Thank you.

**CHAIRMAN (Mr. Krutko):** Revenues, recoveries and transfer payments.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Going back to page 3-7, department summary, operations expense, total operations expense, \$9,519,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Agreed. We have concluded the Department of Finance. I would like to thank the Minister and his witnesses. Thank you.

I would like to call the committee back to order. We are now going to deal with the Legislative Assembly main estimates. With that, I would like to ask the Speaker if he has any opening comments. Mr. Speaker.

**MR. SPEAKER:** Mr. Chairman, colleagues, thank you once again for giving me the opportunity to appear before the committee of the whole to present the proposed main estimates for the Legislative Assembly for the 2001-2002 fiscal year.

The Legislative Assembly provides, within a framework of accepted democratic principles, an environment in which you, the elected representatives of the people of the Northwest Territories, can effectively, efficiently and to the best of your abilities meet the needs and aspirations of residents while taking into consideration the democratic diversity of the Northwest Territories. Mr. Chairman, the office of the Legislative Assembly supports the activities of the Members, both individually and collectively, in our roles as legislators, as representatives of our constituents within prescribed parliamentary function as provided by the Northwest Territories Act, our own Legislative Assembly and Executive Council Act and the regulations and policies of the Board of Management.

Mr. Chairman, to be able to meet the obligations contained in the Legislative Assembly and Executive Council Act, the Official Languages Act, the Elections Act, the Access to Information and Protection of Privacy Act and the Board of Management policies, the Legislative Assembly is requesting a total of \$11,680,000 in operations expenses for 2001-2002.

Mr. Chairman, the 2001-2002 main estimates reflect an increase in the Office of the Languages Commissioner, as well as the funds necessary to provide enhanced support to the Standing Committee on Accountability and Oversight. The Assembly has no capital requests for the coming year. Members will note that the Legislative Assembly has not submitted a five-year capital acquisition plan. This, Mr. Chairman, is not to say that we do not have a plan for replacement of ongoing items that will require the expenditure of funds. The government capital acquisition criteria require us to identify items under operating expenses rather than capital.

Mr. Chairman, I am sure you and Members will have observed that the main estimates before you today do not include funding for the two special committees that the Assembly established during the fall sitting. Once these two important special committees report to the House with their terms of reference, I expect there will be a request for supplementary appropriations.

With these brief comments, Mr. Chairman, colleagues, I again thank you for this opportunity on your behalf to present the proposed main estimates. I would be pleased to respond to

questions and comments on the details of the main estimates. Thank you.

**CHAIRMAN (Mr. Krutko):** Thank you, Mr. Speaker. I would like to ask the committee responsible for overseeing the department under review if they have any comments on the department's main estimates. Mr. Dent.

**MR. DENT:** Thank you, Mr. Chairman. The Standing Committee on Accountability and Oversight met with the Speaker and his staff to review the draft 2001-2002 main estimates on the 15<sup>th</sup> of January, 2001. The office of the Legislative Assembly is divided into five ongoing activities: office of the Speaker, office of the Clerk, expenditures on behalf of Members, office of the Chief Electoral Officer and Commissioner of Official Languages. The Access to Information and Protection of Privacy Commissioner and Conflict of Interest Commissioner are included in the office of the Clerk.

#### **Business Plan and Main Estimates Review**

The review of the draft government business plans and main estimates by standing committees is an integral part of the annual budget development process. Business planning is crucial as a planning process and as a means to arrive at the budget figures presented in the main estimates.

Since the review of the 2001-2004 Legislative Assembly business plan, the committee noted a number of changes to the figures proposed for the 2001-2002 main estimates.

- As a result of the recent collective bargaining agreement that was ratified by the UNW in December, there has been a forced growth increase of \$226,000; \$128,000 was for the 2000-2001 fiscal year and \$98,000 for the 2001-2002 fiscal year.
- There has been an increase of \$131,000 for the Office of the Languages Commissioner, \$5,000 of which can be attributed to the UNW agreement.
- The committee also observed a reduction of \$134,000 for the office of the Chief Electoral Officer and a minor change in amortization figures.

#### **Conservation and Reduction in Energy Consumption**

The committee is concerned that the rising cost of fuel will have an adverse affect upon the budgets of all government departments. Rising costs of necessary items such as fuel will affect the already sadly depleted program and service funding. The committee is of the opinion that new programs and procedures to reduce energy consumption should be pursued. Upon raising the issue of energy conservation with the Speaker of the Legislative Assembly, the committee was assured that the Legislative Assembly building is a new facility that employs modern, energy efficient systems. Little could be done to further reduce the consumption of energy in the building.

The committee is of the opinion that more can be done. There are other methods and means to increase the energy efficiency

of the building; examples are solar panels and energy conservation education programs for occupants of the building. As a Legislature, we should be setting an example for government and the people of the Northwest Territories. The committee requests that an energy conservation plan for the Legislative Assembly building and its occupants be developed and presented as part of the 2002-2005 business plans.

#### **Budget Changes - Office of the Languages Commissioner and Office of the Chief Electoral Officer**

As a result of their review of the Languages Commissioner's business plan, the committee recommended the budget for the office be increased by \$126,000 to cover additional costs of a new research analyst position, new sections for the website, purchased services, a newsletter and advisory board meetings. The committee is pleased to note that this recommendation has been implemented in the 2001-2002 main estimates for the Legislative Assembly.

The committee further notes that since the presentation of the 2001-2004 business plan, there has been \$134,000 removed from the budget of the office of the Chief Electoral Officer. As the cost for the elections office is cyclical, the present situation allows for monies budgeted to this activity to be reallocated. However, the monies that have been reallocated from the office of the Chief Electoral Officer will become part of the base budget of other offices within the Legislative Assembly. The Members have noted that as an election year approaches, it will be necessary to increase the budget for this office. As monies identified for this activity have been reallocated, new money will have to be requested.

#### **Conclusion**

The committee also notes that there were a number of commitments made during the review of the Legislative Assembly business plan that will require action in the upcoming year. The Members look forward to receiving information on the public affairs strategy, school information packages, analysis of the demand on research and library services, cultural awareness training for staff, and plans to impart corporate knowledge to more staff.

Mr. Chairman, that concludes the committee's report on the Legislative Assembly.

**CHAIRMAN (Mr. Krutko):** Thank you, Mr. Dent. At this time I would like to ask the Speaker if he will be bringing in any witnesses.

**MR. SPEAKER:** Yes, Mr. Chairman. I would be prepared to, if the committee has any questions to ask me.

**CHAIRMAN (Mr. Krutko):** Does the committee agree?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Sergeant-at-Arms, please escort the witnesses in. Mr. Speaker, please introduce your witnesses for the record.

**MR. SPEAKER:** Mr. Chairman, it gives me a great deal of pleasure to introduce to you Mr. David Hamilton, Clerk of the Legislative Assembly, and to my right, Mr. Myles Moreside, director of corporate services.

**CHAIRMAN (Mr. Krutko):** Thank you, Mr. Speaker. Welcome, witnesses. General comments.

**SOME HON. MEMBERS:** Detail.

**CHAIRMAN (Mr. Krutko):** Detail. We are on page 1-9, office of the Clerk, operations expense, total operations expense, \$6,483,000. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Office of the Speaker, operations expense, total operations expense, \$118,000. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Expenditures on behalf of Members, operations expense, total operations expense, \$4,306,000. Mr. Roland.

**MR. ROLAND:** Thank you, Mr. Chairman. There have been a number of changes as Members came into the 14<sup>th</sup> Assembly in the area of expenses paid on behalf of Members in carrying out their duties. I would like to know from the Speaker if these changes have shown any savings, or has it in fact been the same cost or increased cost? Thank you.

**CHAIRMAN (Mr. Krutko):** Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Chairman. I am finding it a little difficult to be able to compare the two years and the two different Assemblies. There were different services, I would imagine, and I find it difficult to be able to compare the two.

**CHAIRMAN (Mr. Krutko):** Mr. Roland.

**MR. ROLAND:** Thank you, Mr. Chairman. I would like to ask another question, if my colleagues would allow me. Mr. Chairman, again in the area, knowing that it was a different scenario in the 13<sup>th</sup> Assembly versus the 14<sup>th</sup>, we did end the 13<sup>th</sup> Assembly with 14 Members, so there might be a difference in the actual number of Members, but has there been any analysis? This is our second budget now. Has there been any analysis on the changes that happened within the system? Have there been any savings, or have costs gone up per Member? Thank you.

**CHAIRMAN (Mr. Krutko):** Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Chairman. We are still looking at the system and reviewing what had been done, as the Members had asked us earlier on to see how this new system is working and the changes that are going to take place. In addition, we are looking at the funding to committees, now that we have a full year of operation, and we are still undertaking that review.

**CHAIRMAN (Mr. Krutko):** Expenditures on behalf of Members, operations expense, total operations expense, \$4,306,000. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Office of the Chief Electoral Officer, operations expense, total operations expense, \$279,000. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Commissioner of Official Languages, operations expense, total operations expense, \$476,000. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Information item, active positions. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Detail of work performed on behalf of others, total department, \$30,000. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Revenues, recoveries and transfer payments. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Department summary, operations expense, total operations expense, \$11,680,000. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** That concludes the Department of the Legislative Assembly. I would like to thank the Speaker and his witnesses. Thank you.

**MR. SPEAKER:** Thank you, Mr. Chairman. I would like to thank you and the committee for allowing us this opportunity to present your budget, and we look forward to the next time.

**CHAIRMAN (Mr. Krutko):** Order. Can I have some order, please? Does the committee agree that Committee Reports 5-14(3), 6-14(3) and 7-14(3) are concluded? Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Committee Reports 5-14(3), 6-14(3) and 7-14(3) are concluded. We have concluded Bill 19. We still have Bill 16 and Bill 20. What is the wish of the committee? We still have Bill 20, Supplementary Appropriation Act, 2000-2001. We have Bill 16. What is the wish of the committee?

-- Interjection

**CHAIRMAN (Mr. Krutko):** On Bill 19, we still have to conclude clause by clause. Do you want to do that now?

**CHAIRMAN (Mr. Krutko):** Mr. Roland.

**MR. ROLAND:** Thank you, Mr. Chairman. If we can proceed with clause by clause on Bill 19 and then report progress.

**CHAIRMAN (Mr. Krutko):** Does the committee agree?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Order, please. We are going to deal with Bill 19. That is in your grey binders. Bill 19, Appropriation Act, 2001-2002. Clause 1?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Clause 2?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Clause 3? Mr. Handley.

**HON. JOE HANDLEY:** Thank you, Mr. Chairman. As Members are aware, the Standing Committee on Governance and Economic Development made a report to this Assembly on Bill 13, the Hotel Room Tax Act on Thursday, March 1, 2001, but to date has not actually reported the bill back to the House.

Since it is very likely that this Session will prorogue before the bill is reported, it will die on the orders. The Department of Finance main estimates includes \$100,000 for the administration of the hotel room tax. If the hotel room tax is not to be enacted, this money should be deleted from Bill 19.

Before I move the required motions, I want to note for the record the specific areas in the main estimates document where these expenditures are listed. The \$100,000 administration costs are found on page 3 to page 11 on the main estimates for the Department of Finance. Under treasury, operations expense, \$60,000 is included in the compensation benefits amount of \$1,122,000, and \$40,000 is included in the other expenses amount of \$5,882,000.

Mr. Chairman, I move that clause 3(2) of Bill 19 be amended by striking out \$887,187,000 and by substituting \$887,087,000. Thank you.

**CHAIRMAN (Mr. Krutko):** For the record, Mr. Minister, are you making a motion to make the amendment? Could you please speak to the motion so we can go through the regular process? Can you make the motion, then we will debate it and vote on it. The Minister of Finance, Mr. Handley.

**Committee Motion 40-14(3): To Amend Clause 3(2) of Bill 19 (Carried)**

**HON. JOE HANDLEY:** Thank you, Mr. Chairman. Mr. Chairman, sorry. Mr. Chairman,

I MOVE that clause 3(2) of Bill 19 be amended by striking out "\$887,187,000" and by substituting "\$887,087,000". Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Krutko):** Thank you, Mr. Handley. The motion is in order. To the motion.

**SOME HON. MEMBERS:** Question.

**CHAIRMAN (Mr. Krutko):** Question has been called. All those in favour? All those opposed? The motion is carried. Clause 3 as amended?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Clause 4?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Clause 5?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Clause 6?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Schedule, part 1, vote 1, operations expense, total appropriation for operations expense, \$788,925,000. Mr. Handley.

**Committee Motion 41-14(3): To Amend the Schedule of Bill 19 (Out of Order)**

**HON. JOE HANDLEY:** Mr. Chairman,

I MOVE that the schedule to Bill 19 be amended to:

- a) decrease by \$100,000 the appropriation amount set out in Part 1, item 3, "Finance", by:
  - i. striking out "9,519,000" and substituting "9,419,000" in the column entitled "Operations Excluding Amortization"; and
  - ii. striking out "9,519,000" and substituting "9,419,000" in the column entitled "Appropriation by Item";
- b) decrease by \$100,000 the amount set out in Part 1 of the "TOTAL APPROPRIATIONS FOR OPERATIONS EXPENDITURES", by striking out "\$788,925,000" and substituting "\$788,825,000"; and
- c) decrease by \$100,000 the amount set out at the end of the Schedule as the "TOTAL APPROPRIATION", by striking out "\$887,187,000" and substituting "\$887,087,000".

Thank you.

**CHAIRMAN (Mr. Krutko):** I just would like to state to the Minister, I believe your motion is out of order. You should come forth with three motions. You have everything in one motion. We are only dealing with part 1, and then we will deal with the total, and then we will deal with part 1, and then the total appropriation. It should be three separate motions.

With that, I suggest we bring this back tomorrow and let you redraft your motions. Mr. Delorey.

**MR. DELOREY:** I move we report progress.

**CHAIRMAN (Mr. Krutko):** There is a motion on the floor to report progress. The motion is not debatable. All those in favour? All those opposed? We will rise to report progress.

**MR. SPEAKER:** The House will now come back to order. Item 20, report of committee of the whole. The honourable Member for Mackenzie Delta, Mr. Krutko.

**ITEM 20: REPORT OF COMMITTEE OF THE WHOLE**

**MR. KRUTKO:** Mr. Speaker, your committee has been considering Bill 19, Appropriation Act, 2001-2002 and Committee Report 5-14(3), Committee Report 6-14(3) and Committee Report 7-14(3) and would like to report progress with one motion being adopted. Committee Report 5-14(3), Committee Report 6-14(3) and Committee Report 7-14(3) are concluded. Mr. Speaker, I move that the report of the committee of the whole be concurred with.

**MR. SPEAKER:** Thank you, Mr. Krutko. Do we have a seconder for the motion? The Chair recognizes the honourable Member for Tu Nedhe, Mr. Nitah. To the motion. Question has been called. All those in favour? All those opposed? The motion is carried. The honourable Member for Sahtu, Mr. Kakfwi.

**HON. STEPHEN KAKFWI:** I seek unanimous consent to return to item 9, replies to opening address.

**MR. SPEAKER:** Thank you. The honourable Member is seeking unanimous consent to return to Item 9, replies to opening address. Are there any nays? There are no nays. Proceed, Mr. Kakfwi.

**REVERT TO ITEM 9: REPLIES TO THE OPENING ADDRESS**

**HON. STEPHEN KAKFWI:** Thank you, Mr. Speaker. I thank my colleagues for allowing me this. I had given an address earlier today and I had not quite concluded everything that should have been said. Mr. Speaker, I thank you for allowing me to conclude my remarks now.

Victoria Douglas passed away on November 8<sup>th</sup> of last year. Later, perhaps tomorrow...

**MR. SPEAKER:** Excuse me, Mr. Kakfwi. By the rules, you have already made your reply to the opening address. Under the rules, you are not allowed to make two replies to the opening address. You may choose to seek unanimous consent to be specific to that.

**HON. STEPHEN KAKFWI:** I seek unanimous consent to waive Rule 41(1).

**MR. SPEAKER:** Thank you. The honourable Member is seeking unanimous consent to waive Rule 41(1). For the benefit of the Members, Rule 41(1), replies to opening address: "Every Member may make one reply to the opening address given under Rule 33 and may speak on any matter." That is the rule. The honourable Member is seeking to waive that rule and allow him to make an additional reply to the opening address. Mr. Kakfwi, would you again request that for the record?

**HON. STEPHEN KAKFWI:** Mr. Speaker, I seek unanimous consent to waive Rule 41(1).

**MR. SPEAKER:** Thank you. The honourable Member is seeking unanimous consent to waive Rule 41(1), reply to opening address. Are there any nays? There are no nays. Proceed, Mr. Kakfwi.

**Reply 5-14(3)**

**HON. STEPHEN KAKFWI:** Thank you for the assistance there. Mr. Speaker, I conclude my remarks I made earlier today by informing the Members in the Legislature that Victoria Douglas passed away on November 8<sup>th</sup> 2000. I will table her biography later as written by her sons, so the people who knew her and still remember her here in the Northwest Territories and her husband, who also lived here at the time as well, will have something of interest to read about; the story of her life as written by her sons.

One of her sons said the last months of her life were a relatively calm and peaceful time for her, and now she is at

rest. So with that, I conclude my remarks I made earlier today. Thank you very much for allowing me to do that.

-- Applause

**MR. SPEAKER:** Thank you, Mr. Kakwi. Item 9, replies to opening address. Item 21, third reading of bills. Item 22, orders of the day. Mr. Clerk.

#### ITEM 22: ORDERS OF THE DAY

**CLERK OF THE HOUSE (Mr. Hamilton):** Mr. Speaker, a meeting of the Board of Management at 8:30 tomorrow morning, followed by a meeting of the Standing Committee on Accountability and Oversight at 9:00 a.m.

Orders of the day for Wednesday, March 7<sup>th</sup>:

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. Petitions
11. Reports of Standing and Special Committees
12. Reports of Committees on the Review of Bills
13. Tabling of Documents
14. Notices of Motion
15. Notices of Motion for First Reading of Bills
16. Motions
  - Motion 19: Support for the Protection of the Arctic National Wildlife Refuge (Mr. Krutko)
  - Motion 20: Terms of Reference for the Special Committee on the Implementation of Self-Government and the Sunset Clause (Ms. Lee)
  - Motion 21: Terms of Reference for the Special Committee to Review the Official Languages Act (Mr. Nitah)
17. First Reading of Bills
18. Second Reading of Bills
19. Consideration in Committee of the Whole of Bills and Other Matters
  - Bill 16, An Act to Amend the Motor Vehicles Act
  - Bill 17, An Act to Amend the Legislative Assembly and Executive Council Act
  - Bill 19, Appropriation Act, 2001-2002
  - Bill 20, Supplementary Appropriation Act, No. 2, 2000-2001
  - Bill 21, An Act to Amend the Labour Standards Act
20. Report of Committee of the Whole
21. Third Reading of Bills
22. Orders of the Day

**MR. SPEAKER:** Thank you, Mr. Clerk. Accordingly, this House stands adjourned until Wednesday, March 7<sup>th</sup>, 2001 at 1:30 p.m.

-- ADJOURNMENT

The House adjourned at 8:15 p.m.