



# **NORTHWEST TERRITORIES LEGISLATIVE ASSEMBLY**

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## **HANSARD**

**Tuesday, February 22, 2005**

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**The Honourable Paul Delorey, Speaker**

# Legislative Assembly of the Northwest Territories

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**YELLOWKNIFE, NORTHWEST TERRITORIES****Tuesday, February 22, 2005****Members Present**

Honourable Brendan Bell, Mr. Braden, Honourable Paul Delorey, Honourable Charles Dent, Mrs. Groenewegen, Honourable Joe Handley, Mr. Hawkins, Honourable David Krutko, Ms. Lee, Honourable Michael McLeod, Mr. McLeod, Mr. Menicoche, Honourable Michael Miltenberger, Mr. Pokiak, Mr. Ramsay, Honourable Floyd Roland, Mr. Zoe

**ITEM 1: PRAYER**

---Prayer

**SPEAKER (Hon. Paul Delorey):** Good afternoon, colleagues. Item 2, Ministers' statements. The honourable Minister of Resources, Wildlife and Economic Development, Mr. Bell.

**ITEM 2: MINISTERS' STATEMENTS****Minister's Statement 88-15(3): Update On Oil And Gas Developments In The NWT**

**HON. BRENDAN BELL:** Thank you, Mr. Speaker. Mr. Speaker, the Northwest Territories is experiencing an unprecedented level of oil and gas exploration and development activity. I am pleased to provide the House with an update from the perspective of the Department of Resources, Wildlife and Economic Development. Ministers McLeod and Miltenberger will also be providing information on initiatives relating to their portfolios today.

Mr. Speaker, more than 20.4 billion cubic feet of natural gas was produced in the southern NWT during 2004. An average of 20,000 barrels of oil per day was produced from the Sahtu last year. In addition, a number of exploration companies are actively drilling and testing wells for potential reserves in the Beaufort-Delta and Sahtu regions.

But, Mr. Speaker, the biggest project on the horizon is the Mackenzie gas project. The three anchor fields identified in this project have six trillion cubic feet of proven reserves. The National Energy Board estimates that the Beaufort/Mackenzie Delta region contains a further 55 trillion cubic feet of potential reserves.

As the Minister responsible for coordinating the Government of the Northwest Territories' involvement in the Mackenzie gas project, it is my responsibility to bring government departments together to ensure that the sustainable development of our natural resources benefits the residents of the Northwest Territories.

Mr. Speaker, to assist with this task, the Mackenzie Valley pipeline office was established to coordinate this government's planning and response to the Mackenzie gas project. This office is working with departments to ensure that we optimize the benefits to the NWT, by assisting communities or ensuring we mitigate the social impacts. A key role of the pipeline office is to coordinate communications relating to the Mackenzie gas project. Residents need to know they have one main point of contact related to the development.

Mr. Speaker, over the past several years, Resources, Wildlife and Economic Development has made a number

of significant investments in our communities in preparation for the Mackenzie gas project:

- More than \$1 million has been provided to aboriginal groups and communities to build the capacity needed to prepare for the Mackenzie gas project;
- \$1.5 million has been committed to the Aboriginal Pipeline Group over a six-year period;
- Since 2001-02, RWED has provided \$2.8 million, under Maximizing Northern Employment, to assist aboriginal organizations and northern businesses to develop a workforce that can participate in the Mackenzie gas project and related oil and gas activities;
- Recently the Department of Resources, Wildlife and Economic Development partnered with Indian and Northern Affairs Canada and the Mackenzie Valley Producers Group to develop a \$4 million fund under the Resource Pre-development Program. This fund provides aboriginal organizations and tax-based communities with funding to negotiate access and benefit and fee-for-service agreements; and, Mr. Speaker,
- The Mackenzie Valley pipeline office also provides contributions for special projects related to the Mackenzie gas project such as the community leaders' workshop hosted by the Department of Municipal and Community Affairs this past December in Inuvik.

Mr. Speaker, on the regulatory front, the Mackenzie Gas Project Producers Group filed their environmental impact statement on the Mackenzie gas project last October. Our government, along with other interveners, has been reviewing the statement and requesting further information on issues contained in the statement. The project is subject to a vigorous assessment and review process undertaken by the National Energy Board and the Joint Review Panel.

The Department of Resources, Wildlife and Economic Development will coordinate our government's intervention in both processes to ensure Northwest Territories' interests are addressed. This involves coordinating the efforts of many departments to assess the impact of the project and to ensure appropriate conditions and mitigations are put in place.

A critical part of our coordination process is the role Members of this Legislative Assembly play through the Joint Pipeline Planning Committee established by the Standing Committee on Accountability and Oversight and Cabinet. This committee provides direction and leadership on all Government of the Northwest Territories activities related to the Mackenzie gas project.

As chair, I am committed to incorporating committee members' recommendations into the planning and response to the project. Our most recent meeting in Norman Wells provided great insight into the issues communities are dealing with on a daily basis. These meetings can only improve our plans to respond and deal with the opportunities and challenges presented by the Mackenzie gas project. I look forward, Mr. Speaker, to our next meeting planned this April in Fort Simpson.

---Applause

Mr. Speaker, these are exciting and challenging times for the Northwest Territories. Our government is committed to ensuring that the interests of our residents are considered and protected with any development, whether it is the Mackenzie gas project or exploration and development throughout the Northwest Territories. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Bell. Item 2, Ministers' statements. The honourable Minister of Municipal and Community Affairs, Mr. McLeod.

---Applause

**Minister's Statement 89-15(3): Community Leaders' Conference Report: Preparing For The Pipeline**

**HON. MICHAEL MCLEOD:** Thank you, Mr. Speaker. Mr. Speaker, I would like to provide my colleagues with an update on recent activities the department has undertaken, in partnership with other stakeholders to assist Northwest Territories communities to prepare for the Mackenzie gas project and to outline our next steps.

Community leaders have raised important questions, issues and concerns about the impact of the Mackenzie gas project on Northwest Territories communities. The Department of Municipal and Community Affairs is working to assist community government to prepare for and benefit from this large-scale project.

In December 2004, the Department of Municipal and Community Affairs, together with Resources, Wildlife and Economic Development and the Northwest Territories Association of Communities, hosted a conference of community leaders in Inuvik. I was happy to see several of my colleagues in attendance at the conference; more than one-third of the Members of the Assembly joined us to discuss issues facing communities as they prepare for their regulatory review process.

Two key objectives were set for the conference:

- to provide affected communities with a clear outline of the environmental assessment and regulatory review process; and,
- to identify common issues and concerns and approaches to address them in partnership with industry, other communities, the Government of the Northwest Territories and the Northwest Territories Association of Communities.

The conference report is available on Municipal and Community Affairs' web site, and copies have also been mailed to all conference participants.

The report summarizes information that was provided to and shared by communities as well as issues

communities may face during the regulatory review process, strategies to address the issues and next steps for communities and governments.

The recommendation for next steps includes ways communities can prepare for the review process and options to ensure community governments have resources to participate effectively.

Communities are also encouraged to assess what the impacts of the project could be and then negotiate agreements that mitigate the negative impacts that maximize the positive ones.

The GNWT also has steps to take to assist communities to move forward with the conference resolutions and to advance the strategies discussed by community leaders.

In this regard, community leaders recommended the GNWT organize follow-up meetings, including a similar conference to examine potential social impacts.

MACA will prepare tools such as draft bylaws for communities to consider using to regulate industrial activity in their communities and will continue to assist communities with capacity challenges, as and when they are requested.

To date, I have flagged the concerns of public community governments around accessing participant funding with Deputy Prime Minister, the Honourable Anne McLellan, and have communicated the additional pressure that the pipeline places on community infrastructure with the Honourable John Godfrey, the Minister of State for Infrastructure and Communities and the Honourable Stephane Dion, the Minister of the Environment.

I also had the opportunity to meet with my colleagues in Norman Wells in February at a meeting of the Joint Cabinet/AOC Pipeline Planning Committee to discuss our broad plans for moving ahead in partnership with community governments. I look forward to providing my colleagues with additional information on this issue as our work progresses. Thank you, Mr. Speaker.

---Applause

**MR. SPEAKER:** Thank you, Mr. McLeod. Item 2, Ministers' statements. The honourable Minister of Health and Social Services, Mr. Miltenberger.

**Minister's Statement 90-15(3): Social Impacts Of The Mackenzie Gas Project**

**HON. MICHAEL MILTENBERGER:** Mr. Speaker, I am pleased today to speak about what this government is doing to anticipate and prepare for the social impacts the proposed Mackenzie gas project will have for the people of the Northwest Territories.

Mr. Speaker, as elected officials, we have a responsibility to ensure our citizens derive maximum benefit from the proposed pipeline and to ensure any negative impacts are minimized. This is an important issue that the social programs Ministers, Health and Social Services, Education, Culture and Employment, Justice, the NWT Housing Corporation and Municipal and Community Affairs, are working on.

On December 15, 2004, the social programs departments made a presentation to Members of the Joint

Cabinet/AOC Pipeline Planning Committee on this topic. We know from the lessons learned from other large-scale development projects that the pipeline will have both short-term and longer-term social impacts; most will be positive, but some will be negative.

We know that activity associated with the actual pipeline construction will be intense, occurring over periods of three months to three years and focussed around selected communities. Longer-term impacts will be seen as the pipeline draws more exploration and development activity to the North and these impacts will be felt throughout the Mackenzie Valley and the rest of the NWT.

Mr. Speaker, we anticipate there will be a wide range of positive social impacts at the individual, family and community levels. The positive impacts will include the creation of new training opportunities, new work experiences and skills development, as well as higher levels of employment and more disposable income. Many northerners will gain valuable experience and the northern economy will benefit. Longer-term impacts will include improved quality of life, increased self-esteem, a better standard of living and being able to afford better housing for many people. Through the Aboriginal Skills and Employment Partnership between the Government of the Northwest Territories, the federal government, aboriginal organizations and industry, a total of \$13.3 million is being invested between 2004 and 2008 through the Oil and Gas Strategy, to provide training that will lead to long-term sustainable employment. This partnership will see training provided to over 1,400 northerners. Some training has already commenced through this initiative, including pre-technology and apprenticeship training.

While these impacts are all positive, based on previous NWT experiences and from our research in other jurisdictions, we anticipate that some negative personal and family impacts will result from development. Typically, these negative impacts are reflected in a worsening of pre-existing health and social issues. People have expressed concerns that alcohol and drug abuse will increase, crime rates will go up, family difficulties will intensify and housing adequacy and overcrowding issues will increase.

Mr. Speaker, we are already working hard as a government to prevent the worsening of existing social problems at the individual, family and community levels. Over the past several years, the government has invested \$13.9 million in new frontline health and social service workers. This money has helped to fund a total of 108 new positions, including 37 nurses, 19 doctors, 21 social workers, 10 mental health and addiction workers, and 21 homecare workers. Frontline workers are the critical resource in the government's efforts to address health and social issues and in mitigating potential negative impacts associated with the pipeline. The GNWT has tabled its response to the action plan on family violence and one of the key components of the Protection Against Family Violence Act, which will come into force April 1<sup>st</sup> of this year. Improvements in housing and community service capacity may also be necessary in mitigating potential negative impacts in communities most directly affected during the construction phase of the pipeline.

Mitigating the impacts of the Mackenzie gas project will require both short and long-term strategies and will require that industry work in partnership with all levels of government including the federal, territorial, aboriginal and

community governments. Partnerships with non-government organizations and local housing organizations will also be necessary to alleviate social problems. The proponent has outlined their overall plan for mitigation in volume six of their environmental impact statement, including the need for collaborative efforts with communities and with the GNWT. The GNWT has asked the proponent to provide additional details about their anticipated social impacts and their proposed mitigation measures. This information is due by March 31, 2005. When the requested additional information becomes available we will be better able to assess the impacts and determine what needs to be done to offset any negative ones. For example, we need more information on industry's northern employment plans in order to be able to determine the number of northerners, and northern families who may be affected.

The GNWT is also in the process of negotiating a socioeconomic agreement with the proponents and it is hoped that this agreement will include specific actions to monitor and mitigate negative social impacts. Specific details will be released after the agreement has been finalized.

Mr. Speaker, we will continue to focus on prevention and promoting programs while supporting communities in shaping social change. Building on the good work undertaken by the Department of Municipal and Community Affairs, the social programs Ministers will be developing a consultation plan with affected governments and non-government organizations over the next several months.

The conference sponsored by Municipal and Community Affairs in Inuvik last December provided an excellent opportunity for community governments to look at the infrastructure impacts of the proposed pipeline and similar resource development projects. We want to extend this process to allow communities and NGOs to examine social impacts, including not only the impacts on health and social services, but also on housing, education and training and on the justice system so we can make a plan for what we collectively need to do to minimize the negative and maximize the positive. Planning is underway to hold workshops on social impacts in those regions most affected by the pipeline early in the new fiscal year.

While the review process for the proposed pipeline is well underway, it will be several years before approvals are granted and any construction begins. We have time to plan collaborative mitigation measures with municipal and aboriginal governments, NGOs and industry, but we have to start now. To be meaningful, these planning meetings need to be focussed on more specific information from the proponents respecting the project, which we look forward to receiving in the months ahead.

In closing, Mr. Speaker, we have much work before us and it is important to recognize that government and industry must collaborate in providing support to NWT residents, so northerners will benefit from the proposed pipeline. Thank you, Mr. Speaker.

---Applause

**MR. SPEAKER:** Thank you, Mr. Miltenberger. Item 2, Ministers' statements. The honourable Minister of Transportation, Mr. McLeod.

**Minister's Statement 91-15(3): Preparations For The Mackenzie Gas Project**

**HON. MICHAEL MCLEOD:** Mr. Speaker, this afternoon I would like to inform the House of the steps the Department of Transportation has taken to prepare for construction of a pipeline along the Mackenzie Valley and its impacts on the territorial transportation system.

The Department of Transportation will bear a direct and significant burden associated with the proposed Mackenzie gas project. Since its inception, the Mackenzie gas project has assumed it would have access to the territorial public transportation system for its logistical needs. Indeed, a significant volume of equipment, material, personnel and supplies involved in this \$7 billion project will move through our airports or over our roads. While the Department of Transportation will do its utmost to accommodate the requirements of the Mackenzie gas project, the department will also ensure that any disruptions to the transportation system are kept to a minimum.

The Department of Transportation and the proponents of the Mackenzie gas project started working closely together on the details of the transportation logistics involved. A joint working group has inspected the transportation system firsthand to identify the potential trouble spots and choke points that could constrain operations. Of particular concern are the sections along the main corridors of highways No. 1, No. 7, No. 8 and the Mackenzie Valley winter road, that will require improvements to carry the anticipated heavy traffic. There is also concern for intermodal exchange points between rail-barge and road traffic in Hay River, the highway-barge transfer at Fort Simpson and aircraft parking space at the Fort Simpson, Norman Wells and Inuvik airports.

All told, the department has identified a requirement for \$104 million in improvements to our airport and highway infrastructure to respond to the impact of the Mackenzie gas project. While the planning and foresight of the department and the timely assistance of contributions from various federal programs and funds including the Canada strategic infrastructure fund, the department has been able to schedule \$76 million in infrastructure improvements over the four fiscal years 2004-05 through 2008-09. This leaves an outstanding shortfall of \$28 million that, for the present, remains problematic.

Beyond the short and medium term of the Mackenzie gas project and its relatively brief period of construction, the department is engaged with Transport Canada and the territorial Bureau of Statistics to identify the long-term demands on the transportation system the pipeline is likely to generate. Once a pipeline is in place and capable of delivering oil and gas from the Northwest Territories to market, it will stimulate the development of a permanent oil and gas exploration and production sector similar to those today in Alberta and northern British Columbia. We need to look ahead at the transportation requirements of a mature and flourishing hydrocarbon energy industry in the Northwest Territories.

With the long term in mind, the Department of Transportation has proposed a number of legacy transportation projects for consideration in the negotiation of a socioeconomic impact benefits agreement.

In conclusion, Mr. Speaker, the scale of the Mackenzie gas project is huge and, for a short time, it will put an enormous strain on our transportation system. We are doing our best to foresee the difficulties and to prepare for them. We are also pursuing opportunities to improve the transportation system for the benefit of all residents. Thank you, Mr. Speaker.

---Applause

**MR. SPEAKER:** Thank you, Mr. McLeod. Item 2, Ministers' statements. The Chair recognizes the honourable Member for Yellowknife Centre, Mr. Hawkins.

**Motion To Move Ministers' Statements 88-15(3), 89-15(3), 90-15(3) And 91-15(3) Into Committee Of The Whole, Carried**

**MR. HAWKINS:** Thank you, Mr. Speaker. Mr. Speaker, at this time, I would like to move, seconded by the honourable Member for Nahendeh, that the Ministers' statements 88-15(3), 89-15(3), 90-15(3), and 91-15(3) be moved into Committee of the Whole for consideration. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Hawkins. The motion is on the floor. The motion is in order and non-debatable. All those in favour? All those opposed? The motion is carried.

---Carried

Ministers' statements 88-15(3), 89-15(3), 90-15(3), and 91-15(3) are moved into Committee of the Whole.

Item 2, Ministers' statements. Item 3, Members' statements. The honourable Member for Hay River South, Mrs. Groenewegen.

**ITEM 3: MEMBERS' STATEMENTS**

**Member's Statement On Remand Services At The South Mackenzie Correctional Centre**

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, at the outset of this budget session, we heard from our Finance Minister. We heard about this government's challenge to manage our finances in a prudent and responsible manner. In any given government and in any given year, this seems to require some reduction initiatives and some clear investment opportunities. This requires us, as a government, to consider our priorities. It should also require us to consider the impacts of our decisions in a comprehensive and in-depth way. When these decisions affect the delivery of critical programs and services in our communities and regions, we owe our constituents the benefit of proceeding with caution and care.

Mr. Speaker, I am all for efficiency, effectiveness and fairness. I don't know anyone who could argue with that. To that end, Mr. Speaker, there is a so-called reduction initiative proposed by the Department of Justice which cannot pass the test of bringing greater efficiency, will not make the justice system more effective and certainly is not fair to the people of the South Slave region and the community of Hay River. If that is not enough, Mr. Speaker, I am going to prove that it doesn't save any money. It may even cost this government more money. The service I am speaking of is the provision of remand services at the South Mackenzie Correctional Centre in



Hay River. I know the Minister of Justice had reduction targets to meet. Mr. Speaker, I submit to you that the closure of remand cells in Hay River and the transferring of remand inmates to Yellowknife will not save any money.

Through my questions and statements during the remainder of this budget session, it is my intention to prove this. The Department of Justice has calculated the savings of \$400,000 by the elimination of 5.5 corrections positions by attrition. They have allowed for \$18,000 to transfer inmates to and from remand in Yellowknife for initial incarceration and subsequent court appearances. Mr. Speaker, I will paint a picture of the logistics and articulate the real costs of this so-called expenditure reduction. At the end of the day, I can only hope that good government and common sense will prevail. Thank you, Mr. Speaker.

---Applause

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. Item 3, Members' statements. The honourable Member for Kam Lake, Mr. Ramsay.

#### **Member's Statement On Bathurst Caribou Management Plan**

**MR. RAMSAY:** Thank you, Mr. Speaker. I am going to speak today on an item that is very important on so many different levels to the people who live in the Northwest Territories. The issue I am going to raise today is caribou and how this government is handling the management of this great resource. It is clear what caribou provide to us and their importance to us, as they have been ever since man has walked here, to our culture, our way of life, our economy and our identity. The management plan for the Bathurst caribou herd was tabled in this House on February 14<sup>th</sup>. I am concerned that the government and the committee are creating some unnecessary concern in many sectors of life here in the Northwest Territories such as outfitting, tourism, and local hunting. I believe that the management plan itself is a fine piece of work and what I have to say should be seen as no disrespect to the committee members and those on the management planning committee.

What I see is this plan trying to manage 186,000 caribou of one herd, the Bathurst herd, when the reality is that the Bathurst herd is smack dab in the middle of four other discernable herds. The obvious question is how can you manage one herd without a plan to manage the others?

On page 6 of the plan, it shows the numbers of Bathurst caribou in 1986 at 470,000 animals. If you look to 2003, the number declines to 186,000. I have several questions about how this decrease causes alarm. Northerners have always thought there were four main herds of caribou occupying the mainland of central Canada in an area that stretches from the Mackenzie River in the west to the coast of Hudson Bay in the east. These herds were called the Bluenose, Bathurst, Beverly and Qamanirjuaq. Today the GNWT and the Government of Nunavut recognize that there are eight herds that occupy the same land area. These new herds are called the Bluenose East, Dolphin Union Strait, Ahiak and Northeastern Mainland.

How was the data arrived at in 1986 to estimate the Bathurst herd at 470,000 animals? Did it, at the time, include animals from other herds? Does this government

understand or know what exactly the number of caribou is in this area regardless of which herd they may belong to? How can you have a management plan for one herd not knowing what this exact number is? Mr. Speaker, I seek unanimous consent to conclude my statement.

**MR. SPEAKER:** The Member is seeking unanimous consent to conclude his statement. Are there any nays? There are no nays. You can conclude your statement, Mr. Ramsay.

**MR. RAMSAY:** Thank you, Mr. Speaker. Hunters from the Dogrib communities hunting during winter months to the northwest of Gameti are more than likely harvesting caribou from the Bluenose East herd, not the Bathurst, although at times both herds are together.

Hunters going north from Yellowknife on the winter road will likely be harvesting Bluenose East, Bathurst or Ahiak caribou. If you were to shoot more than one animal, you probably will be shooting one from each herd standing side by side on the same lake. It could even be a Dauphin or a Beverly caribou. Hunters from Lutselk'e are likely to harvest from Bathurst, Beverly, Ahiak and sometimes the Qamanirjuaq caribou herds. There are only caribou management boards for the Bathurst, Beverly and Qamanirjuaq herds. The question is who manages the other herds? At the appropriate time, I will have questions for the Minister of RWED. Thank you.

---Applause

**MR. SPEAKER:** Thank you, Mr. Ramsay. Item 3, Members' statements. The honourable Member for Nunakput, Mr. Pokiak.

#### **Member's Statement On Community Access To Gravel In Nunakput**

**MR. POKIAK:** Thank you, Mr. Speaker. My Member's statement today will be about municipal services. Many of the Nunakput communities are in need of gravel for maintenance of roads, driveways and new pads for further development. Mr. Speaker, gravel sources are only accessible during the winter months mainly because of the distance and the sensitivity of our terrain. Mr. Speaker, during the Minister's visit last summer and a recent meeting I had with the Tuktoyaktuk Community Planning Committee, it was made quite clear that the communities in Nunakput require gravel for future development.

Mr. Speaker, the Cabinet and the deputy minister should consider the needs of communities outside of the urban centres. The need for gravel for roads, water and sewer infrastructures and landfills is vital for the communities. This government should work with the Inuvialuit Land Administration, ILA, to identify gravel sources in close proximity to the communities of Sachs Harbour, Paulatuk, Holman and Tuktoyaktuk. This government should immediately commence dialogue with ILA before the proposed construction of the Mackenzie Valley gas pipeline.

Mr. Speaker, if this government does not address this problem immediately, access to close gravel sources will be identified by the industry for their infrastructure needs, and the communities will lose out. Mr. Speaker, therefore, I urge this government to immediately allocate funds for the hamlets of Sachs Harbour, Paulatuk, Holman and

Tuktoyaktuk for access to gravel sources so they can plan for today and future developments in their respective communities. Thank you, Mr. Speaker.

---Applause

**MR. SPEAKER:** Thank you, Mr. Pokiak. Item 3, Members' statements. The honourable Member for Nahendeh, Mr. Menicoche.

#### **Member's Statement On Improving Education In Small Communities**

**MR. MENICOCHÉ:** Mr. Speaker, I think that small communities are great and those that live in them can enjoy a good lifestyle. However, small communities also have a lot of socioeconomic problems. Their school can offer very little variety of programs or even special education assistance for those with learning difficulties. Levels of education are improving in general. However, for the 54 percent of our population that live outside of Yellowknife, our education levels and our graduation rates are still well below the territorial average. In Fort Liard, only about 30 percent of students have graduated from high school since 1989, compared to the territorial national average of just below 70 percent.

Mr. Speaker, the population of a small community tends to be younger, has fewer job opportunities compared to Yellowknife, and most of the people living in these communities are aboriginal and have lived there since birth. This is why I'm out looking for ways to improve the quality of education, especially in Fort Liard. This is also why I am excited about the Sunchild e-training learning proposal. As I have said before, this program is working on small reserves and small communities and getting great results. They have graduation rates of over 80 percent, Mr. Speaker.

The Sunchild E-learning Community was designed to augment and support the conventional school programs. It was established to deliver quality education to high school students within the Sunchild First Nations school program using computers and Internet technology. Students become comfortable using technology and, as a result, become computer literate and competent. In turn, their achievements boost confidence and satisfaction, and encourage interest for higher education.

Mr. Speaker, I think that kids growing up in smaller communities should have an equal chance at getting a good education, getting a good job, and having a prosperous and opportunity-rich life. I want to see this government doing everything in its power to make this happen; including providing a good start with a good education. Thank you, Mr. Speaker.

---Applause

**MR. SPEAKER:** Thank you, Mr. Menicoche. Item 3, Members' statements. The honourable Member for Yellowknife Centre, Mr. Hawkins.

#### **Member's Statement On Independence Of The Audit Function**

**MR. HAWKINS:** Thank you, Mr. Speaker. Mr. Speaker, I rise again today to continue the topic of accountable and responsive government. Mr. Speaker, the other day, I talked about the vacancies in the Audit Bureau and their

struggle to do their jobs and provide the resources of a fully-staffed bureau.

Mr. Speaker, I can't understand why it's so difficult to retain staff in an area such as the Audit Bureau but, you know, I've gotten much feedback from professionals. Mr. Speaker, independence seems to be the key to them being truly effective. They need to have an unfettered hand to do their jobs; unfettered by the government.

Mr. Speaker, yesterday, the Minister read into the record about true reporting mechanisms. The Audit Bureau reports deep down into the bowels of government and it is embedded there. So everything they deal and talk with happens deep down in the FMBS side of government.

Mr. Speaker, we need the Audit Bureau to be independent so they can be productive. Mr. Speaker, the calls from the professionals out there in this field said that this section needs the unfettered opportunity to do what it needs to do. We are chronically short-staffed, Mr. Speaker, and this may be the solution to that problem. An independent Audit Bureau could be an early-warning system to the government so we could avoid boondoggles like other places have experienced in the South.

Mr. Speaker, it's not just about money lost; it's about money that we'd spend to investigate this problem. It's about money that we'd then spend to try to fix the problem, Mr. Speaker. Other provinces in Canada, Mr. Speaker, have audit bureaus that report directly to their Legislative Assembly, such as British Columbia, Alberta and Saskatchewan. Their direct reports go to the assemblies then get forwarded on to the responsible standing committees. I think that needs to be seriously considered.

Mr. Speaker, I, on this side of the House, can defend a Minister and support a Minister who has a problem that's being recognized and addressed. But, Mr. Speaker, I have to work in the other direction when they try to hide or ignore the problem or blemish. Mr. Speaker, we need support from that side of the House to say wait a minute, we're going to address this problem, we're going to give independence to this area, and we're going to fix it. So, Mr. Speaker, later today, I will have questions for the appropriate Minister. Thank you, Mr. Speaker.

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

#### **Member's Statement On Benefits Of An All-Weather Mackenzie Valley Highway**

**MR. MCLEOD:** Thank you, Mr. Speaker. Last week, my colleague, Mr. Pokiak, spoke about an Inuvik-Tuktoyaktuk highway. This is an excellent idea that has been around for a long time and should have become a reality years ago. I would like, Mr. Speaker, to expand on that idea. In fact, I'd like to expand on it all the way down the Mackenzie Valley. With all the development that is taking place, especially with the Mackenzie gas pipeline project, now is the opportune time to look at a road that would connect us. This, of course, would directly benefit Tuktoyaktuk and the Sahtu, but other NWT communities will also profit from the highway.

Tourism, Mr. Speaker. There are many tourists who take the drive up the Dempster Highway to Inuvik and have no

choice but to turn around and go back the same way they came. I have spoken to many of these people and they have told me that they would love to have the chance to make a northern loop and drive back down the Mackenzie Valley instead. The route would take them right through Wrigley and Fort Simpson, with short detours to Fort Providence and Hay River, and access the Liard Highway, Fort Smith, Rae Edzo and Yellowknife. All these communities would benefit from the increased traffic.

Mr. Speaker, many people from the Beaufort-Delta travel to Whitehorse to shop big-ticket items like furniture, electronics and pick-up trucks. That's already a lot of money leaving our territory. With the population increase we're going to see in the regions with all the oil and gas development, there will be even more to lose. With a highway down the Mackenzie Valley, I am sure more people would order supplies or come to Yellowknife and Hay River for their shopping.

Mr. Speaker, this is a great opportunity we have here for the long-term benefits of almost every community in the territory. We shouldn't be scared to think big. Resource developers sure aren't or they wouldn't be planning the massive pipeline project and diamond mines. It's time for this government to adopt some of that mentality and see the potential out there and build a legacy project. Thank you, Mr. Speaker.

---Applause

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

#### **Member's Statement On Funding For Pipeline Preparation**

**MR. BRADEN:** Thank you, Mr. Speaker. The Ministers opened the afternoon up with a number of discussions about the coming major developments and how we're going about getting ready for that. I wanted to applaud especially, Mr. Speaker, the comments -- I believe they were from Mr. Miltenberger -- regarding the social programs and Ministers developing a consultation plan with effective governments and NGOs over the next several months. This is excellent, to build on the example of what MACA did with communities in Inuvik late last year. That planning is underway to hold workshops on social impacts in those regions most affected by the pipeline early in the new fiscal year.

But I'm wondering, Mr. Speaker, while we're laying out all these ideas about consultation and working together in collaboration, are we really resourcing the communities, the NGOs and the other organizations adequately to really be a part of this process. Early indications are that, at least from the regulatory process itself, the work of the National Energy Board Joint Review Panel, this is not the case. The Status of Women, Mr. Speaker, estimated that it would need \$105,000 to complete its work on behalf of women in the NWT; it got \$12,500. CARC, the Sierra Foundation, the World Wildlife Federation asked for \$70,000; they got \$15,000.

**MS. LEE:** Shame, shame.

**MR. BRADEN:** Mr. Speaker, for the millions that are being invested in looking at this project from the point of view of industry, \$1.5 million has been made available

through that process to look at it from the point of view of people in the communities. It is shameful; absolutely inadequate.

**MS. LEE:** Shame.

**MR. BRADEN:** Where the Minister says, in closing here, that we have much work before us and it is important to recognize that government and industry must collaborate, I suggest that our government has a lot of room to pick up and put some resources in the hands of the communities and the NGOs so that they too can collaborate in providing support that will benefit all of us with regard to this proposed pipeline. Thank you, Mr. Speaker.

---Applause

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

#### **Member's Statement On Positive Impact Of The Diamond Industry**

**MS. LEE:** Thank you, Mr. Speaker. Mr. Speaker, I wish to speak today in support of our precious diamond industry in the North. Mr. Speaker, in the past, I've been on record many times expressing my appreciation for the positive benefits the entire diamond industry, engineered by the cooperative leadership between the diamond producers and all levels of government, has brought to not only the city of Yellowknife, but the entire territory in terms of the money we get into our coffers, not to mention my riding of Range Lake.

Mr. Speaker, six years ago, in 1999 when I was campaigning in Range Lake riding, there were dozens of lots for sale. It's hard to believe now, but I believe it's safe to say, and I've said this before, that it's the diamond industry that has literally saved our bacon.

Mr. Speaker, I would also like to recognize the support the GNWT has shown in supporting the secondary diamond industry. It's had a very fragile beginning, but aggressive investments by the government with the cooperation of the diamond producers has made it possible for us to have a street called Diamond Row at the airport; this did not exist before and is an entirely new industry that is, I believe, maturing ever so slowly and with some difficult times. It is really important, Mr. Speaker, to state that a bankruptcy of one diamond cutting and polishing plant does not make a failure of the entire industry.

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

**MS. LEE:** Neither does a big international player, like Leviev need handholding or lobbying by this government to find a foothold in the NWT. Mr. Speaker, in the Canadian diamond industry, all of these players are big players in the international scene and I believe they have the power and wherewithal to do their own fighting.

Mr. Speaker, I believe that the diamond producers who have made billions of dollars in investments in the northern economy have earned the right to say who they are prepared to do business with and I believe, for reasons other than just the supply of rough diamonds, the northern producers have concluded that they don't want to enter into a commercial relationship with the Leviev Group. In this free-market country, I believe they have the

right to make such a business decision and there's really no place for government to do that.

Mr. Speaker, may I seek unanimous consent to finish my statement?

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

**MS. LEE:** Thank you, Mr. Speaker. Thank you, colleagues. I just wanted to conclude, Mr. Speaker, that I believe, based on the experiences that we have been having with the guarantees and such for this industry, that there is one important lesson the government needs to learn from this: They have to treat the northern producers with respect and consult with them in finding the next buyers. They don't need to give veto power to the producers, but an understanding that we are all in this together and we have to work out a deal that works for all of us.

I believe a veiled threat of a mineral tax, as suggested by the Minister of Finance, or a call for an inquiry suggesting that there was some improper conduct on the part of producers, does not help us to protect the interests of the industry or of the public that we serve. So, Mr. Speaker, I would just like to state that I stand by this industry and I ask for some reason and cooler heads to prevail as we go forward. Thank you, Mr. Speaker.

---Applause

**MR. SPEAKER:** Thank you, Ms. Lee. 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

I'd like, at this time, to again recognize my good friends from Scotland over here visiting us, Gordon Walker and Lynda Brise. They will be leaving us today to visit other parts of Canada and then back home to Scotland, so I want to wish them safe journeys on their travels and enjoy the rest of your trip.

---Applause

Welcome to other visitors in the gallery. Welcome to the proceedings today.

---Applause

Item 6, oral questions. The honourable Member for Hay River South, Mrs. Groenewegen.

#### ITEM 6: ORAL QUESTIONS

##### Question 446-15(3): Closure Of South Mackenzie Correctional Centre Remand Unit

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, in my Member's statement today, I talked about the reduction initiative of the Department of Justice to close down the remand facility at the South Mackenzie Correctional Centre in Hay River. Mr. Speaker, there are so many things that could be said about this, but let me start off with the assertion that the elimination of 5.5 positions by attrition, for a savings of \$418,000, taking

away \$18,000 for transportation costs...Let's talk about the projected savings of \$400,000. I'd like to ask the Minister if that number takes into account what it's going to cost to take care of those same remand inmates in another location, like here in Yellowknife. Thank you.

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. The honourable Minister of Justice, Mr. Dent.

##### Return To Question 446-15(3): Closure Of South Mackenzie Correctional Centre Remand Unit

**HON. CHARLES DENT:** Thank you, Mr. Speaker. The cost of housing the inmates will not increase in Yellowknife. The facility still needs to be operated, so the only increase in cost would be a slight one for the cost of food, which would be minimal given the food preparation facilities. Thank you, Mr. Speaker.

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

##### Supplementary To Question 446-15(3): Closure Of South Mackenzie Correctional Centre Remand Unit

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, the Minister indicated \$18,000 has been taken into consideration for the transportation of inmates. I want to ask the Minister if that takes into account not only their initial trip from the court service in Hay River to Yellowknife, but subsequent return trips for court appearances. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. Mr. Dent.

##### Further Return To Question 446-15(3): Closure Of South Mackenzie Correctional Centre Remand Unit

**HON. CHARLES DENT:** Thank you, Mr. Speaker. There have been, on average over the past little while, only 1.5 people from Hay River put into remand per month. That 1.5 per month has been the average over the past while. So the answer to the question is, yes, there is enough money in there to cover the cost of transportation for a number of trips. Thank you.

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

##### Supplementary To Question 446-15(3): Closure Of South Mackenzie Correctional Centre Remand Unit

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, I don't know where the Minister is getting his number of 1.5 people in remand from Hay River. Per day? Per week? What about the South Slave region? SMCC remand not only accommodates Hay River, it also accommodates inmates from the South Slave. How about providing those numbers? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. Mr. Dent.

##### Further Return To Question 446-15(3): Closure Of South Mackenzie Correctional Centre Remand Unit

**HON. CHARLES DENT:** Thank you, Mr. Speaker. From December 2003 to November 2004, there were 34 people remanded in custody to the South Mackenzie Correctional Centre. Mr. Speaker, I chose to talk about the number

from Hay River because the inmates who were remanded or the accused who were remanded from other communities like Fort Smith would still have to be transported to Hay River. In any case, we're still going to have to pay for the transportation. Thank you, Mr. Speaker.

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

**Supplementary To Question 446-15(3): Closure Of South Mackenzie Correctional Centre Remand Unit**

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, in the Minister's calculations then, of the \$400,000 savings, does that number take into account the money that is required to pay RCMP officers to escort these inmates back and forth from the South Slave region to Yellowknife? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. Mr. Dent.

**Further Return To Question 446-15(3): Closure Of South Mackenzie Correctional Centre Remand Unit**

**HON. CHARLES DENT:** Thank you, Mr. Speaker. Yes, I believe that the numbers that we are giving are the net savings that will be realized. That's what the department will be given and they will have to live within the budget that is approved. So yes, we are confident that the savings will be realized. Thank you.

**MR. SPEAKER:** Thank you, Mr. Dent. Item 6, oral questions. The honourable Member for Great Slave, Mr. Braden.

**Question 447-15(3): Social Impacts Of Pipeline Development**

**MR. BRADEN:** Thank you, Mr. Speaker. My questions this afternoon are for the Minister of Health and Social Services and follow through on the very welcome statement that he made about preparing for the impacts of major development. The Minister referenced workshops and upcoming events with communities and NGOs and I wanted to ask the Minister if he has budgeted funding for participants or interveners to assist these organizations in participating in this event. Thank you.

**MR. SPEAKER:** Thank you, Mr. Braden. The Member is asking questions on a Minister's statement that has been referred to Committee of the Whole. I will allow this question to go on, but I will caution the Member to watch questioning on a Minister's statement that is already before Committee of the Whole.

---Applause

The honourable Minister of Health and Social Services, Mr. Miltenberger.

**Return To Question 447-15(3): Social Impacts Of Pipeline Development**

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. Mr. Speaker, the issue of funding for intervener status is an issue that's being dealt with by Mr. Bell and he is, in the broader sense, the lead Minister. It's an issue that we're working with the federal government on. What we're doing is trying to, as social programs Ministers,

come up with a plan that we can take to Cabinet that makes some sense, that uses the limited resources that we have to try to address the issue of social impacts, to work with the communities through the proposed workshops, but also to come up with a way to assist them to sort through the many reams of paper and binders they're going to get on technical issues. Thank you.

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

**Supplementary To Question 447-15(3): Social Impacts Of Pipeline Development**

**MR. BRADEN:** Thank you, Mr. Speaker. The role that volunteer organizations and NGOs play in many parts of our society, I think, is undervalued and I would like to ask the Minister if there is any consideration of ongoing support for these organizations to be able to maintain their value and their impact and their relevance to government-wide initiatives and, indeed, those of industry. Thank you.

**MR. SPEAKER:** Thank you, Mr. Braden. Mr. Miltenberger.

**Further Return To Question 447-15(3): Social Impacts Of Pipeline Development**

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. Mr. Speaker, we fund many NGOs as a matter of course through our day-to-day business and we will continue to do that. We will also be lobbying the federal government to look at better assisting those requiring intervener status. Thank you.

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

**Supplementary To Question 447-15(3): Social Impacts Of Pipeline Development**

**MR. BRADEN:** To that response, that we would like to urge the federal government to get behind this, could the Minister elaborate just what steps have been taken to prompt better support for the NGOs in the regulatory process? Thank you.

**MR. SPEAKER:** Thank you, Mr. Braden. Mr. Miltenberger.

**Further Return To Question 447-15(3): Social Impacts Of Pipeline Development**

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. Mr. Speaker, the Ministers more involved in this file on a daily basis are Minister Bell, the Finance Minister and the Premier himself. They work much more closely with their federal counterparts on this issue, but there are steps being taken to lobby the government. We're looking at the resources we have so that things don't stop and so we can keep moving with the resources that we have on the ground already. We're going to come back, as social programs Ministers, with a proposal to Cabinet that will lay out in more detail the proposed workshops, as well as how we can better support, along with, hopefully, the Association of Communities, the work of communities. To assist them to interpret and deal with the flood of information that they're going to get; that's often very technical and hard to decipher. Thank you.

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

**Supplementary To Question 447-15(3): Social Impacts Of Pipeline Development**

**MR. BRADEN:** Thank you, Mr. Speaker. In terms of the pipeline readiness office that our government is about to open in the new fiscal year, will there be a place in this organization or infrastructure for the input and participation of NGOs and community service organizations? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Braden. Mr. Miltenberger.

**Further Return To Question 447-15(3): Social Impacts Of Pipeline Development**

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. Mr. Speaker, very clearly, we want to set up a process and mechanisms where there is a main contact point, a one-window point of entry, which is anticipated to be set up through the pipeline readiness office. I will be working, for example, as chair of the social programs committee of Ministers, with Mr. Bell as the lead Minister for this file, along with reporting back on a regular basis to Cabinet. We've also briefed, as I've indicated, the joint committee of AOC and Cabinet. Thank you.

**MR. SPEAKER:** Thank you, Mr. Miltenberger. Item 6, oral questions. The honourable Member for Nahendeh, Mr. Menicoche.

**Question 448-15(3): Sunchild E-learning Proposal**

**MR. MENICOCHÉ:** Thank you very much, Mr. Speaker. My questions today are for the Minister of Education, Culture and Employment with regard to the Sunchild e-learning proposal that I submitted to his office about a month ago. Mr. Speaker, at the heart of this proposal was Sunchild's experience of their success and its can-do attitude, its understanding and linkages to aboriginal communities. Its strong community leadership has tracked and measured results. Mr. Speaker, can the Minister offer any examples of this kind of education being offered in Fort Liard or, indeed, our Northwest Territories? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Menicoche. The honourable Minister of Education, Culture and Employment, Mr. Dent.

**Return To Question 448-15(3): Sunchild E-learning Proposal**

**HON. CHARLES DENT:** Thank you, Mr. Speaker. I'm not sure whether there might be other divisional education councils or DEAs that have found a way to offer the same sort of programming. I am hoping to be able to respond to the Member's letter to me within the next week. At that time, we will maybe have something further to discuss. Thank you.

**MR. SPEAKER:** Thank you, Mr. Dent. Supplementary, Mr. Menicoche.

**Supplementary To Question 448-15(3): Sunchild E-learning Proposal**

**MR. MENICOCHÉ:** Mr. Speaker, the Sunchild proposal is an effective tool for learners who prefer the self-paced individual approach. My proposal has been with the department. I'm sure they had some comments on it and it's really about exploring alternatives and providing alternatives to our smaller communities, Mr. Speaker. Are there any opportunities under our current education system for this kind of self-paced individual approach, Mr. Speaker? Thank you.

**MR. SPEAKER:** Thank you, Mr. Menicoche. Mr. Dent.

**Further Return To Question 448-15(3): Sunchild E-learning Proposal**

**HON. CHARLES DENT:** Thank you, Mr. Speaker. Yes, for a number of years now, the department has supported distance learning as a method of allowing students to participate at their own speed. This, unfortunately, has not had a great amount of success in the Northwest Territories, even though we have put considerable investment into training facilitators and making sure there was somebody in every school who is trained to facilitate students using distance learning and Internet learning. But we are still continuing to advance the system as one potential way for making sure that, in smaller communities, access to varied programming is more available.

**MR. SPEAKER:** Thank you, Mr. Dent. Supplementary, Mr. Menicoche.

**Supplementary To Question 448-15(3): Sunchild E-learning Proposal**

**MR. MENICOCHÉ:** Thank you, Mr. Speaker. Earlier, I asked what would be the department's comment with respect to this proposal, Mr. Speaker, but actually I think the question is, will the Minister listen to our communities and allow us to examine further this proposal by bringing them up and listening to what type of proposal they can offer to our smaller communities? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Menicoche. Mr. Dent.

**Further Return To Question 448-15(3): Sunchild E-learning Proposal**

**HON. CHARLES DENT:** Thank you, Mr. Speaker. As I said, the Member has sent me a letter and we're in a position, or I'm hoping to be in a position within the next week, to respond to the Member's letter. But what I would hope that we would be able to do is find a way to work with the divisional education council and assess their interest in this proposal as well. So I will take a look at the Member's request and hopefully respond within the week. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Dent. Final supplementary, Mr. Menicoche.

**Supplementary To Question 448-15(3): Sunchild E-learning Proposal**

**MR. MENICOCHÉ:** Thank you very much, Mr. Speaker. I don't think the intent here was to change our whole education program at all. I just have a program that works

down south in the small reserves, the small communities. Let's bring them up, let's have a look at this proposal. We'll bring in some educators from Fort Liard and members of their education council and myself, maybe some departmental officials. That's all the proposal entails, to get them here, and I would like the Minister just to say yes, let's have a look at it and if we want to go further, we'll do it. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Menicoche. Mr. Dent.

**Further Return To Question 448-15(3): Sunchild E-learning Proposal**

**HON. CHARLES DENT:** Thank you, Mr. Speaker. I would have to say that we're going to have to work with the DEC, because the DEC is ultimately responsible for the delivery of education in the region. It's not something where the department deals directly with the community body because we don't fund the community bodies directly. So we're going to have to look at a way to move this forward and I'm prepared to work with the Member and see if we can't work with the DEC to follow through on the community's interest. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Dent. Item 6, oral questions. The honourable Member for Yellowknife Centre, Mr. Hawkins.

**Question 449-15(3): Independent Audit Bureau**

**MR. HAWKINS:** Thank you, Mr. Speaker. Mr. Speaker, the Auditor General of Canada performs audits for the Northwest Territories to give a general snapshot of our business affairs through government. Mr. Speaker, our Audit Bureau also provides audits of our government to make sure the checks and balances are there. Mr. Speaker, the independence question needs to be answered. Would the Minister consider making any recommendations to his colleagues to take the Audit Bureau out of the FMBS and revitalize this as an independent, arm's-length body of government to give independent advice to the Legislative Assembly? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Hawkins. The honourable Minister responsible for the Financial Management Board Secretariat, Mr. Roland.

**Return To Question 449-15(3): Independent Audit Bureau**

**HON. FLOYD ROLAND:** Thank you, Mr. Speaker. Mr. Speaker, the Member, in his Member's statement, referred to vacancies we've had in the Audit Bureau, as well as in the government. Just for the record, we overspend, on an annual basis, all of our salary dollars; just for the record for the Member.

Mr. Speaker, on the Audit Bureau situation, we find that with the system that we have operating the external audit of the Auditor General of Canada on the Government of the Northwest Territories is just that, external reports to the Assembly. We deal with that process and then we have our internal audit process within FMBS that we do, whether asked by departments or if we see something not right we step in and do our own audit process. Thank you.

**MR. SPEAKER:** Thank you, Mr. Roland. Supplementary, Mr. Hawkins.

**Supplementary To Question 449-15(3): Independent Audit Bureau**

**MR. HAWKINS:** Thank you, Mr. Speaker. Mr. Speaker, regarding the internal audit process, would he be willing to make recommendations that the internal audit process goes forward to the Legislative Assembly and then is further readdressed to the appropriate standing committee? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Hawkins. Mr. Roland.

**Further Return To Question 449-15(3): Independent Audit Bureau**

**HON. FLOYD ROLAND:** No.

**MR. SPEAKER:** Thank you, Mr. Roland. Supplementary, Mr. Hawkins.

**Supplementary To Question 449-15(3): Independent Audit Bureau**

**MR. HAWKINS:** Thank you, Mr. Speaker. A man of so many words. Mr. Speaker, all I can say is public transparency is paramount and I think that we all run on that argument and we want to ensure that our public service, our government service, all our functions have checks and balances that are appropriate, Mr. Speaker. So what is the level of detail that this internal audit system does and why are we not willing to demonstrate our public transparency by bringing it forward to the Assembly and forwarding it to the appropriate committee? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Hawkins. Two questions there. I'll allow the Minister to answer one or both of them. Mr. Roland.

**Further Return To Question 449-15(3): Independent Audit Bureau**

**HON. FLOYD ROLAND:** Thank you, Mr. Speaker. Mr. Speaker, without internal audit process, when we're called in to review a situation it can be right down to the detail of an employee not exercising their authority in the correct way or not accounting for specific dollars. That is a process where we get right down to the minute detail and if the Member is asking could we do that in this forum, I think we could be tied down in a very lengthy and protracted process. What we do from an internal point of view is to make sure that the rules are followed for the expenditure of dollars through this government and if we find something that's not appropriate, we would make a recommendation to the appropriate Minister. Thank you.

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

**Supplementary To Question 449-15(3): Independent Audit Bureau**

**MR. HAWKINS:** Thank you, Mr. Speaker. The Minister is right when we talk about the internal audit system, it would go through down to every detail, but, Mr. Speaker, I'm not talking about bringing every line item to the floor of the Assembly. I'm talking about bringing it to the Assembly and sending it to the appropriate committee, Mr. Speaker.

Procedures are very critical to ensure our government is working effectively at this side of the House to ensure that that side of the government is listening to these recommendations from the audit committee. So we need that effectiveness. Why does this Minister not agree and stand up and demonstrate transparency on these issues and say he will look into this and address this issue, because I think it's critical? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Hawkins. Mr. Roland.

**Further Return To Question 449-15(3): Independent Audit Bureau**

**HON. FLOYD ROLAND:** Thank you, Mr. Speaker. The Member is entitled to his opinion and if he can find something wrong with the existing process, that we've failed, I'd gladly look at that. Thank you.

**MR. SPEAKER:** Thank you, Mr. Roland. Item 6, oral questions. The honourable Member for Kam Lake, Mr. Ramsay.

**Question 450-15(3): Caribou Management**

**MR. RAMSAY:** Thank you, Mr. Speaker. My questions today are for the Minister of Resources, Wildlife and Economic Development, Mr. Bell. In regard to my statement that I made earlier in terms of management of caribou in the Northwest Territories, perhaps the first question I'd have for the Minister is what are the plans going forward with management of caribou in our territory and coupled with that, how could we put a plan in place for one herd, the Bathurst herd, without plans for the other herds? Thank you.

**MR. SPEAKER:** Thank you, Mr. Ramsay. The honourable Minister of Resources, Wildlife and Economic Development, Mr. Bell.

**Return To Question 450-15(3): Caribou Management**

**HON. BRENDAN BELL:** Thank you, Mr. Speaker. We've had some discussion and there was some discussion last week about the Bathurst caribou management plan. So I think Members are all very well aware of the status of that management plan. There's also a Beverly and Qamanirjuaq Caribou management plan prepared by those respective caribou management boards.

Mr. Speaker, in addition, there is the management plan for Cape Bathurst, Bluenose West and Bluenose East that was prepared, I understand, in 1998 and was accepted as general direction by the Wildlife Management Advisory Committee, also by Gwich'in Renewable Resource Board, Sahtu Renewable Resource Board and the Nunavut Wildlife Management Board. I understand there are also plans underway to determine the current status of these herds in summer 2005 and after that work is done those plans will be further updated. Those are the management plans for the various herds that I'm aware of to date in addition to the Bathurst plan. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Bell. Supplementary, Mr. Ramsay.

**Supplementary To Question 450-15(3): Caribou Management**

**MR. RAMSAY:** Thank you, Mr. Speaker. One of the numbers that I draw attention to is the fact that through

the management plan in 1986 there were 470,000 identified Bathurst caribou in the herd, and in 2003 there were 186,000. If you just look at it for the layperson, I'm not a biologist, but it looks like the bottom fell out of this herd when in fact if you add up all the numbers of the caribou on the mainland from the east coast of Hudson Bay to the Mackenzie River, there are over 600,000 animals there. So when are we going to start counting the entire caribou population and why is there this push to have individual management boards for each herd? Thank you.

**MR. SPEAKER:** Thank you, Mr. Ramsay. Two questions, Mr. Bell.

**Further Return To Question 450-15(3): Caribou Management**

**HON. BRENDAN BELL:** Thank you, Mr. Speaker. I think it's important that we understand each of the individual herds and seek to manage these herds recognizing that in the overall context we're seeking to effectively manage caribou in general in the Northwest Territories. We believe, and I'm not a wildlife biologist, but we believe that we're able to track the caribou to their calving grounds. That allows us to make the distinction between the various herds. I believe the Bathurst herd is currently calving west of Bathurst Inlet, but I stand to be corrected on that. I think as we work to better develop our methodology and we invest more money in research in understanding these herds, it's important that we apply what we're learning to the effective management of the herds. To suggest that it's just too much work to do or it's much too difficult to make a distinction between the various herds I think is not effective management and not appropriate. We have to recognize the challenges before us, but I don't think we can advocate our responsibility to effectively manage the herds. Thank you.

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

**Supplementary To Question 450-15(3): Caribou Management**

**MR. RAMSAY:** Thank you, Mr. Speaker. Going forward, how might we manage these herds? If you are out on a lake north of Yellowknife you could in fact be shooting a Bathurst caribou or another caribou and unless you are doing DNA sampling, how are you going to know which animals you are harvesting? Is the Minister saying that hunters and harvesters are going to have to take DNA samples from caribou in the future? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Ramsay. Mr. Bell.

**Further Return To Question 450-15(3): Caribou Management**

**HON. BRENDAN BELL:** Thank you, Mr. Speaker. I guess the first step is to understand the range of the herd and understand herd dynamics. We're measuring a number of things to achieve this, but I guess the first step is to decide whether in fact a herd is being threatened, if the population is in decline, if it is in fact low and in specific reference to the Bathurst management plan, the plan proposes a number of potential steps should the herd be in decline or in fact low. We would work with the groups that have responsibility for managing the herds,



those very same groups that were on the committee, but we would also go out and make sure we work with all of the individual stakeholders and those who use the resource to understand their needs and propose a number of things that we might do to manage the herd. This is only after we have determined what steps were necessary. So difficulties like the one the Member has proposed would arise, I suspect. I'm sure the outfitters would make that point very clear to us that this would present a difficulty and we would have to deal with it at that point. But again, Mr. Speaker, there's been nothing proposed to date and I'm sure the Member is being facetious when he suggests DNA sampling, but I think we would work with outfitters to come up with a plan that makes sense and isn't ridiculous. I think it's very important that we seek to effectively manage these animals. Thank you.

**MR. SPEAKER:** Thank you, Mr. Bell. Item 6, oral questions. The honourable Member for Nunakput, Mr. Pokiak.

**Question 451-15(3): Federal Municipal Rural Infrastructure Fund**

**MR. POKIAK:** Thank you, Mr. Speaker. My question is for the Minister of MACA, the Honourable Michael McLeod. In my Member's statement on Tuesday, February 15, 2005, I spoke of the new federal territorial funding announced by the federal territorial Ministers. This announcement would make funds available for municipal rural infrastructure in the NWT Corridors for Canada. My understanding in the announcement, Mr. Speaker, is that a joint federal/territorial committee will be formed. My question to the Minister, Mr. Speaker, is when will this committee be formed? When will the communities be able to access or apply for this funding to gain access for infrastructure funding? Thank you.

**MR. SPEAKER:** Thank you, Mr. Pokiak. Two questions. The honourable Minister of Municipal and Community Affairs, Mr. McLeod.

**Return To Question 451-15(3): Federal Municipal Rural Infrastructure Fund**

**HON. MICHAEL MCLEOD:** Thank you, Mr. Speaker. Mr. Speaker, as the Department of Municipal and Community Affairs, we've already had initial contact and discussion with the NWT Association of Communities and we've had some discussion about the allocation of the MRIF and we've also had some early discussion on the gas tax. We're expecting to have our committee formed with our partners on this initiative with the federal government very shortly. I don't have exact dates, but I'm anticipating that will be within the next couple weeks. Thank you, Mr. Speaker.

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

**Supplementary To Question 451-15(3): Federal Municipal Rural Infrastructure Fund**

**MR. POKIAK:** Thank you, Mr. Speaker. In that regard, I'm wondering if some of this money can be utilized for some of the smaller communities and the hamlets where they can utilize it to gain access for resources to look at the pipeline that is coming up and everything else. Thank you, Mr. Minister.

**MR. SPEAKER:** Thank you, Mr. Pokiak. Mr. McLeod.

**Further Return To Question 451-15(3): Federal Municipal Rural Infrastructure Fund**

**HON. MICHAEL MCLEOD:** Thank you, Mr. Speaker. Mr. Speaker, the money comes with a criteria attached to it. There is a requirement for these dollars to be directed towards a number of projects in the area, which are considered green projects, sustainable projects and those are mainly and mostly in the area of water and waste water. However, there are other things that can fit under the criteria. There is an allocation or an allowance for roads and bridges and other community infrastructure through this project funding. So we have not gone and decided which projects will be allocated, but there is money allocated for the tax-based and the non-tax-based and the criteria will be decided by the committee in the very near future.

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

**MR. POKIAK:** Thank you, Mr. Speaker. I'm going to ask a question to the Minister of Transportation on the same subject. The statement that I made on February 15<sup>th</sup> had to do with transportation, also. Clarification, thank you.

**MR. SPEAKER:** Thank you. You can ask your questions to the Minister of Municipal and Community Affairs if you have another supplementary question. Mr. Pokiak.

**Supplementary To Question 451-15(3): Federal Municipal Rural Infrastructure Fund**

**MR. POKIAK:** Thank you, Mr. Speaker. Once again, will the Minister commit to allocate funds? I understand what he's saying, but will he be able to commit funds for access for resource people in the smaller communities? Thank you.

**MR. SPEAKER:** Thank you, Mr. Pokiak. Mr. McLeod.

**Further Return To Question 451-15(3): Federal Municipal Rural Infrastructure Fund**

**HON. MICHAEL MCLEOD:** Thank you, Mr. Speaker. Mr. Speaker, the intent of the funding for the MRIF and the gas tax and the new dollars that we're looking at through the new deal for capital infrastructure is to try to deal with the requirements in the communities, the tax-based and the non-taxed-based in terms of their infrastructure needs and requirements. We have recently done a study that indicates there is a deficit and we need to do something to try to stay on top of this issue. So we've allocated some new monies from the territorial government. We've also had to come to an agreement with the federal government to try to tackle this issue and the dollars will be decided upon in the next little while and I'll be glad to share that with the Member. Thank you, Mr. Speaker.

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

**Question 452-15(3): Changing Terminology To "Sexually-Transmitted Infections"**

**MS. LEE:** Thank you, Mr. Speaker. Mr. Speaker, I'd like to direct my questions to the Minister of Health and Social Services and it is with regard to the STI strategy that the

Minister and other Members here spoke of. My question has to do with the changing of the acronym from STD to STI is not without its challenges because, Mr. Speaker, STD is a very commonly known and accepted concept. Everyone knows what we're talking about when we talk about STDs and I know that the Minister has given information in the House about why there was a need for this change. I believe that STI, sexually-transmitted infections, implies a bigger umbrella of conditions, not just diseases and it also speaks to asymptomatic conditions that may not be as visible and it is also listed on the federal health web site. I think there is definitely a challenge for both the federal government and territorial government to publicize this because surely if people don't know what you are talking about, they are not going to listen to you. So could I ask the Minister what steps he's taking to make sure that this information gets out there? Thank you.

**MR. SPEAKER:** Thank you, Ms. Lee. The honourable Minister of Health and Social Services, Mr. Miltenberger.

**Return To Question 452-15(3): Changing Terminology To "Sexually-Transmitted Infections"**

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. This document that was referred to in the House on sexually-transmitted infections is a public document that's very clear. It doesn't say diseases anymore, it says infections. The statistics are still there and the specific infections remain with the same names and there is a legion of those and we're going to work with the communities. We have a plan, as I indicated in this House yesterday, that's been laid out. We're going to try to find funding to implement the action plan to better educate and move this initiative forward so that we can hopefully start to see diminishment in this area. Thank you.

**MR. SPEAKER:** Thank you, Mr. Miltenberger. Supplementary, Ms. Lee.

**Supplementary To Question 452-15(3): Changing Terminology To "Sexually-Transmitted Infections"**

**MS. LEE:** Thank you, Mr. Speaker. Mr. Speaker, I totally agree with the Minister that this is a very important area and we need to do a lot of work on it, especially to educate the young people about the possible perils of being infected with these. But I think that the Minister and the federal government have a different challenge now that they have changed the name. It's like changing Coca Cola; I mean, a very well-known brand name. So it has added challenge and I think there has to be focus added...

**MR. SPEAKER:** Do you have a question, Ms. Lee?

**MS. LEE:** Sorry, Mr. Speaker. I think there has to be a separate category to get people to know STI. So could I ask the Minister what specifically he's doing to address that? Thank you.

**MR. SPEAKER:** Thank you, Ms. Lee. Mr. Miltenberger.

**Further Return To Question 452-15(3): Changing Terminology To "Sexually-Transmitted Infections"**

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. Mr. Speaker, the entire name hasn't changed

any more than if you just went from Coca Cola to Coca Pepsi or whatever. The front is still part of the name, sexually-transmitted infections/diseases. I don't think we should spend a lot of time on the semantics. The issue is that there is a tremendous issue out there in terms of unprotected sex that leads to many things: pregnancies, risk for infection of all kinds, HIV. I think that's the key. To me we can debate how many infections can dance on the head of a pin as opposed to a disease, but this particular matter of sexually-transmitted infections, as it is now called, has been determined not by us as a government, but by the practitioners in the field. Thank you.

**MR. SPEAKER:** Thank you, Mr. Miltenberger. Supplementary, Ms. Lee.

**Supplementary To Question 452-15(3): Changing Terminology To "Sexually-Transmitted Infections"**

**MS. LEE:** Thank you, Mr. Speaker. I don't believe I'm playing with the semantics. I think this is such an important area and we cannot do enough and we do not spend enough money in this area and changing the wording at this time may result in it being diluted. So I would like to know, Mr. Speaker, if he would commit to focussing on getting the people to know about the new name. Thank you.

**MR. SPEAKER:** Thank you, Ms. Lee. Mr. Miltenberger.

**Further Return To Question 452-15(3): Changing Terminology To "Sexually-Transmitted Infections"**

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. Of course we'll commit to doing that. I'd like to point out that this says sexually-transmitted infections in big red print. Mr. Speaker, I take the Member's concern and we're trying to be as clear on this as possible, that STDs versus STIs that the key piece is the ST. The first two letters are the key ones, Mr. Speaker, but I take the Member's concern. Thank you.

**MR. SPEAKER:** Thank you, Mr. Miltenberger. Final supplementary, Ms. Lee.

**Supplementary To Question 452-15(3): Changing Terminology To "Sexually-Transmitted Infections"**

**MS. LEE:** Thank you, Mr. Speaker. I tell you this has been a topic of conversation in my private conversations and everyone has asked what is STI and why aren't we calling it STD. So could I get the Minister -- I'm being very serious about this -- to make sure that he consults with the federal government to make sure that, if they are going to change the name, there are going to be enough resources in there to let the people know as well? Thank you.

**MR. SPEAKER:** Thank you, Ms. Lee. Mr. Miltenberger.

**Further Return To Question 452-15(3): Changing Terminology To "Sexually-Transmitted Infections"**

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. Mr. Speaker, we work with all levels of government on this particular area and will continue to do so. Thank you.

**MR. SPEAKER:** Thank you, Mr. Miltenberger. Item 6, oral questions. The honourable Member for Hay River South, Mrs. Groenewegen.

**Question 453-15(3): Closure Of The South Mackenzie Correctional Centre Remand Unit**

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, my questions are for the Minister of Justice, the Honourable Charles Dent. Mr. Speaker, I believe, in response to my last set of questions, the Minister said that \$18,000 is what is budgeted for transportation, so that is what we will spend. Now, I don't have the benefit of unedited Hansard, but I think that is what he said.

I just want to create a quick scenario here, Mr. Speaker. If we were transporting a prisoner from Hay River to Yellowknife, I am going to put very conservative costs on this. One-way airfare for the prisoner to Yellowknife is \$125. The RCMP officer would have to return, so let us say that is \$250. Let's say he has to stay overnight. That is \$150. Okay, then, let's talk about his wages. Conservatively, let us say \$250. Now let's say that this is not part of his normal workday, so let's add a little overtime and then let's add somebody to come into the RCMP cells in Hay River to look after this prisoner while we are waiting to transport them. Now we are up to \$1,000 easily, Mr. Speaker.

Now, the Minister himself said that there were at least 34 people, in the last year, from Hay River remanded in custody at SMCC. Right there, Mr. Speaker, that is only taking into account one trip. Okay, let's just say that now we have to bring the prisoner back for court in Hay River. Let's say they have to appear twice. Now we are talking \$3,000. So 34 times \$3,000...How can he say that the government can do this for \$18,000? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. The honourable Minister of Justice, Mr. Dent.

**Return To Question 453-15(3): Closure Of The South Mackenzie Correctional Centre Remand Unit**

**HON. CHARLES DENT:** Thank you, Mr. Speaker. I guess because the department doesn't agree with the calculations as laid out by the Member. We have taken a look at the costs and have discussed with the RCMP what the expectations are. It is expected that the savings will be \$400,000 with the closure of the remand centre. Thank you, Mr. Speaker.

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

**Supplementary To Question 453-15(3): Closure Of The South Mackenzie Correctional Centre Remand Unit**

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, that is very superficial. I just don't know how the Minister can say that, given the numbers that are before him. Anyway, let's move on to the fact that he said that the only extra cost for keeping them here in Yellowknife is the cost of food because the remand unit here in Yellowknife is going to be staffed anyway.

I don't know if the Minister is familiar with the layout of the SMCC in Hay River, but they have a central control area where the remand inmates are accommodated. That remand control area is staffed seven days a week, 24 hours a day, 365 days a year. It will continue the operation and have a staff person in there regardless of

whether the inmates are there or not. So the same argument can be made for Hay River. Is that not true? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. Mr. Dent.

**Further Return To Question 453-15(3): Closure Of The South Mackenzie Correctional Centre Remand Unit**

**HON. CHARLES DENT:** Thank you, Mr. Speaker. Even if the control centre is staffed, the overall staff complement will be able to be reduced by 5.5 at SMCC, if we do not have to have staff dedicated to the remand facility. As a result of an inquest some time ago, that has been the case. Thank you, Mr. Speaker.

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

**Supplementary To Question 453-15(3): Closure Of The South Mackenzie Correctional Centre Remand Unit**

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, I would like to ask the Minister, is it not true that the person in that central control area of that area where the remand inmates stay takes care of inmates who are there for medical holding, administrative solitary confinement, disciplinary solitary confinement, suicide watch and remand? Are there, in fact, five different types of inmates that could be in that area which requires that staff to be there? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. Mr. Dent.

**Further Return To Question 453-15(3): Closure Of The South Mackenzie Correctional Centre Remand Unit**

**HON. CHARLES DENT:** Thank you, Mr. Speaker. The Member is correct that there are a number of different reasons that inmates could be placed in that area. The issue of having to have somebody there 24-7 is one that isn't normally the case or wouldn't normally be the case. Unless somebody is on a suicide watch, you don't have to have somebody there all the time. There are cameras in place. If it becomes an issue, if a certain inmate was repeatedly going to that situation, then we would have to take a look at transferring the inmate to the North Slave Correctional Centre where the facilities are set up for that. Thank you.

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

**Supplementary To Question 453-15(3): Closure Of The South Mackenzie Correctional Centre Remand Unit**

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, is it not true that there is always a corrections officer in the control area where remanded prisoners would be held in custody? Is it not true that there is always staff in that area every day? Thank you.

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. Mr. Dent.

**Further Return To Question 453-15(3): Closure Of The South Mackenzie Correctional Centre Remand Unit**

**HON. CHARLES DENT:** Thank you, Mr. Speaker. Yes, I believe that the control centre is staffed all of the time. Thank you.

**MR. SPEAKER:** Thank you, Mr. Dent. Item 6, oral questions. The honourable Member for Kam Lake, Mr. Ramsay.

**Question 454-15(3): Caribou Management**

**MR. RAMSAY:** Thank you, Mr. Speaker. I would like to again ask some questions to the Minister of Resources, Wildlife and Economic Development, with regard to caribou management in the Northwest Territories. The first question I would like to ask the Minister is if RWED and their counterparts with the Government of Nunavut can prove that there are less caribou on the central Canadian mainland today than there were in 1986. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Ramsay. The honourable Minister of Resources, Wildlife and Economic Development, Mr. Bell.

**Return To Question 454-15(3): Caribou Management**

**HON. BRENDAN BELL:** I am struggling to understand exactly what the Member is proposing and what he would define by proof. I think we are doing a lot of work and a lot of research to understand the herd dynamics. There have been changes in how we have agreed to describe various herds, as the Member has pointed out. Our ability to monitor the herd over time, we believe, is improving. Technology is improving.

When you look back at past years' data and go back some time, I would certainly think that it would be difficult to prove beyond a doubt that we know with any certainty the exact accurate numbers of those animals. We are doing the best we can today to understand the herd, to monitor and measure the herd. We are working with the users of the resource. We are working with those who have a mandate for wildlife, specifically caribou management, and should we propose any changes to the allowable amount of the harvest, then we will sit down and work with all affected stakeholders. That includes outfitters. I hope this goes some measure toward alleviating some of the concerns that the Member is bringing forward. Thank you.

**MR. SPEAKER:** Thank you, Mr. Bell. Supplementary, Mr. Ramsay.

**Supplementary To Question 454-15(3): Caribou Management**

**MR. RAMSAY:** Thank you, Mr. Speaker. Knowing the management plan, I agree that caribou should be managed, but it is hard to manage one herd not knowing what is happening with the other herds. I would like to ask the Minister if he knows that the new range maps of the Bathurst caribou put out by his own department are actually 20 percent smaller today than they were five or six years ago. In fact, any caribou taken from here to the Arctic Coast is deemed a Bathurst caribou even though the ranges overlap. The management plan is misleading

people. I would like to see it shelved. I am asking the Minister if he will shelve that plan. Thank you.

**MR. SPEAKER:** Thank you, Mr. Ramsay. Mr. Bell.

**Further Return To Question 454-15(3): Caribou Management**

**HON. BRENDAN BELL:** Thank you, Mr. Speaker. No, I won't. I think if you look at the membership of the planning committee and acknowledge that the good work of these groups -- DIAND, ourselves, Dogrib Treaty 11, Yellowknives Dene, North Slave Métis Alliance, Lutselk'e Dene First Nation, Kitikmeot Inuit Association, Kitikmeot Hunters' and Trappers' Association, Nunavut Wildlife Management Board, Nunavut Tunngavik Inc. Mr. Speaker, to suggest that we shelve this plan because we think that the work these folks have done is not valid, I would suggest, would be a slap in the face to those who have management responsibility for caribou.

There have been a number of proposed suggestions should we determine that the herd is, in fact, in decline or is low. It is very important for us to understand and monitor the herd to know if this is just a regular fluctuation over time. I don't think we know that with any certainty, but we are proposing to sit down and speak to other stakeholders who weren't on this committee; that includes outfitters. But for me to throw away the good work that these people have done, I think, would be an insult. Thank you.

**MR. SPEAKER:** Thank you, Mr. Bell. Supplementary, Mr. Ramsay.

**Supplementary To Question 454-15(3): Caribou Management**

**MR. RAMSAY:** Thank you, Mr. Speaker. No, I certainly wouldn't want to make it look like I was disrespecting the work that has gone into this report. I think there is a lot of good work in this, but I think there is a heck of a lot more that can be done. Again, I would like the Minister to take a look at putting this away until such a time as the plan can be expanded to include the other herds. Really, with just a management plan for the Bathurst caribou, you don't know really what you are dealing with until you do all of the herds together. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Ramsay. Mr. Bell.

**Further Return To Question 454-15(3): Caribou Management**

**HON. BRENDAN BELL:** Thank you, Mr. Speaker. As I have said, because this management plan for all of the caribou in the Northwest Territories is a very important task, we have added some additional resources this year, and just because it is a difficult task, I don't think that makes it one that we are justified in ignoring. I think we have a legal responsibility. We intend to carry that out. I would like to make sure that the Member knows that this plan is a recommendation to government and other parties of the planning agreement. It is currently being reviewed by these parties. The committee has asked us to provide some feedback and recommendations by mid-April, but they intend and have recommended that a forum be held in May of 2005 to discuss comments and feedback received on the recommendations in this report.

It is our intention to post it on the web site, to solicit input and then have a discussion around the suggestions that have been made. We are not going to unilaterally impose any of these measures without full discussion and more information being shared. But to ignore the work, to shelve it, to abandon it, I don't think is prudent or appropriate. Thank you.

**MR. SPEAKER:** Thank you, Mr. Bell. Item 6, oral questions. The honourable Member for Great Slave, Mr. Braden.

**Question 455-15(3): Unauthorized Land Use**

**MR. BRADEN:** Mahsi, Mr. Speaker. Yesterday, a colleague from Tu Nedhe made a statement regarding land use access and consultation. I would like to follow up with a couple of questions to the Minister of Municipal and Community Affairs. The issue, Mr. Speaker, centres on illegal or unauthorized land use in the Yellowknife area, the Ingraham Trail and Highway No. 3. It is a long-standing issue. I know, Mr. Speaker, that DIAND has similar issues with illegal occupancy on land that it controls in these neighbourhoods. Mr. Speaker, what are we doing to stop the unauthorized use of MACA-controlled lands in the Yellowknife area? Thank you.

**MR. SPEAKER:** Thank you, Mr. Braden. The honourable Minister of Municipal and Community Affairs, Mr. McLeod.

**Return To Question 455-15(3): Unauthorized Land Use**

**HON. MICHAEL MCLEOD:** Thank you, Mr. Speaker. Mr. Speaker, the issue of trespassers on Commissioner's land has been something that has been a going concern for some while; since, I believe, 1994. We had enforcement for people who trespassed on Commissioner's land. However, as a result of the moratorium on land sales and the lack of resources and staff to provide enforcement, it has been something that has not been on the forefront. We haven't done a lot of work in this area. Recently, we've engaged in discussions with the federal government, DIAND staff, and we are also talking with the Ministry of Aboriginal Affairs and ourselves to put together a working group to look at this whole issue of trespassers on the Ingraham Trail, Highway No. 3 and other parts of the Northwest Territories. Thank you, Mr. Speaker.

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

**Supplementary To Question 455-15(3): Unauthorized Land Use**

**MR. BRADEN:** Thank you, Mr. Speaker. Don't we have on the books now sufficient rules and enforcement guidelines to take reasonable but responsible action against illegal occupancy? I guess I am wondering why we need to put together a working group regarding laws and rules that are, to my understanding, already on the books. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Braden. Mr. McLeod.

**Further Return To Question 455-15(3): Unauthorized Land Use**

**HON. MICHAEL MCLEOD:** Thank you, Mr. Speaker. Mr. Speaker, the Member is quite right; we have sufficient laws to deal with the issue of trespassers. However, there

is the issue of who is out there and in what capacity. There are a number of people out there who have a legitimate right to be out there. There are indigenous aboriginal people out there. There are people who are trespassing.

So we have to be able to identify who is located where and who has a right to be there. We are doing that. We are doing an assessment of how many people are out there. We are trying to find out who they are. Some have BCRs, band council resolutions, indicating that they have a right to be there. Some of them have band council resolutions that the aboriginal groups are telling us have expired. So we have to do an assessment of everybody that is out there and who has what rights before we can take the next step. That is what we are working on. We also have to be able to identify the resources, in terms of financial resources and staff to be able to carry this out. This is a huge undertaking. Thank you, Mr. Speaker.

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

**Supplementary To Question 455-15(3): Unauthorized Land Use**

**MR. BRADEN:** Thank you, Mr. Speaker. I have a technical question here. Perhaps I will put it in the form of a written question later on, but I am going to be seeking some explanation of what constitutes another person's right to occupy land that the Commissioner has some jurisdiction on. Perhaps I will put that out there as my question now. Are there two different sets of rights for access to Commissioner's land, Mr. Speaker? Thank you.

**MR. SPEAKER:** Thank you, Mr. Braden. Mr. McLeod.

**Further Return To Question 455-15(3): Unauthorized Land Use**

**HON. MICHAEL MCLEOD:** Thank you, Mr. Speaker. There are aboriginal people who are using land for subsistence, hunting cabins or other means that allow them to enhance the lifestyle, who have the right to be out there. So I guess they would have a special right, as the Member is questioning. Thank you.

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

**Supplementary To Question 455-15(3): Unauthorized Land Use**

**MR. BRADEN:** Okay. That is certainly one valid explanation. Mr. Speaker, I guess with those situations with persons who probably do not have a legitimate use to the land, what is the department doing to correct the situation with those who are illegally occupying the land or do not have authorization on Commissioner's land? What are we doing to correct the situation? Thank you.

**MR. SPEAKER:** Thank you, Mr. Braden. Mr. McLeod.

**Further Return To Question 455-15(3): Unauthorized Land Use**

**HON. MICHAEL MCLEOD:** Thank you, Mr. Speaker. I guess we are doing a couple of things. We are in negotiations with the aboriginal government of this area, the Akaitcho. We have also set up a joint working group. We are putting together an approach to deal with this

issue. We are in the process of developing a public relations campaign that we will be bringing forward by March of this year. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. McLeod. Item 6, oral questions. The honourable Member for Hay River South, Mrs. Groenewegen.

**Question 456-15(3): Closure Of The South Mackenzie Correctional Centre Remand Unit**

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, my questions are for the Minister of Justice, Mr. Dent. Mr. Speaker, the rationale that the Minister gave me for why it wouldn't cost any extra to have remand inmates incarcerated in Yellowknife was because the facility was staffed anyway. In the last set of questions, he said that the central control area in the SMCC would be staffed anyway on a 24-hours-a-day, seven-days-a-week basis. So, Mr. Speaker, what is the difference? Where are the savings? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. The honourable Minister of Justice, Mr. Dent.

**Return To Question 456-15(3): Closure Of The South Mackenzie Correctional Centre Remand Unit**

**HON. CHARLES DENT:** Thank you, Mr. Speaker. The staff complement at SMCC has been increased by 5.5 positions to accommodate the 24-7 requirement to watch inmates in remand. This will allow us to reduce the staff complement by 5.5, so the staff complement, through attrition, will be reduced at SMCC. That is where the savings are. Thank you.

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

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, we just determined that, in fact, the people who are staffing that control area are not there only for remand inmates. They are there for inmates who could be there for at least four other reasons, so they are going to be there anyway. I hope that the Minister can understand what my question is. The staff is there anyway. It doesn't take more staff because there is an additional presence of remand. They are there anyway. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you. Mrs. Groenewegen, I didn't hear a question there. Could you rephrase that question, Mrs. Groenewegen?

**Supplementary To Question 456-15(3): Closure Of The South Mackenzie Correctional Centre Remand Unit**

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, what is the difference between the staff complement in a central control area when there are remand inmates there? Are there any additional staff required, no matter what the mix of inmates is, in that particular area of the jail? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. Mr. Dent.

**Further Return To Question 456-15(3): Closure Of The South Mackenzie Correctional Centre Remand Unit**

**HON. CHARLES DENT:** Thank you, Mr. Speaker. If there were inmates who were put in that area, in what is now used as remand for isolation or because of suicide watch, in that case we would, yes, we would be calling in extra staff on a casual basis to supervise them. That is one of the areas the \$18,000 is not there just to accommodate the travel, but it is our expectation that we would be able to accommodate all of that extra work, if there is any. If it turns out to be a problem with a particular inmate, as I said earlier, we would look at transferring that inmate to North Slave Correctional Centre. The expectation is that there won't have to be a great deal of people called in on a casual basis to cover. Thank you.

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

**Supplementary To Question 456-15(3): Closure Of The South Mackenzie Correctional Centre Remand Unit**

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, I would like to ask the Minister what is the average number of remand inmates housed per day in the remand unit in SMCC, during the last calendar year? He made a reference to 1.5 earlier today and he mentioned 34 inmates in remand on an annual basis. I would like to know what is the average number of remand inmates per day who were in SMCC over the last year. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. Mr. Dent.

**Further Return To Question 456-15(3): Closure Of The South Mackenzie Correctional Centre Remand Unit**

**HON. CHARLES DENT:** Mr. Speaker, I don't have that information with me on a daily basis. I provided the Member with the number earlier, but when I talked about there being 1.5 people remanded over the past year, I was talking about 1.5 people per month, from the community of Hay River or Hay River Reserve. There were additional people in the remand facilities, that is correct, who came from other communities in the South Mackenzie, but from Hay River and Hay River Reserve over the past year, there have been, on average, 1.5 people per month housed at the unit. Thank you.

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

**Supplementary To Question 456-15(3): Closure Of The South Mackenzie Correctional Centre Remand Unit**

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker I would like to just make reference again, the Minister mentioned again the \$18,000 that is going to cover the additional cost of travel and now it's only a cost for travel but it's going to cover bringing in extra people to work in that unit. This is an amazing \$18,000. How far this is going to go. Does that \$18,000, Mr. Speaker, include the cost of the RCMP for their travel, their time, their overtime, and their accommodations? Does it include the impact on the RCMP budget in Hay River? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. Mr. Dent.

**Further Return To Question 456-15(3): Closure Of The South Mackenzie Correctional Centre Remand Unit**

**HON. CHARLES DENT:** Thank you, Mr. Speaker. Our expectation is that there won't be any extra cost that would have to be borne by corrections. The costs for transportation, right now, are already worked into our contract with the RCMP and the expectation is that that will continue, whether it's from Hay River or Lutselk'e. There is still the cost for transportation. The RCMP tries to schedule their aircraft to move prisoners around in a method that makes economic sense and they are quite vigilant at working to be as economic as possible. Thank you.

**MR. SPEAKER:** Thank you, Mr. Dent. Item 6, oral questions. The honourable Member for Yellowknife Centre, Mr. Hawkins.

**Question 457-15(3): Missile Defence Shield**

**MR. HAWKINS:** Thank you, Mr. Speaker. Mr. Speaker, I rise on an issue of missile defence. In this House, a few times, I have spoken about my concerns regarding Canada's participation with missile defence. On CTV News' web site, it says, if I may quote: "We are part of it now," he said, "and the question is, what more do we need?"

That is Mr. Frank McKenna, Canada's new ambassador to the United States, basically summarizing we are participating in missile defence.

Mr. Speaker, a couple of days ago, I tabled a letter from the Prime Minister of Canada to our Premier, Mr. Joseph Handley, and the third paragraph down did say, from the good Prime Minister: "The Government of Canada remains committed to ensuring that the Territories are kept apprised of any developments regarding possible candidate participation in missile defence."

I guess that being said, the Prime Minister has said he would consult with our Premier. Does the Premier know of our participation levels within missile defence? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Hawkins. The honourable Premier, Mr. Handley.

**Return To Question 457-15(3): Missile Defence Shield**

**HON. JOE HANDLEY:** Mr. Speaker, I'm not sure of the context here the Member is referring to; some statement by the ambassador to the United States and I'm not sure exactly what is meant here.

Mr. Speaker, I take the Prime Minister's letter seriously. He has committed to consulting with us and I am expecting that he will do this as the Missile Defence Program moves ahead or doesn't move ahead. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Handley. Time for oral questions has expired; however, I will allow Mr. Hawkins a short supplementary. Mr. Hawkins.

**Supplementary To Question 457-15(3): Missile Defence Shield**

**MR. HAWKINS:** Thank you, Mr. Speaker. I appreciate my long-winded intro to that, but it was important to get that information out on the record for discussion here.

Mr. Speaker, would the Premier of our Northwest Territories be willing to engage into direct communications with the Prime Minister of Canada to reaffirm whether we are participating or not participating in the missile defence, as stated in the Prime Minister's letter to consult with the Northwest Territories? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Hawkins. Mr. Handley.

**Further Return To Question 457-15(3): Missile Defence Shield**

**HON. JOE HANDLEY:** Mr. Speaker, yes. The Prime Minister has confirmed that he will engage us in discussions on missile defence. As the Members know, Arctic sovereignty is one of the issues being considered as part of the Northern Strategy. I will make certain that in our negotiations with the federal government and other jurisdictions that we not only deal with sovereignty in the other respects, but also as part of its relationship to the Missile Defence Program, as well. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Handley. Supplementary, Mr. Hawkins.

**Supplementary To Question 457-15(3): Missile Defence Shield**

**MR. HAWKINS:** Thank you, Mr. Speaker. Again referring to the same letter I tabled before this House, there was interest from our Foreign Affairs department by the Government of Canada with regard to our future Territories position paper on missile defence. Is it any intention of this Premier to bring forward a position, a discussion in this House in regard to potential missile defence involvement and that position could, therefore, be articulated to the Government of Canada? Is there any intent by this Premier to bring forward that type of discussion in this House? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Hawkins. Mr. Handley.

**Further Return To Question 457-15(3): Missile Defence Shield**

**HON. JOE HANDLEY:** Mr. Speaker, some notions have been thrown out there by the President of the United States, about the proposed Missile Defence Program. We don't have enough information of exactly what is being proposed and how it impacted our territory for us to be able to formulate a government position at this time. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Handley. Final, short supplementary, Mr. Hawkins.

**Supplementary To Question 457-15(3): Missile Defence Shield**

**MR. HAWKINS:** Thank you, Mr. Speaker. Thank you, Mr. Premier. Mr. Speaker, would the Premier agree, as I had asked earlier, to engage directly, not wait for the Prime Minister to call us, but would the Premier of our

Northwest Territories agree to call the Prime Minister of Canada to ask him what do Mr. McKenna's statements mean by we are already involved? Would he agree to do that today and bring forward those remarks to the Assembly? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Hawkins. Mr. Handley.

**Further Return To Question 457-15(3): Missile Defence Shield**

**HON. JOE HANDLEY:** Thank you, Mr. Speaker. I don't have enough information on what Ambassador McKenna may have said to be able to answer the question right now, Mr. Speaker. But certainly I will undertake to get briefed on it. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Handley. Time for oral questions has expired. Item 7, written questions. Item 8, returns to written questions. 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. Item 13, tabling of documents.

**ITEM 13: TABLING OF DOCUMENTS**

**Tabled Document 110-15(3): Summary Of Members' Absences For The Period December 11, 2003, To March 31, 2004**

**MR. SPEAKER:** Pursuant to section 19(a) of the indemnities, allowances and expenses regulations of the Legislative Assembly and Executive Council Act; I hereby table a summary of Members' absences for the period December 11, 2003, to March 31, 2004.

Item 13, tabling of documents. Item 14, notices of motion. The honourable Premier, Mr. Handley.

**ITEM 14: NOTICES OF MOTION**

**Motion 28-15(3): Tabled Document 108-15(3), "Nation Building: Framework For A Northern Strategy" Moved Into Committee Of The Whole**

**HON. JOE HANDLEY:** Mr. Speaker, I give notice that on Thursday, February 24, 2005, I will move, seconded by the honourable Member for Inuvik Boot Lake, that Tabled Document 108-15(3), Nation Building, Framework for a Northern Strategy, be moved into Committee of the Whole for discussion. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Handley. Item 14, notices of motion. The honourable Member for Great Slave, Mr. Braden.

**Motion 29-15(3): Addressing Housing Needs**

**MR. BRADEN:** Thank you, Mr. Speaker. I give notice that on Thursday, February 24, 2005, that I will move the following motion: Now therefore I move, seconded by the honourable Member for Nahendeh, that the government develop a coordinated housing program for those in need, including an assisted living program for seniors and disabled persons which allows individuals who wish to stay in their home community or region to do so wherever possible; and further, that the government continue to pursue initiatives with national aboriginal organizations, the Department of Indian and Northern Affairs, and the Canada Mortgage and Housing Corporation to secure additional funding to address aboriginal housing needs;

and furthermore, that the government ensure that there is community support and a client base for infrastructure before making capital investments; and furthermore, that the government bring to this House by October 2005 a detailed plan, including fiscal forecasts and timelines on how to replace the Canada Mortgage and Housing Corporation funding which is due to be reduced over the next 34 years and sunset completely by the year 2038; and furthermore, that the government accelerate development of a comprehensive strategy on homelessness. Thank you, Mr. Speaker.

---Applause

**MR. SPEAKER:** Thank you, Mr. Braden. Item 14, notices of motion. Item 15, notices of motion for first reading of bills. Item 16, motions. Item 17, first reading of bills. The honourable Minister of Finance, Mr. Roland.

**ITEM 17: FIRST READING OF BILLS**

**Bill 20: Supplementary Appropriation Act, No. 3, 2004-2005**

**HON. FLOYD ROLAND:** Thank you, Mr. Speaker. Mr. Speaker, I move, seconded by the honourable Member for Thebacha, that Bill 20, Supplementary Appropriation Act, No. 3, 2004-2005, be read for the first time. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Roland. There's a motion on the floor. The motion is in order.

**SOME HON. MEMBERS:** Question.

**MR. SPEAKER:** Question is being called. All those in favour? All those opposed? The motion is carried.

---Carried

Bill 20 has had first reading. Item 17, first reading of bills. Item 18, second reading of bills. The honourable Minister of Finance, Mr. Roland.

**ITEM 18: SECOND READING OF BILLS**

**Bill 20: Supplementary Appropriation Act, No. 3, 2004-2005**

**HON. FLOYD ROLAND:** Thank you, Mr. Speaker. Mr. Speaker, I move, seconded by the honourable Member for Thebacha, that Bill 20, Supplementary Appropriation Act, No. 3, 2004-2005, be read for the second time.

Mr. Speaker, this bill makes supplementary appropriations for the Government of the Northwest Territories for the 2004-05 fiscal year. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Roland. There's a motion on the floor. The motion is in order. To the principle of the bill.

**SOME HON. MEMBERS:** Question.

**MR. SPEAKER:** Question is being called. All those in favour? All those opposed? The motion is carried.

---Carried

Bill 20 has had second reading and is referred to committee. Item 18, second reading of bills. Item 19,



consideration in Committee of the Whole of bills and other matters: Bill 15, Tlicho Community Services Agency Act; Bill 17, Modernization of Benefits and Obligations Act; Bill 19, Appropriation Act, 2005-2006; Committee Report 9-15(3), Standing Committee on Accountability and Oversight Report on the Review of the Draft 2005-2006 Main Estimates; Committee Report 10-15(3), Standing Committee on Governance and Economic Development Report on the Review of the Draft 2005-2006 Main Estimates; Committee Report 11-15(3), Standing Committee on Social Programs Report on the Review of the Draft 2005-2006 Main Estimates; Committee Report 12-15(3), Standing Committee on Rules and Procedures Report on the Review of the Report of the Chief Electoral Officer on the Administration of the 2003 General Election; Minister's Statement 86-15(3), Northern Strategy; Minister's Statement 88-15(3), Update on Oil and Gas Development in the NWT; Minister's Statement 89-15(3), Community Leaders' Conference Report: Preparing for the Pipeline; Minister's Statement 90-15(3), Social Impacts of the Mackenzie Gas Project; and, Minister's Statement 91-15(3), Preparing for the Mackenzie Gas project. By the authority given to me as Speaker, by Motion 2-15(3), I hereby resolve the House into Committee of the Whole to sit beyond the hour of adjournment until such time as the committee is ready to report progress, with Mrs. Groenewegen in the chair.

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

**CHAIRPERSON (Mrs. Groenewegen):** I call Committee of the Whole to order. The Speaker has indicated what is on our agenda today. What is the wish of the committee? Mr. Menicoche.

**MR. MENICOCHÉ:** Thank you, Madam Chair. The committee wishes to consider Bill 19, Appropriation Act, 2005-2006, with respect to Industry, Tourism and Investment.

**CHAIRPERSON (Mrs. Groenewegen):** Is committee agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mrs. Groenewegen):** We will do that then right after we take a break. Thank you.

---SHORT RECESS

**CHAIRPERSON (Mrs. Groenewegen):** Minister Bell, for the record could you please introduce your witnesses? Mr. Bell.

**HON. BRENDAN BELL:** Thank you, Madam Chair. Again with me today, Jim Kennedy and Peter Vician. Thank you.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. Bell. General comments on ITI. Mr. Menicoche.

**MR. MENICOCHÉ:** Thank you very much. I have some questions on the environment and climate change. Is this the proper department?

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. Menicoche. I think that would fall under Environment and Natural Resources, ENR. I think this is ITI we're on right at the moment. General comments on anything to do with Industry, Tourism and Investment.

Okay, if there are no general comments, then we'll proceed with the detail. So I would ask Members then if they would please turn to page 11-7 in your main estimates. Okay, we will stand down the operations expenditure summary and please turn to page 11-10, information item, revenue summary. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mrs. Groenewegen):** Agreed, thank you. Page 11-13, corporate management, operations expenditure summary, \$6.323 million. Mr. Menicoche.

**Committee Motion 22-15(3): Recommendation To Develop A Reorganization Communications Strategy And Deh Cho MVPO Position, Carried**

**MR. MENICOCHÉ:** Thank you very much. With regard to 11-13, Madam Chair, I have a motion here. I move that this committee recommends that the Department of Industry, Tourism and Investment develop a communications strategy to advise the public how the government is organized;

And further, that a senior Mackenzie Valley pipeline office position be placed in the Deh Cho to better enhance communications in that region.

Thank you, Madam Chair.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. Menicoche. The motion is in order. To the motion.

**SOME HON. MEMBERS:** Question.

**CHAIRPERSON (Mrs. Groenewegen):** Question is being called. Ms. Lee, to the motion.

**MS. LEE:** Madam Chair, I have something else right after the motion is completed.

**CHAIRPERSON (Mrs. Groenewegen):** Okay, questions been called on the motion. All those in favour? All those opposed? The motion is carried.

---Carried

**CHAIRPERSON (Mrs. Groenewegen):** Ms. Lee.

**MS. LEE:** Thank you, Madam Chair. I wanted to ask a question on page 11-8 and I know that we've already considered 11-7. May I ask questions on 11-8 please?

**CHAIRPERSON (Mrs. Groenewegen):** Okay is committee agreed then that we will refer to page 11-8.

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mrs. Groenewegen):** Ms. Lee, the committee has agreed. Please proceed.

**MS. LEE:** Thank you, Madam Chair. My questions relate to some of the comments I made yesterday with regard to the increase in PYs as a result of the splitting of RWED. I would like to ask the Minister what the breakdown of these increases are. On this page we see three positions increasing in North Slave, seven in Fort Smith, three in the Deh Cho and two in the Beaufort-Delta. So could I just get a breakdown on that please?

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Ms. Lee. Mr. Bell.

**HON. BRENDAN BELL:** Thank you. I just want clarification. Is the Member looking for those increased positions, the actual titles of those positions, just so I understand?

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. Bell. Ms. Lee.

**MS. LEE:** Thank you, Madam Chair. I believe that would be a good description of the positions. That would be good. Thank you.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Ms. Lee. Mr. Bell.

**HON. BRENDAN BELL:** Thank you, Madam Chair. In headquarters, we have a deputy minister. Also in headquarters, director of policy, legislation and communications. Also again in headquarters, a director of energy planning and a senior policy advisor; there are two of them. They will be in the energy policy unit. In the Deh Cho, there's a superintendent. In the Sahtu, there's a superintendent. South Slave there is a manager of tourism and parks.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. Bell. Mr. Bell is answering the question I believe. Did you have something you want to say, Ms. Lee?

**MS. LEE:** Yes, please, Madam Chair. I think that the Minister might have misunderstood my question. I wasn't asking for all positions. I was just asking for the three additional positions in North Slave. I'm asking questions on page 11-8, and under North Slave, Fort Smith, Deh Cho and Beaufort-Delta there are increases in PYs from 2004-05 to 2005-06 and I just wanted to know what they were. There are three additional positions in the North Slave, seven additional positions in Fort Smith, three additional in the Deh Cho and two in the Beaufort-Delta. Those are the only positions I was interested in. Thank you.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Ms. Lee. Mr. Bell.

**HON. BRENDAN BELL:** Thank you, Madam Chair. My mistake. I thought the Member was referring to additional positions from the reorg. These are additional positions outside of that process. I'll start then with the North Slave region. There are two parks officers, seasonal positions. There is also a corporate services clerk that comprises the three positions. That corporate services clerk is a result of the restructuring.

South Slave region, Fort Smith region there is a manager of tourism in Hay River, that's a new position and that is a result of the restructuring; corporate services clerk, another new position in Fort Smith, again a result of the RWED restructuring; we have a coordinator of interdepartmental planning in Hay River; we have a pipeline specialist in Hay River; we have an admin assistant in Hay River; we have information and communication planning specialists in Hay River; director of planning and coordination in Hay River; agreements specialist in Hay River; an ADM Mackenzie Valley planning projects in Hay River. Those effectively comprise the MVPO. That's seven positions. Sorry, my

apology, the last one I read, ADM Mackenzie Valley planning project, is actually a decrease of one, for a total of seven.

In the Deh Cho, three positions are superintendent in Fort Simpson, that is as a result of the restructuring; tourism development officer in Fort Simpson; and a corporate services clerk in Fort Simpson. That net change was three.

In the Sahtu, there is a superintendent in Norman Wells and a corporate services clerk in Norman Wells as a result of restructuring; also an information assistant in Norman Wells; a decrease, sorry. So that's two increases and one decrease; a net of one.

In the Beaufort-Delta we have a superintendent in Inuvik as a result of the restructuring; we have an economic development officer in McPherson; we have a corporate services clerk in Inuvik as a result of the restructuring, but we are reducing one position, an information system analyst in Inuvik as a result of the restructuring. Net change in the Inuvik region two. Total change in the department of 14 positions.

I hope, Madam Chair, that's the information the Member was looking for.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. Bell. Ms. Lee.

**MS. LEE:** Thank you, Madam Chair. The Minister mentioned a decrease of an ADM position for MVPO. Can I ask what that's about? I thought that position was in place. Thank you, Madam Chair.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Ms. Lee. Mr. Bell.

**HON. BRENDAN BELL:** Thank you. The decrease is essentially the position ADM Mackenzie Valley planning projects is deleted. We've added a new position; ADM strategic initiatives. It is really a reprofiling of that position. Thank you, Madam Chair.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. Bell. Ms. Lee.

**MS. LEE:** Thank you. This might be something that everyone knows, especially in government committees, but I learned recently that we have not been able to open the MVPO office in Hay River at this time. Could I ask the Minister what the problems are? Thank you.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Ms. Lee. Mr. Bell.

**HON. BRENDAN BELL:** Thank you, Madam Chair. We're on schedule for April 1<sup>st</sup>. We expect that the tenant improvements in that office space will be completed in March. As I mentioned yesterday, we've staffed one of the communications positions and that person is being transferred to Hay River and will start working I believe out of the existing RWED space for the time being and then the MVPO space that's happening in February. So I believe we're on target to be ready for March. You've seen I think the job ads in the media and we're moving forward to staff those positions as effectively and quickly as we can. Thank you, Madam Chair.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. Bell. I have under active positions, page 11-8, Mr. Braden.

**MR. BRADEN:** Thank you, Madam Chair. Yes, to this page 11-8. Similar to a question that I asked of I think it was the Department of Health the other day, Madam Chair, this page defines active positions by region. We have headquarters, North Slave, Tlicho, Fort Smith, Deh Cho, Sahtu and the Beaufort-Delta regions. I would like to ask the Minister what communities or what geographic region does his department assign to the North Slave regions and the Tlicho regions? Thank you.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. Braden. Mr. Bell.

**HON. BRENDAN BELL:** Just for clarity in our administrative region of the North Slave, the Member is asking which communities that comprises and again for the administrative region of Tlicho which communities that region comprises?

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. Bell. Is that correct, Mr. Braden?

**MR. BRADEN:** Yes, Madam Chair. To, I guess, give a bit more distinction here, the Department of Health or say the Yellowknife Health and Social Services Authority includes Yellowknife, Detah, Ndilo, Fort Resolution and Lutselk'e, that's what they call North Slave. Does this department cover those same communities? What I'm getting at is that from one department to another in our government, our regional boundaries change from one department to the other. I just want to make sure I understand where this department's motives are by region. Thank you, Madam Chair.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. Braden. Mr. Bell.

**HON. BRENDAN BELL:** Thank you, Madam Chair. In addition to the regional area captured, because we have issues outside of communities, the communities of the regions comprise North Slave, that's Yellowknife, Detah and Ndilo, and Tlicho is Rae Edzo, Gameti, Wha Ti and Wekweti. Thank you, Madam Chair.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. Bell. Mr. Braden.

**MR. BRADEN:** That's all on this page. Thank you very much.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you. There are no further questions. We will go back to where we were. Page 11-13, corporate management, operations expenditure summary, \$6.323 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mrs. Groenewegen):** Agreed, thank you. Page 11-16 and 11-17, information item, corporate management, active positions.

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mrs. Groenewegen):** Agreed, thank you. Page 11-19, strategic initiatives, operations expenditure summary, \$4.730 million. Mr. Menicoche.

**MR. MENICOCHÉ:** Thank you very much, Madam Chair. With respect to strategic initiatives, the Mackenzie Valley pipeline office, if I can again get the Minister to give me an update on the staffing because some of the things that concern me are that I got a phone call, someone applied for this actual Mackenzie Valley pipeline office and this person was aboriginal in the oil industry for something like seven or eight years, had a phone interview and then consequently wasn't even considered for one of these positions. I'm not too sure of the inner workings of what they were looking for, but my gut feeling tells me there, Madam Chair, that here we've got someone that has experience in this field and the Minister continues to tell us that he's having problems staffing this office. So why are his bureaucrats having problems staffing this office when there are skill sets that are out there and that are willing to do this job and why aren't they being considered seriously? Are they looking for somebody in particular or someone particular instead of a particular skill set? I'm wondering how the Minister's office is looking at staffing these jobs, Madam Chair. It concerns me and in fact it has been taking a long while to staff this pipeline office. Perhaps I can get the Minister to comment on that. Thank you.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. Menicoche. Mr. Bell.

**HON. BRENDAN BELL:** Thank you, Madam Chair. I hope the Member can appreciate that I'm not aware of the detail of staffing actions on an individual competition basis. I don't get involved in that level of detail, but I can assure the Member that I've told my deputy minister and my department that it is of utmost priority that we do what we can to as quickly as possible to staff these positions in the new MVPO. Keep in mind that we do absolutely need qualified people for the positions. Where there are northerners who are qualified, we will look to those people first and if we have to go outside the region, as we believe we probably will have to for some of the technical expertise required, then we'll do that, but only as a last resort. So if there's something that's been missed here, then I'll certainly follow that up with the department and if the Member outside of this forum wants to share the detail of this case with me, I'm more than happy to sit down with him and then refer that on to the deputy who can follow that up. Thank you, Madam Chair.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. Bell. Mr. Menicoche.

**MR. MENICOCHÉ:** Thank you very much, Madam Chair. I appreciate the Minister picking up on one of my immediate concerns. Just generally, once again, how is progress with staffing the Mackenzie Valley pipeline office? I know I had an opportunity to meet the communications person that we did hire for that office and there are six more positions I believe. At what stages are these in terms of recruitment, Madam Chair?

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. Menicoche. Mr. Bell.

**HON. BRENDAN BELL:** I can confirm that the only position in place is the communications planning specialist. Mr. Menicoche has met that person, I believe, as he has indicated on the road when we were in Norman Wells. That was I think her first official conference. The other six positions, we have yet to fill. They are at various stages, but I can tell you that at this point no offers have

been made on the other six positions I don't believe. I'd also like to assure the Members that there are staffing appeal mechanisms in place. So if somebody feels they were wrongfully overlooked and are indeed qualified, they can certainly kick into place a staffing appeal and we'll follow that through its course. So I want to give the Member that assurance as well. Thank you.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. Bell. Mr. Menicoche.

**MR. MENICOCHÉ:** Thank you.

**CHAIRPERSON (Mrs. Groenewegen):** Mr. Ramsay.

**MR. RAMSAY:** Thank you, Madam Chair. I wanted to talk about the Mackenzie Valley pipeline office for a brief minute. It goes back to last year and I'm still trying to make a correlation between the \$825,000 that appeared in a supplementary that came before the House, I believe it was in June of last year. It was supposedly dedicated to salaries to staff this new office. From the information that we've received from the department to date, I don't really see that \$825,000 being dedicated to staffing and a lot of it went to grants, contributions and the like. I'm just wondering, maybe we could ask the Minister for an accurate breakdown of where the \$825,000 went because today it's almost March and we still don't have the pipeline office open, yet we've spent that \$825,000. We don't even have any staff. I think we're owed some kind of explanation as to where that \$825,000 went. Thank you, Madam Chair.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. Ramsay. Mr. Bell.

**HON. BRENDAN BELL:** Thank you, Madam Chair. I can certainly provide the detail to the Member and to committee. We go back to the original submission in the supplementary appropriation for, as the Member said, I believe it was \$800,000 plus dollars, take the Member through the original intent as to what that would be made up of in terms of contributions and staffing and then reconcile that with our year-end actuals as they become year-end actuals as of March 31<sup>st</sup>.

I think an important thing to keep in mind is that if we hadn't acted on the supplementary and moved forward, we would only be now talking about funding of the initiatives under this office, and wouldn't have been able to make many of the contributions that we've already made. We have had staff who have been in place in Yellowknife waiting to transition to those positions to Hay River. So I don't want to give the Member the impression that nothing's been happening and we're waiting until April 1st until we start moving forward with these initiatives. That, in fact, is false.

There's been a lot of work underway and I think Members who are sitting on the Joint Cabinet/AOC Pipeline Planning Committee would recognize that and would recognize, for instance, the administrative effort it takes to coordinate a meeting like the one we had in Norman Wells and would know that the money we spent on the Inuvik meeting, joint hosting with MACA, was a contribution that came from some of that \$820,000. I believe that was a very worthwhile initiative. So I can provide the detail of that initial submission and what the proposed contribution to salary breakdown has been, and then as of March 31st we'll be able to reconcile the actuals and can provide

committee that information. Maybe let me ask the Member if that would suffice. Thank you.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. Bell. Mr. Ramsay.

**MR. RAMSAY:** Yes, thank you, Madam Chair. I thank the Minister for that. I know some information on the \$825,000 was provided to the Governance and Economic Development committee, but I don't think that goes far enough. I think what we need is more of a reconciliation on where the funding went. From strictly a reporting sense, the supplementary was approved for what we thought were wages or salaries to start up this new pipeline office, but there's no evidence of that. I mean, the money has basically been eaten up by grants and contributions, but it didn't show up in last year's budget and it's nowhere in this year's budget. From a reporting standpoint, where or how are we going to show where this \$825,000 was spent? How is the public going to know how it was spent? Thank you.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. Ramsay. Mr. Bell.

**HON. BRENDAN BELL:** Thank you, Madam Chair. I can take the Member through the \$850,000 proposed breakdown as to what would have been intended in terms of contributions, but of course I can't give the Member the actuals until the year end is completed. So I'm not sure exactly how effective my best guess would be at something like that. Would that help if I took the Member through the submission and what the \$850,000 had been proposed for?

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. Bell. Mr. Ramsay.

**MR. RAMSAY:** Thank you, Madam Chair. No, I know the Minister could go through that for us now, but perhaps he could take it with him and provide that type of detail at a later date. I don't know that we need it right now. If he has it right now, he could read it in for the record as to where the \$850,000 went.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. Ramsay. Mr. Bell.

**HON. BRENDAN BELL:** Thank you. I'll take that and get it back for the Member and we'll certainly provide that. Thank you.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. Bell. Anything further, Mr. Ramsay? We're on page 11-19, strategic initiatives, operations expenditure summary, \$4.730 million. I have Ms. Lee and then Mr. Ramsay.

**MS. LEE:** Thank you, Madam Chair. Could I just ask questions under the Mackenzie Valley pipeline office under strategic initiatives, whether any of this money will be for individuals and not governments? I appreciate that the Minister's statement today and in other places the focus seems to be on funding governments and other groups to get involved, but I really want to know if there's any money for the individuals or small groups, groups that cannot access funds in other areas, if there's any money for them to help them get involved in this process and register their opinions and just give them the capacity to speak on this issue. Thank you.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Ms. Lee. Mr. Bell.

**HON. BRENDAN BELL:** Thank you, Madam Chair. Under the Mackenzie Valley pipeline office we have budgeted contribution programs, but they are essentially...One of the categories is aboriginal capacity building. For instance, in 2004-05 those went to organizations such as the Inuvialuit, Gwich'in, Sahtu, Deh Cho, those regions. The RPDP program, our contributions essentially mostly are earmarked for the four tax-based municipalities.

There are some other contributions, for instance, that will go toward areas potentially identified by the Joint Cabinet/Accountability and Oversight committee, but an example from last year would have been the funds we spent on the community leaders' workshop in Inuvik. So those are the kinds of groups that we're funding through the MVPO, in addition to the big one, which is ongoing financial support of the Aboriginal Pipeline Group.

Is there money for contributions to individuals? I'm presuming the Member would be referring to individuals who want to intervene at the JRPEA. No, there isn't contribution funding under this office for individuals for that kind of thing. I'm presuming that's what the Member is looking for or proposing. Maybe the Member could clarify that as to what she means by contributions for individuals. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Bell. Ms. Lee.

**MS. LEE:** Thank you, Mr. Chairman. Mr. Chairman, I am looking for something like that. I listened with attention and read the statement that the Minister read this morning, which I understand is in Committee of the Whole for discussion some time down the road, so I'm not going to go too much into that. But I can tell you that I have been consciously watching to see who is going to answer to those people who are out there who want to have a say in this process and who feel that their respective governments are not speaking for them or they just want to speak for themselves.

I think it's an issue that Mr. Braden brought up earlier this morning in question period and is something that's common knowledge out there. Even the federal government and their funding mechanisms for anybody who wants to intervene in this very expensive process is completely inadequate. I don't think it's unreasonable for people out there to ask this government to do their part in facilitating and affording them an opportunity to speak in this very important development issue.

So far, everything I've seen is this government funding governments, whether they be aboriginal governments or regional governments or tax-based governments. That's okay, there's room for that, but I tell you there are lots of individuals out there and we need to connect with them. The only opportunity I've seen, the only forum I've seen for them to speak to is The Current on CBC Radio the other day, and that was for an hour.

Surely if this is going to succeed, I think there is a huge onus on this government as well as the federal government on creating an opportunity for people to speak, and the people whose first language is not English to be able to speak through interpreters. We need to have a community dialogue about what this development means to us. It can't just be government-to-government-

to-government discussions along with big businesses. Somebody has to think about how the individuals are going to play a role in this and I look for leadership from this Minister to come up with that plan, Mr. Chairman.

**CHAIRMAN (Mr. Pokiak):** Thank you, Ms. Lee. Mr. Bell.

**HON. BRENDAN BELL:** Thank you, Mr. Chairman. A number of questions there and I have a better understanding of the contribution funding the Member is referring to.

Under the terms of this project, it's been agreed that the federal government would provide participant program funding that's being administered by the Northern Gas Project Secretariat and the Canadian Environmental Assessment Agency. That is essentially to allow for review and comment on the draft terms of reference for the EIS, the Environmental Impact Settlement. There have been monies that were released in June 2004 that also enables people to participate in technical conferences, provide technical analysis of the EIS, and in fact to participate in the joint panel review public hearings. There are a number of phases of funding to roll out, but essentially the eligibility is for individuals, non-profits, aboriginal and public governments with an interest in the proposed Mackenzie gas project. A wide range of people would be able to apply for this funding.

I would certainly concur with the Member that I've heard from a number of communities that this funding has been inadequate and not enough to go around. That's a message we're sending to the federal government as well. I would agree with the Member that there certainly is a need to conduct the kind of community dialogue that I believe we started in Inuvik with community leaders, and the social envelope Ministers will follow up with their own forum in a number of communities.

That's where we've chosen to focus our limited resources as opposed to providing individuals with participant funding that's been left to the federal government. I think it's important that we keep in mind pre-devolution and that it will be the federal government, under our current status quo arrangement, that gets the resource revenues from this project. We do believe that the federal government has a strong role to play here and, in fact, a responsibility and a mandate to ensure that people can adequately intervene in the process. We intend to hold them to that support. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Bell. Ms. Lee.

**MS. LEE:** Thank you, Mr. Chairman. I believe what the Minister is saying is basically the federal process or federal agency regulatory process that has afforded some funding, has been very insufficient. I believe this is where groups like the Status of Women got \$5,000 to make a presentation on something or respond to this draft, which I believe by any standard it would not be adequate.

Mr. Chairman, I think there are three options the Minister could consider. One is to put forward the GNWT's pot of money, some kind of contribution money for the individuals to tap into. I think that's something the Minister has to consider. The second thing is if the Minister and government are not prepared to put money aside for individuals to tap into to get access to this process then at least this government should require that the governments

that it is funding does something that creates a forum and venue for the individual residents to come and speak.

The third option, and I think this could all be done together and concurrently, is that the Minister has to be more forceful with the federal government about making more funds available for the residents of the NWT to have a say in this project that will outsize anything we've ever seen before, and one that has a lot of people very anxious. I just don't know why the federal government and the big businesses and everybody cannot see that this is not going to succeed unless people affected have a chance to vent their opinions. Even if they can't change things, they need to be able to speak to what this means to them. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Pokiak):** Thank you, Ms. Lee. Mr. Bell.

**HON. BRENDAN BELL:** Thank you, Mr. Chairman. I agree with much of what the Member is saying. I think we've had public meetings with the joint committee, public meetings in Norman Wells, I've been to meet with the town council in Hay River and had a good dialogue about the challenges that they face and they're saying essentially the same sorts of things that the Member is articulating here today in the House. We know the MACA Minister heard this message loud and clear at the forum in Inuvik, the community leadership forum, and has since written to his federal counterparts to insist that more needs to be done to aid these communities in providing funding. We know that the social envelope Ministers will embark on a process to hear from the stakeholders about the social impacts of development. I expect that from that dialogue and discussion with key stakeholders, we'll hear again the same sort of message and that will allow us to go to the federal government and advocate for additional funding so that people can, in fact, have the capacity to put their voices to the process and have their issues dealt with and addressed.

So we're focussing on communities. We are working closely with community leadership. Community leadership needs help and we're trying to get them the additional help. Many of the stakeholders, including NGO's and other organizations in the Northwest Territories, will need additional help as well, and we intend to take that message as we have been, but intend to continue to take that message to the federal government because, quite simply, we don't have the additional adequate resources to bring to bear to fund individuals so they can participate more fully in this process. As I mentioned, we've chosen to focus our limited resources on working with groups like the Aboriginal Pipeline Group, but also with communities through programs like the RPDP and will continue that approach.

I think this is exactly the kind of input and dialogue we need and will, I think, strengthen our argument and our case with the federal government. I thank the Member for the comments.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Bell. Next I have Mr. Ramsay.

**MR. RAMSAY:** Thank you, Mr. Chairman. I just have a question. I know the Minister had answered the first part of this question in the House the other day, but under the diamond projects division there are currently two consultants that are employed by the diamond projects division and RWED. I know the Minister said one was in

Antwerp and one was in Israel. I'm wondering if that shows up under contracted services or does it show up under purchased services. Where would we find that amount? I'm not sure if the Minister knows, but what exactly are we paying the two diamond consultants? Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Ramsay. Mr. Bell.

**HON. BRENDAN BELL:** Thank you, Mr. Chairman. I'll get that level of detail, but that does show up in contracts and would come under the diamond projects division. I'll see if I can get the amount of the contracts that we're referring to for the two consultants, one located in Antwerp and the other located in Israel. If you'll just bear with me here one moment we'll see if we have that information handy. Okay, I've given my ballpark guess in the House the other day at a couple hundred thousand dollars U.S. for the two contracts. We'll confirm that and get the actual proposed expenditure for 2005-06 to the Member as soon as we can here. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Bell. Mr. Ramsay.

**MR. RAMSAY:** Thank you, Mr. Chairman. I look forward to seeing that. I don't want to get into micromanaging or anything like that, but I think given what's happened recently with the secondary industry here in the Northwest Territories it's important that we know, also, coupled with the information the Minister's going to supply in terms of what the two consultants are being paid, I'd also like to know what exactly they are mandated to do on behalf of the Government of the Northwest Territories. Obviously there's a disconnect here somewhere with our secondary industry and I'd like to try to understand a little bit better what their mandate is, what role they play and how much we're paying for it. So if that information could accompany the other information, that would be great, Mr. Chairman.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Ramsay. Mr. Bell.

**HON. BRENDAN BELL:** Thank you, Mr. Chairman. We'll ensure that we provide that information so that the Member has better information as to the services being provided for both of those proposed contracts. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Bell. Mr. Ramsay.

**MR. RAMSAY:** Thank you, Mr. Chairman. One other thing while we're on strategic initiatives. The money that was allocated in the past for the Mackenzie Valley development office was staffed by an assistant ADM and a couple other staffers. What is the transition going from the previous budget into this budget? Where does that money fall? Does it fall under the new Mackenzie Valley pipeline office? What's the transition there in terms of funding? Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Ramsay. Mr. Bell.

**HON. BRENDAN BELL:** Thank you, Mr. Chairman. The funding remains in strategic initiatives as part of the corporate expense and I may be able to provide the Member with some more detail here if you'll bear with me for just a moment.

**CHAIRMAN (Mr. Pokiak):** Thank you. Mr. Bell.

**HON. BRENDAN BELL:** Thank you for your patience, Mr. Chairman, and to the Members. The 2004-2005 Main Estimates were \$1.175 million. That was prior to the supplementary appropriation we spoke of earlier of \$850,000. That resulted in 2004-05 revised mains of \$2.025 million. We have the additional expense of the Mackenzie Valley pipeline office through this transition that the Member just referred to and a couple of other smaller adjustments that are less significant, but the end result is \$1.959 million for the Mackenzie Valley pipeline office in the 2005-06 mains. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Bell. Mr. Ramsay.

**MR. RAMSAY:** Thank you, Mr. Chairman. I think I'm trying to just understand how it all works itself out. I think I understand. One other question while I've got a bit of time here. I'm wondering what work the diamond projects division does in terms of ensuring that the producers that we do have here in the Northwest Territories are in fact employing northern workers to the best of their ability. Do we have any kind of muscle, I guess, in terms of trying to ensure that they are hiring northern workers? Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Ramsay. Mr. Bell.

**HON. BRENDAN BELL:** Thank you, Mr. Chairman. That really isn't diamond projects per se, unless we're referring to the employment in the actual factories. But I think the Member is alluding to, if I understand him, the producers and employment at the mines and whether or not they're meeting their socioeconomic agreement targets. Those employment numbers are reported on by both the Ekati Mine and the Diavik Mine in their annual reports. They show the actual breakdown between northern and southern. The most recent one that I've seen for Diavik, I believe, also because there were varied targets or differential targets between operations and construction had it broken down by the two phases. So we have that information and that's public information. I believe it has been tabled in the House, but we can certainly provide those annual reports to the Member. That is the reporting mechanism and that allows us to then, in fact, see if targets are being met.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Bell. Mr. Ramsay.

**MR. RAMSAY:** Thank you, Mr. Chairman. That's just an observation I suppose in terms of the diamond projects division. Perhaps something else they might be able to do is work with the producers to ensure that they are hiring North as much as they can and living up to the points in the socioeconomic agreements so that we do get a northern workforce and they are, whenever possible, hiring North. That's maybe just a suggestion for the Minister for him to look at in the future. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Ramsay. Mr. Bell.

**HON. BRENDAN BELL:** Thank you, Mr. Chairman. I think that we can say by and large that the two mines have been very successful in getting northern employees hired and meeting their northern employee targets. I can

certainly look at the number of years and the annual reports. It would take me some time to do that, but I believe almost across the board they have been able or very close to these targets, in some cases exceeding the targets.

I think these socioeconomic agreements in that regard have been very successful. I did mention the other day in the House that where we've had some concern; our concern has been around the value-added industry. I'm not trying to point any fingers, but I'm saying that we need to certainly sit down and to better understand how this can be successful going forward and make sure we put in place the kind of policy framework and policy directives that would allow us to meet those objectives and those goals. We will have that discussion. We will be able to, I believe, have it in light of and the context of the cost-benefit analysis that we're bringing forward to committee. I think then we can have an informed discussion, look at our success and look at some of our failures in the past and have a meaningful dialogue about how we move forward from here. But I take the Member's point.

It's important for us to continue to track those employment numbers. We know it's only going to get more difficult for these operations to meet these targets. When the Snap Lake mine comes on stream and when we have the pipeline on stream we know there aren't sheer numbers of people, very many people who are unemployed in the Northwest Territories. I would agree that there are pockets of unemployment that we need to deal with, but by and large we do have one of the highest employment rates, if not the highest employment rate in the country, but I take the Member's point. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Bell. I'm going to go over to Mr. Braden.

**MR. BRADEN:** Thank you, Mr. Chairman. In the area here on page 11-20 of the Mackenzie Valley pipeline office there is a budget prescribed here of \$1.959 million, Mr. Chairman. Of that, if I follow the document correctly here, \$865,000 is for grants and contributions. Now, did I hear the Minister correctly a few minutes ago when he said that some \$500,000 of this has already been earmarked for the Aboriginal Pipeline Group? I'm just looking for confirmation of that number. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Braden. Mr. Bell.

**HON. BRENDAN BELL:** Thank you. No, Mr. Chairman, in fact \$250,000 in 2005-06 has been earmarked for the Aboriginal Pipeline Group. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Bell. Mr. Braden.

**MR. BRADEN:** Thank you very much, Mr. Chairman. Where I'm going with this, I don't need to sort of drag this out, is that if this is the lead department for the Mackenzie Valley pipeline office and if this is where our government wants to channel all activity regarding pipeline impact, I'm trying to get a sense, Mr. Chairman, of how much will be available to NGOs and community organizations in terms of them tapping our government for financial assistance in their programming. What kind of allocations will we have available for those groups? Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Braden. Mr. Bell.

**HON. BRENDAN BELL:** Thank you, Mr. Chairman. I think it's important to recognize that this is our coordinating agency for the project and is our first point of contact. As I've indicated, and the Member has pointed out there is \$865,000 in contributions; \$250,000 of which will go to the Aboriginal Pipeline Group; \$200,000 of which will be put into the Resource Pre-development Program.

Obviously, other departments are also carrying out activities related to development in general. We know MACA, from the discussions and statements that the MACA Minister has made, has got some community capacity money. We know that the Department of Education, Culture and Employment is engaged in funding some training initiatives. So there are other monies available across government. We are doing our best to coordinate the efforts and ensure that there isn't a duplication and overlap. That is the role of this MVPO, but there has never been an expectation that all monies related to development in general would all cease to be spent by departments. It would all flow through this MVPO. That was not the intent. So if I gave that impression, I apologize.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Bell. Mr. Braden.

**MR. BRADEN:** Thank you, Mr. Chair. No, I didn't get that impression, but I just wanted to sort of clarify an assumption here, if you will, is that we are setting this place up. There are going to be different sets of perceptions and assumptions about what it will do. I am getting some more information about what its purpose and function will be. I look forward to the communication plan when it gets rolled out to everybody's satisfaction to understand better what that office is going to do.

Mr. Chair, I would like to go up to the energy descriptions on this page here. I see we are allocating \$416,000 to the energy mandate. The description provided here, Mr. Chair, says that the energy unit has the lead in the development of GNWT policies regarding the use and supply of energy sources in the NWT. It goes on to say, Mr. Chair, that the GNWT's energy policy takes into account issues pertaining to continental energy markets, trends, and drivers, etc. I guess I am just a bit confused here. Is there an existing energy policy, a kind of platform, or is this something that this unit is going to be charged with actually developing? It is a bit confusing here. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Braden. Mr. Bell.

**HON. BRENDAN BELL:** Thank you. That is one of the fundamental policy objectives that will be carried out, obviously, by this government, but the actual work will be done by this energy policy unit. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Bell. Mr. Braden.

**MR. BRADEN:** Okay, so we don't have an energy policy today.

**CHAIRPERSON (Mr. Pokiak):** Thank you, Mr. Braden. Mr. Bell.

**HON. BRENDAN BELL:** Thank you. Correct. Not a formal public policy on energy initiatives. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Bell. Mr. Braden.

**MR. BRADEN:** Thank you, Mr. Chair. Is there any kind of a work plan or an outline of a critical path that the Minister could provide the committee that would outline how and where we are going to get this policy developed?

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Braden. Mr. Bell.

**HON. BRENDAN BELL:** Thank you, Mr. Chair. As we develop this work plan that will flow from the work of this office, and we've had this discussion with committee, we will be in touch with committee and have that dialogue and seek input, in fact, from committee on the direction that we are proposing, to make sure that we are headed in the direction that appears to make sense and seems practical in terms of what the committee believes we should be doing in this area. I look forward to a very productive discussion because I know our Cabinet believes this is of critical importance. If there is a void here, it is important that we fill that void. We are not going to do that absent committee input though. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Bell. Mr. Braden.

**MR. BRADEN:** Thank you, Mr. Chair. In the last Assembly, this government invested almost \$2 million in the Energy Strategy. I would like to know if that is really the extent of the public consultation that we are going to be undertaking. Have we spent enough on that front end now? Do we know enough about our energy situation? Can we proceed with confidence and with a good basic knowledge on which to build those policies? Are we still looking at considerably more research, development and consultation, Mr. Chair? Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Braden. Mr. Bell.

**HON. BRENDAN BELL:** Thank you, Mr. Chair. The Member is right. In past governments, a significant amount of resources and work went into the Energy Strategy. I believe the Member also remembered the Robertson report. I don't think that is the actual name of the report. Currently, from discussions in the House the other day, I reported back on the work of the Western Energy Alliance and the work that is going to be undertaken by that body in terms of developing public policy, doing supply analysis, and having some discussion around regulatory issues for the entire western and northern region going forward. So there is a lot of work that I believe we can build on here. There is no sense ignoring much of what we have done in embarking on expensive consultation and spending millions and millions of dollars to do that. I assure the Member that is not my intent. We will build on the work that we have done, but there is a policy vacuum in this area, and we are seeking to ensure that that is no longer the case and we step in and fill the void. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Bell. Mr. Braden.



**MR. BRADEN:** Thank you, Mr. Chair. I would like to ensure the Minister and committee that it is not my intention to either advocate that we go on another huge round of consultation and research. I do, indeed, believe that we have probably just about all we need at our disposal to build a good policy, so I will be keeping in touch with my colleagues on the GED committee and look forward to this program all the way out. That is all. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Braden. Mr. Bell.

**HON. BRENDAN BELL:** I want to thank the Member for his comments in this area and his support. I know that this is something that has been of personal interest to him both in this government and in the last government. We certainly look forward to doing a good job. We will make sure that all Regular Members are involved in this process. I think it is important that we all share in this work on behalf of all residents of the NWT. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Bell. Mr. Braden, are there any more questions? Thank you. Next I have Mr. Hawkins.

**MR. HAWKINS:** Thank you, Mr. Chair. Mr. Chair, I am going to bring up the topic of capacity building in the context that is being used around here, to be specific about capacity building. I am curious to hear the Minister's thoughts in this regard. When we talk about capacity building, we are talking about block dollars being given to communities, organizations and whatnot. How does the Minister define these block dollars for capacity building? The reason I ask that is, are they being crafted in such a way that they go to specific tasks or organizations?

Do we predetermine the type of outcome we are searching for in the sense that it is predetermined that we want to raise the employment in communities, the capacity dollars being directed to agencies that will say I will demonstrate that I will increase the employment in this community? Are the capacity dollars predetermined in that way?

Do we look at capacity dollars in a specific context? For example, an organization may say, well, we need capacity building to pick up three extra delivery trucks so we can actually compete on this level to help supply much needed services that will come with this.

Does it mean capital expenses such as an organization at this existing time does this particular service but they realize that they need to keep a lot of items on hand so they need to build a warehouse to compete on a capital level? What provisions are being instituted in this particular case to define capacity building?

We constantly hear about we want to give dollars to organizations and communities to help them with their capacity building, but capacity building is a big word that, honestly, at the end of the day, really means nothing. It means everything but nothing. What does capacity building mean in details? Can you give me examples of how that would sort of filter down to the little guy out there that wants to participate, make an honest buck, and improve their living conditions in their community?

I am talking about the people that really, on the ground level, keep those communities running. Can I get some defined examples or maybe hear some provisos on how capacity is structured? I guess, in essence, define capacity building according to the Webster's dictionary at the Legislative Assembly. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Hawkins. Mr. Bell.

**HON. BRENDAN BELL:** Thank you, Mr. Chair. I guess, in terms of some of the capacity money that we have talked about and the contributions that will flow from the MVPO, I can certainly give the Member some examples and take him through a bit of a breakdown of that. I think it is certainly a worthwhile question.

There are, of course, other programs that we have throughout the government and throughout this department to help small businesses build capacity in that regard -- obviously, education training money -- but, when we talk about capacity, we are not, as the Member indicated, talking about advancing funds to purchase scaffold equipment like trucks. We are talking essentially about human resource capacity.

Much of this money is application based from a community or regional group. If we look at the aboriginal capacity building money, the \$360,000 proposed for this year, we know that last year there were applications made by the Inuvialuit, Gwich'in, Sahtu, and Deh Cho regions. Typically, they would put together a proposal and talk about the kinds of initiatives that they think are worthwhile and would require funding. I think, if I could generalize it, it would be in the area of probably training and education for people in their community. Sometimes there would be monies allocated for contracting technical expertise. There may be travel costs in the proposal to enable people to go to where the training is or to attend technical sessions to build this human resource capacity.

The Resource Pre-development Program I referred to earlier, our \$200,000 is essentially earmarked for the tax-based municipalities. It gets them to the table to be able to negotiate with the Producers Group. It is essentially a fee-for-service arrangement. I don't believe it is enough for us to just expect that these municipalities will have the resources to sit across the table from Imperial Oil. Obviously, they require some technical capacity. They will need people who are agreement specialists, presumably lawyers as well, in order to be able to negotiate. Our money would provide for that kind of thing. When we refer to capacity, we are talking about human resource capacity. I hope that is of some assistance. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Bell. Mr. Hawkins.

**MR. HAWKINS:** Thank you, Mr. Chair. I appreciate the solid answer from the Minister. I think that clarified this area very well.

Speaking about the HR capacity, so, if we could call them human resource capacity dollars, and I appreciate the emphasis. It is not entailed for purchases of trucks, but when we refer to training and technical expertise, are there any types of provisos that directly or indirectly reference it? For example, training must be northbound. Do we engage northern consultants to train our people?

Do we engage, for example, these human resource dollars that could be capacity building dollars, say, you have to use these dollars to go to Aurora College to learn how to be a carpenter to be ready for this project? Do we build capacity dollars into this by saying you're a tax-based community?

You are going to be presenting in front of Imperial Oil. We know they have a lot of muscle, but we want to give you some money. You have been approved in the application process, obviously, but we want to give you some money, and we want to see you access the legal expertise here in the Northwest Territories. I guess, really, the question out of all of this to tie it together is, how are we directing this money to be spent?

I am curious, are we focussing it in on every dollar we give you has to come with a proviso that you engage on the local level as well as the territorial level, those types of expertise? I can appreciate that not every law firm, for example, in the Northwest Territories may have the experience to deal with, for example, Imperial Oil. I can feel confident that they may have the ability to work in association. I want to make sure that we're not paying for a service that could be offered up here that they are purchasing, say, out of Calgary. With that being said, there is certain expertise that you just can't shop around locally and get. That is a fair statement that needs to be reaffirmed. How are we directing our capacity dollars in the essence of spending North as well as specific to HR and training and maybe getting legal fees or those types of consultant expertise? Thank you, Mr. Chair.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Hawkins. Mr. Bell.

**HON. BRENDAN BELL:** Thank you, Mr. Chair. I certainly agree with the intent of the Member's suggestion, if I could say that. I think our department absolutely agrees. We would try to steer people toward northern resources wherever possible. It is important to keep in mind though that these are contribution agreements and contribution funds that flow to organizations. We would look at their proposal in the context of the overall proposal. If we believe that they were proposing to do things that could be more efficiently and effectively done in the North, I believe we would certainly make that point and have that discussion.

At the end of the day, when these contribution funds have been forwarded, there is an audit trail. So we do go back to ensure that the funds have been appropriately expended. Of course, I said that to the wrong Member here today. So we do follow up and we do work with the... We don't simply receive typically a proposal without being aware of the development of that proposal and working very closely with the proponent to develop it. I think we would certainly steer people toward northern resources where they are available. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Bell. Mr. Hawkins.

**MR. HAWKINS:** Thank you, Mr. Chair. I almost called the Minister on anticipation clause on the next audit question. I guess I hear that there is going to be some follow-up through the audit process to ensure that those types of dollars were done and they are being spent properly. I suspect that they are built into a mechanism, which is fine. He doesn't necessarily have to answer that. From the

sounds of what he had just said earlier, it sounds just like that.

To end this stage for me in regard to our capacity building and feel good about this whole issue is that I want to ensure that our northern businesses, trainers and people have the best opportunity to help provide towards these things. Being in a position in government and the ones at this time with the pot of money, we are also in control of where this money can go. That being said, I think that the contribution agreements need to say a little more than steering.

I am going to be cautious here and make sure that every northern business gets tapped into, but I will say that I think that I need a little more than steer. I don't sleep good at night if the Minister just says we are looking into it. I really want to feel some warmth on this issue.

I want to hear that we are in charge of these contribution agreements and we are truly directing them to stop first in our northern Yellow Pages to say, this is the place we want the money to start off with. If you can't find the resources locally or territorially, we give you the official nod to say, do what you need to do to build capacity, but I think this Minister is in control of these contribution agreements. It speaks to the methodology of this Assembly as a whole to help support the local people on the local level. That is regardless of what community you live in. It is about that simple principle that I stand for very strongly that, where we can, we purchase local services. That could be buying your nails at the hardware store or that could be hiring your lawyer. It doesn't really matter. Can the Minister reaffirm in a strong way that I can have that type of assurance that these contribution agreements speak to that intent? Thank you, Mr. Chair.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Hawkins. Mr. Bell.

**HON. BRENDAN BELL:** Thank you, Mr. Chair. I think it is a very good point. I agree with the principles. Of course, it is a little different when we are talking about contribution programs. There is a reporting. There is auditing. As I have indicated, maybe I used the word steer. We'd like to steer people toward northern resources. We aren't absolutely prescriptive in which businesses are used. Again, it is application based, so we work with the applicant in that regard. If it were a program that we were delivering specifically and we were carrying out the training and the capacity building ourselves, then we can certainly affirm our contracting process is well understood by Members.

We could apply that strict northern preference to those contracts. Because it is a contribution, there is a slightly different task. Let me leave the Member with this. I know, from our meetings on the ground and communities, discussion with Hay River town council, public meetings in Norman Wells, that we have had a number of people say, what are you going to do to ensure that northern businesses and northerners get these opportunities first? We are very cognizant of the fact that northerners are aware that there are some real meaningful opportunities here. They want to have the level of training and expertise to take advantage of them. They want to know that our government is going to advocate on their behalf. They are not expecting that we are going to insist that certain specific companies be used and that we get involved with some of those contract negotiations. They do want to

know that we are going to try to push for northern involvement and work for northern businesses.

I would certainly say to the Member, that it would be quite hypocritical of us to on one hand push for Imperial Oil and the Producers Group to use our Northern businesses and then as a government, in our contribution funding, absolutely pay no regard to that. That is not our intention. We do take this very seriously and absolutely would like to see this money spent in the North where it possibly can be. I think that is a priority of this government. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Menicoche):** Thank you, Mr. Bell. Next, I have Mr. Ramsay.

**MR. RAMSAY:** Thank you, Mr. Chairman. I listened to one of my colleagues raise the issue today of the producers, the two big mines we have here in the Northwest Territories, that being BHP and Diavik. I would be one of the first to champion what they have done here in the Northwest Territories, in terms of bringing jobs and boosting our economy. I know as a counsellor in the late 1990s, here in the city of Yellowknife, when we were faced with the closure of Miramar Mine and soon after the Giant Mine, or Giant Mine and then Miramar, with not too many prospects on the horizon and then diamonds came along and really bailed out the city of Yellowknife, in particular, and has had a really beneficial impact on the entire Northwest Territories.

You still get the people that you run into, that can't get a job at BHP, they can't get a job at Diavik, even though they are northern. I hear this on the street, I hear it in coffee shops, I hear it wherever I go. People get hired at BHP or at Diavik and they are deemed a northern hire. They work there for a little while and the next thing you know they are living in Saskatchewan, Alberta or British Columbia. Do the numbers still play out that they are a northern hire or they are deemed to be a northern resident, when in fact they are living in southern Canada in what is, in essence, a fly-in/fly-out operation?

The one thing that we have to try to get a grip on here is that these mines are not going to be around forever. What we have to do is maximize what is available to us to ensure that northern people are getting jobs at the mines. Today, I am not convinced that that is happening. I hear too many stories about people not being able to get jobs at BHP or Diavik that have lived in the Northwest Territories for a long period of time.

I mentioned earlier, perhaps the diamonds projects division isn't the best vehicle to try to police the socioeconomic agreements or to try to ensure that the people that are, in fact, on the ground working at Diavik and working at BHP are truly residents of the Northwest Territories.

I would like to know exactly what those numbers are. I know the numbers come out in annual reports and everything but, like I said, if the person is hired here, they are deemed to be a northern resident. I know many of my friends have gotten jobs at Diavik and BHP and they are living in B.C., in Saskatchewan, in Northern Alberta. They have left the Northwest Territories, Mr. Chairman.

I am wondering what we are looking at doing to try to ensure that the numbers that are being reported from our

producing mines are in fact real indicators of what is happening. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Menicoche):** Thank you, Mr. Ramsay. Mr. Bell.

**HON. BRENDAN BELL:** Thank you, Mr. Chairman. There are a number of vehicles that are used to monitor the commitments that have been made, not all of them are used by this government specifically. The benefit and access agreements are monitored by the aboriginal groups that have negotiated those. I believe there are, although we are not privy to this, reporting mechanisms. We have spoken earlier of the annual report and the reporting that the producers do in that regard.

If somebody is hired as a northern hire and they move south permanently, they no longer qualify as a northern hire and cannot be calculated and tabulated as a northern hire. That would affect the numbers that the mines report on. We all are aware of stories of people who have chosen to move south and that is unfortunate. We need to do whatever we can to try to encourage people to stay in the North and that includes ensuring that there is adequate housing and other things like this.

I have had a chance to tour both mines a number of times now, and I don't know if the Member has had that chance. I would be amazed -- if he gets a chance to tour the mines, he certainly should do that -- if he doesn't recognize at least 100 people at these mines. You tour the mines and you go through there and it's our friends and colleagues and relatives throughout the Northwest Territories. You will recognize many, many of these people.

The question about whether or not we audit the reporting, the annual reports; we don't really have the capability to do that, that wasn't envisioned in the socioeconomic agreement. We do work with the information that the mines provide us and that forms the basis of our conclusions as to whether or not the targets are being met.

In the case of Diavik, there is the advisory board that has been set up to work with Diavik to ensure that there is monitoring in a whole range of areas, including some of the socioeconomic areas and including employment targets. That mechanism is in place and I believe there is a similar mechanism proposed for the future Snap Lake mine as well. We are working with the structures that we have and I believe we are improving as we go in each subsequent development. I think we've learned from the BHP Billiton project and we have also learned from the Diavik project and I believe we are simply improving the mechanism for monitoring going forward. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Menicoche):** Thank you, Mr. Bell. Mr. Ramsay.

**MR. RAMSAY:** Thank you, Mr. Chairman. I thank the Minister for that response. Like I mentioned earlier, I know both mining companies, BHP Billiton and Diavik, and they have done a tremendous amount locally and in the Northwest Territories to help support the local communities; whether it be sports, culture, anything, they are usually the first ones to step up to the plate to help out. What I am getting at here, is there are still jet loads of

workers that just use Yellowknife as a hopping off point to go back home to southern Canada.

I think what we have to do, as government, is try to find ways to...You can't force anybody to stay here, but there are other ways that you could encourage them to do so. I'm not sure if as a government we are doing enough to try to encourage and promote workers that are at these mines to consider living in the Northwest Territories whether it be Fort Smith, Hay River or Yellowknife. As long as they are living somewhere in the Northwest Territories and we are getting some benefit out of them working here, I think that is something that we should be paying more attention to; especially, on the verge of a third producing mine coming on stream with the Snap Lake development and perhaps the Kennedy Lake and the Gahcho Kue, a few years from now. We have to try to encourage and promote people living in the Northwest Territories as much as we can.

I am wondering if the Minister has any strategies to try to encourage that happening. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Menicoche):** Thank you, Mr. Ramsay. Mr. Bell.

**HON. BRENDAN BELL:** Thank you, Mr. Chairman. There are provisions under each of the socioeconomic agreements that speak to much of this, but I think as a government we recognize it makes more sense to focus on incentives, to help encourage people to live here, as opposed to some sort of protectionist mechanisms or protectionist regime. I think we know that if we come up with something convoluted, people will find a way around it. What we have to do is work on issues, and the Member is well aware of some of the priorities of this government, but certainly in terms of cost of living in the North, to ensure that people can afford housing and can afford the cost of electricity. We do have to focus on initiatives like our hydro development, which can make the cost of living, I believe, in smaller communities more reasonable.

There are a number of initiatives that we can embark on as a government. I think to come up with protectionist mechanisms that we can't adequately police anyway and may or may not be legal, I think probably is a mistake. We would rather focus on building incentives. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Menicoche):** Thank you, Mr. Bell. Mr. Ramsay.

**MR. RAMSAY:** Thank you, Mr. Chairman. I am working on a couple that I am hoping to bring forward during the life of this sitting. I wouldn't want to mention them right now, they are in the works and something that I hope to get support of the other Members to help promote and encourage people to stay and live in the Northwest Territories. I appreciate the Minister's comments and look forward to working with him on ways we can achieve this. Thank you.

**HON. BRENDAN BELL:** Thank you. Well, let me say the Member has certainly piqued our curiosity as to what those might be and we look forward to discussions with committee on those issues and I think that that is the right approach to take. We do have to be creative, we do have to sit down and discuss the kinds of things that we can do as a government and as a territory to ensure that benefits do stay in the North. I am appreciative that the Member

agrees that we really need to focus on that approach as to a proposed protectionist one. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Menicoche):** Thank you, Mr. Bell. Mr. Ramsay, thank you. Page 11-19, strategic initiatives, operations expenditure summary, \$4.730 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Menicoche):** Page 11-21, strategic initiatives, grants and contributions.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Menicoche):** Page 11-22, strategic initiatives, grants and contributions, \$1.291 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Menicoche):** Information item, 11-24, strategic initiatives, active positions, 20.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Menicoche):** Page 11-25, strategic initiatives, active positions, 13.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Menicoche):** Page 11-27, economic development, operations expenditure summary, \$23.920 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Menicoche):** I will start over with page 11-27. Economic development, operations expenditure summary, \$23.920 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Menicoche):** Okay, I am going to try again. I am having a hard time reading it. Economic development, operations expenditure summary, \$23.920 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Menicoche):** There you go.

---Laughter

Page 11-29, economic development, grants and contributions, grants, total grants, \$652,000. Mr. Braden.

**MR. BRADEN:** Thank you, Mr. Chairman. I have a detail here. Satisfy my curiosity, if you will, Mr. Chairman. Under the area here, I see that we are continuing to put \$5,000 into the area of humane trap development, which are grants to inventors working on the development of humane trapping devices.

In a CBC News article this morning, there is a discussion on, I believe it was Sachs Harbour, where an RWED officer was conducting a training course in that community; where I guess there is quite a good potential harvest of white fox this year, and there was a discussion about getting out and using old leg hold traps.

I was just wondering, Mr. Chairman, on one hand I know that our government had participated over a number years and international programs to eliminate leg hold traps.

They certainly seem to be not as humane as some of the newer models. It seems to be something we are promoting and yet there was a discussion where we wanted people to use these old leg hold traps, if they were available. Can the Minister advise, do we have a policy or any other laws or restrictions about the use of these older, more cruel ways of trapping and killing animals? Thank you.

**CHAIRMAN (Mr. Menicoche):** Thank you, Mr. Braden. Mr. Bell.

**HON. BRENDAN BELL:** Thank you, Mr. Chairman. I apologize, I don't have the benefit of having seen the piece that the Member is referring to, but I can assure the Members that we wouldn't be encouraging people to use old, outdated, less humane trapping equipment. In fact, we have had a trap replacement program in place over the last several years and we are replacing and upgrading equipment and ensuring trappers have the most humane equipment available.

We are funding research at the Vegreville facility in Alberta, to ensure that there is continual development in this area. It is important for us not to run afoul of our international agreements, especially with the EU, a very important market for our furs, and we want to ensure that borders stay open. The only way for us to do that is to assure the EU that we are in fact complying with provisions of humane trapping and so this is of utmost importance to us, to ensure that we continue to do that and is a departmental priority. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Menicoche):** Thank you, Mr. Bell. Mr. Braden.

**MR. BRADEN:** Thank you, Mr. Chairman. That will do on that particular area. Thank you.

**CHAIRMAN (Mr. Menicoche):** Page 11-29, Economic development, grants and contributions, grants, \$652,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Menicoche):** Contributions, 11-30, economic development, grants and contributions.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Menicoche):** Page 11-31. Economic development, grants and contributions. Mr. Braden.

**MR. BRADEN:** Thank you, Mr. Chairman. In this particular area here, I'm moving over to the festivals and culture and heritage area, there is a discussion on one of these pages, Mr. Chairman, of the continuance of a \$25,000 contribution to the Great Northern Arts Festival in Inuvik.

I wholeheartedly support this contribution. The survival and hopefully the growth and enhancement of festivals and events are truly something that is a great showcase for the NWT of our peoples and their skills and our lifestyles.

Mr. Chairman, last year the current or existing Department of RWED, along with ECE announced the joint responsibility for the NWT Arts Strategy. On this page here, I wanted to see if the Minister could advise on what particular areas, like the Great Northern Arts Festival, the new department will continue to invest in and where does

it see its role vis-à-vis the support of the new NWT Arts Strategy? Thank you.

**CHAIRMAN (Mr. Menicoche):** Thank you, Mr. Braden. Mr. Bell.

**HON. BRENDAN BELL:** Thank you, Mr. Chairman. We also feel that the Great Northern Arts Festival is a very important and worthwhile festival and we continue to fund it for that reason. We do have funding under the NWT Arts Strategy. We have had some discussion around this, if the Member will remember, I believe the \$75,000 ongoing target adjustment for 2005-06 for RWED, also for ECE, but I will focus on the RWED \$75,000 portion.

The \$75,000 really will be focussed on helping artists purchase northern raw materials for production of traditional art and fine crafts. I don't have the details in front of me in terms of what the ECE money will be targeted toward, but our portion of the NWT Arts Strategy, the \$75,000, will be targeted in that manner. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Menicoche):** Thank you, Mr. Bell. Mr. Braden.

**MR. BRADEN:** Mr. Chairman, the split responsibility for this continues to leave me and I think this Assembly with a bit of a dilemma over when there are issues of policy or resources or funding. Just where do we go when there is an arts and culture question? Like I said, I have criticisms, I have concerns about the level and support we're giving to arts and cultural events and initiatives in the NWT, but as the Minister has explained quite rightly there is a shared responsibility here. I don't quite know where to take my argument. Perhaps it's one that belongs in a different venue and not one that is just restricted to one department.

I won't harp on it, but I will outline very briefly, Mr. Chairman, an issue that I have with the new Arts Strategy and that it doesn't identify festivals and events as a key outlet or a key venue for the exhibit and preservation and demonstration of northern culture. It leaves volunteer organizations scrambling about where to go and how to direct their work when it comes to seeing what the GNWT can do for them.

There is a potential tourism impact in any festival and event that we have. Is there a pocket developed here within parks and tourism for potential contribution to a festival or an event? Is there some other program that people go to? It's quite nebulous here and as the Minister described there's \$75,000 in the Industry, Tourism and Investment department, but it's directed solely to the procurement of materials for artisans. Where are all the other potential benefits and requirements for this very vital and, right now, rather fragile part of our whole arts and culture strategy? Thank you, Mr. Chairman.

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

**HON. BRENDAN BELL:** Thank you, Mr. Chairman. I think that's a very good question and one we have had some discussion around. I guess from our perspective as a department, we are funding something like the Great Northern Arts Festival and we are looking at it from the aspect of business development and support for traditional crafts, which will comprise business activity.

The \$75,000 in new funding and the \$50,000 that we have reprofiled from \$125,000 to be broken out between the various regions, that funding is available through the BDF, but again we are talking about funding arts as business development. We feel that is our appropriate mandate.

Also in the Arts Strategy, ECE has money that they have profiled and I believe the money ECE is profiling is for arts, but for heritage and cultural preservation of traditional history of the arts and those kinds of areas and not necessarily for business development. That speaks to the NWT Arts Strategy. I believe they have additional money in past that have been application based that other festivals have been able to tap into, but probably that question is better put to the Minister of ECE in his budget. I do appreciate the Member's concern in terms of where we look in this government for the funding of festivals and other events. I guess we would say in terms of the Great Northern Arts Festival, we feel this one is appropriate for us. Thank you, Mr. Chairman.

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

**MR. BRADEN:** Thank you, Mr. Chairman. I know that this leaves a number of organizations, festivals and volunteer groups kind of frustrated, Mr. Chairman. The ongoing support for the Great Northern Arts Festival is superb. I would love to see a similar kind of ongoing, sustained commitment to festivals like the Caribou Carnival here in Yellowknife, the Midway Festival just outside of Fort McPherson, and the South Slave Music Festival. So there are a number of different events that deserve support, but I think what we need to do and what I will be working with the arts community, along with my other colleagues, and go back to the policy table and see if we can't come up with something to address this very significant area and what is so far a really big gap in our arts and culture framework. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Braden. We are on page 11-30, grants and contributions, economic development.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Page 11-31, economic development, grants and contributions, continued.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Page 11-32, grants and contributions, total contributions, \$9.585 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Total grants and contributions, \$10.237 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Page 11-34, economic development, active positions and that's continued on 11-35.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Page 11-36, lease commitments - infrastructure.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Page 11-37, fur marketing service revolving fund.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Pages 11-38 and 11-39, work performed on behalf of others, \$15,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** We'll go back to line one, page 11-7, operations expenditure summary, expenditure category, \$34.973 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Thank you. We will go now to page 9-4, strategic initiatives, infrastructure investment summary, total net book value and work in progress, \$149,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Page 9-5, economic development, infrastructure investment summary, total net book value and work in progress, \$11.843 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Page 9-6, economic development, infrastructure acquisition plan, tangible capital assets. Mr. Menicoche.

**MR. MENICOCHÉ:** Yes, sorry, I guess it's on 9-7.

**CHAIRMAN (Mr. Ramsay):** Page 9-7 is all part of the same totals. I will just read the totals. Total tangible capital assets, \$1.736 million. Mr. Menicoche.

**MR. MENICOCHÉ:** Thank you, Mr. Chairman. We are looking at Mission Park. I am curious to know where that is, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Menicoche. Mr. Minister.

**HON. BRENDAN BELL:** Give me one second, Mr. Chairman. We are going to get that information. Mission Park is in Fort Smith.

---Laughter

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Total tangible capital assets, \$1.736 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Total activity, \$1.736 million. Mr. Menicoche.

**MR. MENICOCHÉ:** Thank you, Mr. Chairman. Wrigley Territorial Park Development, Willow Lake. Does the Minister know if there has been preplanning done in that park already?

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Menicoche. Mr. Minister.

**HON. BRENDAN BELL:** Thank you, Mr. Chairman. It is some years off in the future. The expenditures start in 2008-09 between Wrigley and Fort Simpson at the Willow Lake River, so I don't believe that we have had any

preplanning in terms of expenditures and that's not reflected in the capital budget. So I don't believe we do until 2008-09 where it looks like we are spending \$40,000 for that purpose. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Mr. Menicoche.

**MR. MENICOCHÉ:** Thank you, Mr. Chairman. At least this is one project where you can see the light at the end of the tunnel. So there is no actual plan yet developed for this particular park. When is the department going to look at doing this particular park? Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Menicoche. Mr. Minister.

**HON. BRENDAN BELL:** Thank you, Mr. Chairman. As I indicated, money is earmarked in 2008-09, but I think it's important to point out that it's the community of Wrigley that have identified their desire for a park campground and associated tourism infrastructure in the area. They have also indicated some interesting pursuing this through the Protected Areas Strategy process. We examined and looked at this in the summer of 2003-04. We reported on various sites in the area for potential future development, and in 2004-05 we were working on some site selections working that process through the PAS. But after the PAS process is complete, estimated in 2007-08, Mr. Chairman, then we will require the development of a master plan that will contain both the capital and operational plan. We believe that planning process will be complete in 2008-09 and the capital construction of that campground park could begin the next year. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Mr. Menicoche.

**MR. MENICOCHÉ:** Thank you, Mr. Chairman. I think in this particular area where they want to do this park is where they are going to have one of the work camps for building the pipeline. So it's a huge opportunity to coordinate some effort to undertake to get this park built and realize some savings. Would the department look at that and bear that in mind as we deal with industry and as we talk about pipeline developments? Can we convey that, Mr. Chairman?

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Menicoche. Mr. Minister.

**HON. BRENDAN BELL:** We certainly will. I think that's a very good point. Let me also say that one of the reasons we wanted to focus on tourism in this new department and, in fact, have tourism very well laid out in our plans but also in the title, is we recognize and we've had challenged over the past years to get tourism capital infrastructure funded. It tends to fall lower down the priority list than schools or hospitals, but we think tourism is very important. We want to do what we can to raise the profile of tourism. We think we need to invest more money in our parks right across the NWT. I think that the capital reinvestment hasn't been there. It needs to be a higher priority, but obviously we are fiscally challenged. There are other priorities. That is one of the reasons we've decided to focus on tourism in the creation of this new department is to raise the profile. Hopefully that will result in additional infrastructure funds put towards good tourism initiatives like this one. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Mr. Pokiak.

**MR. POKIAK:** Thank you, Mr. Chairman. I wonder about the Canol Historic Park. The total previous year is \$735,000 and then we are looking at \$500,000 for 2005-06 and 2007-08. What are they doing with that? I don't know the exact location of that historic park. Can you give us an idea of what kind of expenditures are on that? Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Pokiak. Mr. Minister.

**HON. BRENDAN BELL:** Mr. Chairman, this is a commitment that comes from the Sahtu comprehensive claim. I can certainly get some detail on how we are proposing that \$500,000 in the year he mentioned in 2005-06 would be spent. If the Minister can just give me a minute, I will get that detail.

Thank you, Mr. Chairman. As I indicated, the project was included as a chapter of the Sahtu Dene/Metis Comprehensive Land Claim Agreement that will be co-managed by claim beneficiaries. The idea is to develop basic infrastructure needed to allow tourist use of the Canol Trail, in an enjoyable and safe manner, obviously. We also believe that historic structures along the trail will need to be stabilized, so that can continue to be a part of the historic project.

We do believe that is the potential to be a world-class, long-distance hiking trail, so that's why we've earmarked money for this project. We know the conceptual plan and work plan already exists and we've had some discussion with committee around that.

In terms of the exact detail and breakdown as to how the \$500,000 will be spent in 2005-06, I don't have that level of detail here with me but I can certainly provide that to committee. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Mr. Zoe.

**MR. ZOE:** Thank you, Mr. Chairman. I just wanted to ask the department about the number of campgrounds along the lake and also on the Ingraham Trail. Within your capital budget here, I don't see any capital that's going to be done to any of these campgrounds; for instance, Pontoon or Ingraham Trail or the North Arm Campground. I don't see anything in your budget pertaining to those sites. Are you not planning to do any spending on those sites?

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Zoe. Mr. Minister.

**HON. BRENDAN BELL:** Thank you, Mr. Chairman. At this point, the Member is right. There is no specific investment posed for those facilities that the Member just pointed out. I guess I would go back to my earlier comments about the limited pool of capital funds available for parks. As I have indicated, they do struggle to compete with some of the other capital priorities of the government. I think we need to do more to improve upon that because I would agree that many of the sites need refurbishment. I have had a chance to visit a good number of the sites that the Member has referred to. I think we could certainly use some capital investment in those parks and we are hoping

that tourism infrastructure will take a higher profile and gain a higher profile and become higher priority as we move forward. I think it's important for the Northwest Territories to develop this infrastructure, so we can compete for tourism dollars. I certainly appreciate the Member's support in that regard. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Mr. Zoe.

**MR. ZOE:** No further questions, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Mrs. Groenewegen.

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. Mr. Chairman, under capital, with the division of RWED into ITI and ENR, there is not much here for new vehicles. How are you planning on dividing up the household assets when it comes to things like who gets the car? '

---Laughter

**CHAIRMAN (Mr. Ramsay):** Thank you, Mrs. Groenewegen. Mr. Minister.

**HON. BRENDAN BELL:** Thank you, Mr. Chairman. We have obviously looked at property and asset issues as we set about to divide the department. The specific detail right down to the actual vehicle and some of the supplies and to where they end up, I don't have that with me here today but there has been a plan to look at where the assets should best be located and made the most sense. We are looking at co-location in a number of areas, where possible. These two departments will still work very closely together and share many resources. So in the divorce, there will be a sharing arrangement. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Mr. Zoe.

**MR. ZOE:** Thank you, Mr. Chairman. Mr. Chairman, years ago I believe the department had a master plan. I am not sure if it's shelved or where it is for the North Arm in my area. I wonder where that plan is and what the intention of the department is with regard to that master plan.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Zoe. Mr. Minister.

**HON. BRENDAN BELL:** Thank you, Mr. Chairman. There is a North Arm Park plan and, as I mentioned earlier, unfortunately, in competing with our limited capital pool here, it didn't make the specific investment laid out here in front of us and was deemed to be of lower priority than these other projects you see in front of us. Of course, this is for three years going forward. Hopefully in future we can get that plan for the North Arm Park funded and I will certainly work towards that. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Mr. Zoe.

**MR. ZOE:** Thank you, Mr. Chairman. That's the reason I was questioning it. My first question was how come these other campsites are not listed here. You indicated once the priority is a little higher, it might make it into the capital plan. It would be nice to list all the campsites so we can see when it's anticipated to get something done on those specific sites. That's the reason I questioned you earlier

on the items in your capital plan. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Zoe. Mr. Minister.

**HON. BRENDAN BELL:** I think the challenge is in this capital infrastructure acquisition plan, we don't reflect the proposed expenditures off in the future beyond the three years here. We have prior years; we have the next three years. We also don't go back a number of years to see funds that have been expended on, for instance, the North Arm Park. What we do here is have a snapshot of a four-year period. There are some future years identified and that does give some sense of future expenditures proposed, but nothing more specific than that. I really think we get back to the issue of not enough money to go around and the ranking exercise that we have to engage in in the department obviously resulted in these other priorities coming to the floor at the expense of some of the other parks, which also need additional infrastructure funding. Again, I go back to the fact that we don't have enough infrastructure money to go around and other competing priorities. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Mr. Zoe.

**MR. ZOE:** I agree with the Minister. The point I am trying to make is in your infrastructure plan, you are listing some of them and you are attaching dollars on future years. If you are going to do that for some of these projects, for instance, Wrigley Territorial Park, Hay River Territorial Park, six years, \$100,000, \$100,000 and then \$200,000 for Wrigley. You are listing in your acquisition plan those parks, but not the others. If you are going to do it for some, why don't you do it for all or else take them all out? Don't do half here and then half not on the books. That's the point I am trying to make, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Zoe. Mr. Minister.

**HON. BRENDAN BELL:** Thank you, Mr. Chairman. I think that's a very good point and we could certainly be consistent. We could certainly make that adjustment that would reflect our investments long term if we were to include all of them or, as the Member says, we could take those future years out and not report on them. We will look at some consistency in this process and I appreciate the Member's point. We will move to do that. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Page 9-6 and 9-7, economic development, tangible capital assets, total tangible assets, \$1.736 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Total activity, \$1.736 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Total department, \$1.736 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Does committee agree that the Department of Industry, Tourism and Investment estimates are concluded?



**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Before I go to thank the Minister and his witnesses, what is the wish of the committee? Mr. Minister, do you have the same two witnesses for ENR? No. Okay. First of all, I would like to thank the Minister and Mr. Vician and Mr. Kennedy for being with us this afternoon. Committee is calling for a break, so let's have a 15-minute break and then we will come back with Environment and Natural Resources

---SHORT RECESS

**CHAIRPERSON (Mrs. Groenewegen):** I call Committee of the Whole back to order. We are going to deal with the Department of Environment and Natural Resources. Is committee agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mrs. Groenewegen):** Okay. Then we will have the Minister, for the record, please read his opening remarks.

**HON. BRENDAN BELL:** I am pleased to present the proposed 2005-2006 Main Estimates for the Department of Environment and Natural Resources. These estimates propose total operational expenses of \$52.1 million. This represents a net decrease of \$200,000, or less than one-half of one percent, a .4 percent, decrease over last year's budget of \$52.3 million. This decrease is a net effort of sunset and expenditure reductions of \$2.6 million and offset by an increase in new initiatives and forced growth of \$2.4 million.

These main estimates reflect the commitment of this government to the implementation of our strategic plan. These estimates relate to our collective vision of creating a territory that has self-reliant individuals, sharing in the rewards and responsibility of healthy communities and a prosperous and unified territory.

The mandate of the proposed new department, Madam Chair, links directly to the strategic plan developed by Members of the 15<sup>th</sup> Legislative Assembly. The priority of environmental stewardship including the protection of our air, water, forest resources and land aligns directly with the mandate of the new Department of Environment and Natural Resources.

The Northwest Territories has experienced an unprecedented level of economic growth over the past several years and, with that, increased demands on our resources. The creation of this new department is timely. Not only has there been a perception of conflicting mandates within the Department of Resources, Wildlife and Economic Development, but we must continue to strive to develop optimal organizational structures to effectively serve our clients. The creation of the Department of Environment and Natural Resources will assist in addressing these important issues.

Today I bring forward the main estimates. In order to ensure we have the capacity to meet our targeted April 1, 2005, implementation date. I would like to highlight some of our plans for the Department of Environment and Natural Resources that relate to the core values of the strategic plan. These core values include respect for our natural environment and working with all stakeholders to maximize the responsible use of our resources.

As mentioned, the rate of resource development is increasing in the Northwest Territories. The Department of Environment and Natural Resources will need to focus its resources in areas where they will have the most impact. The Government of the Northwest Territories will continue to play a key role in the environmental assessment process of major developments. The Department of Environment and Natural Resources will coordinate our government's input, analysis and positions on development applications made to federal agencies. We also believe that all regions of the NWT being directly impacted by development, must have the capacity to manage our environmental responsibilities. Accordingly, we are planning to establish new regional environmental protection officers' positions in Inuvik and the North Slave. This is in addition to the environmental protection officer already established in the Deh Cho region. This investment will ensure we continue to work closely with communities and industry as development proceeds.

The government's strategic plan speaks to the importance of environmental stewardship and the high value our residents place on the importance of our wildlife. The Department of Environment and Natural Resources will continue important research to gather baseline data, in every region, on the health and status of various wildlife populations. One important wildlife management initiative highlighted in the main estimates is an investment in the Bathurst Caribou Monitoring Program. This program will include working with communities to get direct input from harvesters and elders. This important program will use scientific and traditional knowledge to gather information on her movements, range, use, reproduction rates and calf survival rates.

In response to the increasing pace and scale of development within the NWT, the NWT Protected Areas Strategy partners developed a Mackenzie Valley five-year action plan. We believe that implementation of the action plan is critical and, as the Minister of Finance indicated in his budget address, we are investing \$1.5 million over the five-year plan with \$300,000 proposed for 2005-06.

I would like to assure the committee that the plans for implementation of a Beverage Container Recovery Program continue. As I have previously advised the Standing Committee on Governance and Economic Development, we have experienced some challenges that will delay full implementation of the program by April 1, 2005. We are still in the process of finalizing options and plans for the required depots and the optimal approaches for this territorial program. However, once in place, the Beverage Container Recovery Program will be funded through the modest non-refundable handling fee that will be applied to most beverage containers sold in the Northwest Territories.

In conclusion, I would like to thank you for the opportunity to provide these remarks on the main estimates for the new Department of Environment and Natural Resources. I want to assure the committee that your input and suggestions are reflected in this set of main estimates. This feedback is very important to the business planning process. I look forward to the committee's comments today and I am prepared to answer any questions that you may have. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Bell. At this time, I would like to recognize Jane Groenewegen to make the opening remarks on ENR.

**MRS. GROENEWEGEN:** The Standing Committee on Governance and Economic Development met with the Department of Resources, Wildlife and Economic Development, RWED, on January 13, 2005, to review the 2005-2006 Draft Main Estimates. The restructuring of RWED into two new departments will occur in the new fiscal year but had yet to divide as of this report. In this unique year, the main estimates of the departments of Industry, Tourism and Investment, ITI, and Environment and Natural Resources, ENR, were reviewed simultaneously by the committee and defended by the Minister of RWED.

The mandate of the Minister and Department of ENR is to promote and support the sustainable use and development of natural resources and to protect, conserve and enhance the NWT environment for the social and economic benefit of all NWT residents.

#### **Working Relationship**

As the days of the Department of Resources Wildlife and Economic Development come to a close, the committee would like to commend the Minister and the department for considering and implementing many of the committee's recommendations.

The committee has also appreciated the briefings and updates provided by the Minister throughout the restructuring process. The sharing of information has been appreciated and contributes greatly towards forming a strong working relationship.

The committee looks forward to having the same rapport with the two new departments of Industry, Tourism and Investment and Environment and Natural Resources.

#### **Cost Of Restructuring**

The committee appreciates that the government restructured RWED into the two new departments to improve program delivery. The committee also appreciates the difficulty in trying to quantify the cost of restructuring versus the cost of lost opportunity. However, the fact remains that the creation of Environment and Natural Resources alone will cost the government \$1.074 million in ongoing costs. The committee is concerned about this expenditure.

The committee recommends that the government investigate how to further mitigate this expenditure as well as the ongoing restructuring costs for Industry Tourism and Investment. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mrs. Groenewegen. At this time, I would like to ask the Minister if he would like to call in witnesses.

**HON. BRENDAN BELL:** Yes, I would. Thank you.

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

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Sergeant-at-Arms, please escort in the witnesses.

Mr. Minister, for the record, please introduce your witnesses.

**HON. BRENDAN BELL:** Thank you, Mr. Chairman. Mr. Chairman, I have the acting deputy minister of Environment and Natural Resources, Bob Bailey; and, I have also have Jim Kennedy, director of corporate services. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Bell. General comments. Ms. Lee.

**MS. LEE:** Thank you, Mr. Chairman. Mr. Chairman, I would like to make some comments on this department as well. I have to put on record again my displeasure at the fact that we are going to see an ongoing budget increase for \$1 million for this department. When you combine that with \$1.7 million under ITI, this is a concern to me. I thought about this last night again and I can't help but think for many years, for example, many of us argued hard for extra funding in tourism. We could not get \$500,000 into tourism. We can think of many things we could not get because the government keeps telling us there's not enough money, there is a restraint, we have a deficit, et cetera. It got so bad that in the last Assembly, the government even talked about introducing a whole new tax to bring about some sort of ongoing tourism funding. Here we are, we agreed to split two departments and we are going to be spending \$2.8 million in ongoing spending. You can bet your bottom dollar, that \$2.8 million is going to turn into \$3 million in no time.

I must say, Mr. Chairman, I am very disappointed with that. Yesterday, during the discussion of ITI, the Minister indicated, for example, when I talked about the fact that there would be duplications, replications or twinning of superintendent positions, theoretically I thought those superintendent positions that used to look after the mandate of both ITI and ENR are going to be in charge of half of it or however the ITI and ENR break down in proportion. The Minister indicated they have been probably running flat out and they probably have enough work to do, but all these things wouldn't make any sense to people out there.

We talked earlier when we were considering ITI about the fact that with this Mackenzie Valley pipeline going on, it is a mega project bigger than any project the world has seen. It's probably in the top 10 for mega projects for the last 100 years in the world. There is not enough money for people to get involved in it. Even groups like the Status of Women Council can only get \$5,000 out of the federal funding and here we can fork out \$3 million on a yearly basis to create government positions on the ground. That just doesn't make sense to me.

I know there are good reasons and there are all sorts of reasons why, but I can't accept that. I am really, really quite upset about it. I don't think I can use the words. I really was hoping that we could do things differently and this is not the right way to align our priorities. I don't think it's reflecting the needs out there, from what people are saying. Yesterday I talked about the \$1.7 million yearly increase into ITI that would build an indoor facility for every community for the next 20 years. You could have 20 indoor gyms built. This extra \$1 million could have gone a long way too. I'm sorry, but we have this all backwards. I will just stop there. I am just going to ask a question on the Minister's opening statement.

I guess the Minister could comment on what I had to say about the increase in funding, but I would also like to pose a question on the Beverage Container Recovery Program.

I want to know why there are problems with implementing that by April 1<sup>st</sup>. My third question is to do with the Wildlife Act that's been under consultation for many years now and I would like to know what's taking so long to have that in place too. Those are three different topics. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Ms. Lee. Mr. Bell.

**HON. BRENDAN BELL:** Thank you, Mr. Chairman. Just to respond the way I did yesterday with the similar discussions around the cost to divide the department into the two separate mandates and the ongoing cost, we feel this is a priority of the government. The direction was one we took from the membership as a whole from the Assembly.

We have been working very closely with committee, I would say in every step of this plan as it's unfolded. We looked at a number of options. There were some options that had us spending as much as \$7 million a year in ongoing costs if we were to truly duplicate some of the functions. We chose to pare that back and go with a much more prudent option and that meant sharing of resources. We will have the shared service centre model rolled out.

So we think we've tried to improve program and service delivery effectiveness. It does require adding positions and building some capacity in regions. Yes, it requires additional superintendents. I don't think you could do this and create two separate policy departments and then ask one superintendent to moonlight on both sides of the departments and then have it roll out effectively. So this was something I was supportive of. I guess I would take Members back to the amalgamation of these three departments some time ago and the \$8 million savings at that point. We are up from there, but we aren't back to that original budget for the three departments and I think that was in 1996-97. So there has been an improvement in that area. I really think this is going to enable us to be much more effective and work with people in the regions and in communities to be more responsive on both sides of this department.

I have to restate that I think there are a lot of things that we are going to miss going forward if we aren't effectively organized. So I believe this allows us to do that.

The Beverage Container Recovery Program, we've had a number of hurdles, drafting of the regulations was one we had gone with a contractor outside of the internal resources of the department. That's been taking more time than we had initially thought. We have been working with the advisory group at each subsequent step as this program has been developed. There were some concerns from one of the main wholesalers in the Northwest Territories who wanted us to revisit the modeling and look at other options that put more of the administrative burden on retailers. We looked at some of these, didn't think it was practical and did make some concessions in terms of the amount of deposits that would be required, but this took time to work through these options. We also understood and recognized quite early on that we had to work quite closely with the advisory group to make sure that we had support at each step of the development. Then when the RFP process went out, we didn't get proposals for community depots from every community. We still have additional work to do there.

What we're going to do is try to roll it out to communities where we do have proposals, but then we're going to

embark on a plan to go out and solicit interest from the other communities that didn't put forward submissions for a community depot and we do have some capital funds to apply to that initiative. So we're going to work very closely with communities and hope to get broader interest. So there have been a range of things that have led to some of the dates slipping. But we are optimistic that when we roll this program out, it can be rolled out effectively. The proposals will be ones that have successful and thorough business plans. The last thing we want to see is some of our community depots or regional processing centres fail after rolling out this legislation. So we are taking this slower than we had initially thought, but I think we're doing a more thorough job.

There was one other question the Member put to me and I'm going to have to ask, the Wildlife Act was the other question. Obviously this is another initiative that has been ongoing for a number of years and it has been slow going. The companion legislation, Species at Risk Act is another piece that we're working on. We hope to have some progress soon, but there's been some discussion and debate around the process chosen and how we could more effectively involve land claims and organizations in the process to ensure that they were consulted at every step of the way. This is a very cumbersome process, but, again, this is very important that we don't do anything that flies in the face of commitment through land claims and ensure that we take those into consideration and this has to be done thoroughly, it has to be done adequately. Wildlife I think is so important to people in the Northwest Territories that it requires this due consideration and careful progress. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Bell. Ms. Lee.

**MS. LEE:** Thank you. I think with respect to the wildlife legislation we're taking the words doing it carefully and thoroughly a little too far. This has been under consultation for at least 10 years, or going into 10 years. I mean, surely nothing needs to be studied for that long and I still didn't hear a specific date or time frame from the Minister as to when we should expect to see that legislation because we have to keep in mind once it arrives here it has to be kicked into another whole consultation process. By the time this is done, we would have spent \$10 million on the bill; it's just out of control. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Pokiak):** Thank you, Ms. Lee. Mr. Bell.

**HON. BRENDAN BELL:** Thank you, Mr. Chairman. I know that Members are frustrated with the time that this has taken. I think the government is frustrated as well and I know regional organizations share in that frustration, but the timelines that we're looking at are fall 2005 for introduction for the draft Species At Risk Act in the Legislative Assembly, and in terms of the Wildlife Act we think fall 2006 is a reasonable expectation in terms of our being able to introduce the draft Wildlife Act in the Assembly. We have ongoing discussions with the claimant groups and are working through this, but we are being asked to do this in a very measured manner and consult at every step of the way. So that is taking some time. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Bell. Next I have Mr. Menicoche.

**MR. MENICOCHÉ:** Thank you very much, Mr. Chair. With regard to the environment and natural resources, one of the biggest initiatives that has been ongoing for a while too is the Beverage Container Recovery Program and it's something that people in my riding have expressed interest about. They look at how it's laid out and it's kind of confusing, Mr. Chair, because what they actually want to do is spend lots of money.

I think there are only three regional processing centres; Hay River, Yellowknife and Inuvik. What they actually have to do in order to meet the terms of this act is that smaller communities, very small communities, which are in my riding, like Nahanni Butte, Trout Lake, Jean Marie, have to get their recoverable wastes over to Hay River. It's manageable in a place like Wrigley who is covered by the road, Jean Marie is covered by the road and Fort Simpson and Fort Liard, but what it calls for is that it has to get to Hay River; it doesn't stop in Fort Simpson. The way the legislation reads and is worked out is that communities like Nahanni Butte and Trout Lake have to actually fly their recoverables over to Hay River to the regional processing centre.

In fact, the terms of the reference of the contract calls for them to fly the recoverables and you look at it and you say that doesn't make sense, that's like a logistical nightmare. What really makes sense there, Mr. Chair, is to make Simpson a regional processing centre and that will make sense because it's something that Fort Simpson has always been doing for 20 years. They've been storing glass and recoverables and making a go out of it. Now we've passed legislation that omits them from doing that type of work. In fact, using the road system we can become a recoverable centre for further up the valley from waste that comes out of Deline, out of Tulita and Norman Wells. Just using the road system, it makes sense to get it to Fort Simpson.

So that's something that I've taken up with the Minister and brought up on several occasions and I'd like to take this opportunity to bring it up again. Here we have an opportunity to do something that makes sense and I really think that we should strive towards that. Just with that, Mr. Chair, perhaps I can get the Minister to comment with regard to the eventuality or even making Fort Simpson a sub-regional processing centre. It doesn't make sense to fly all the goods from Nahanni Butte to Hay River, but it does make sense to get it to Fort Simpson or from Wrigley, from Jean Marie, from Trout Lake and we can bulk it up there and then perhaps get it to Hay River. Thank you very much, Mr. Chair.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Menicoché. Mr. Bell.

**HON. BRENDAN BELL:** Thank you, Mr. Chairman, and I thank the Member for both his input and the community's interest in this program. I think that's the kind of interest I'm hoping that we can get from all communities. The Member is right. We've looked at regional processing centres in Hay River, Yellowknife and Inuvik. We think on the basis of what we'll have to pay out and what the program can generate, that there will be enough money to justify the three regional facilities. We're reluctant to add other processing facilities at this point because one of the premises here and one of the things that underpins this whole approach and strategy is that this will be self-sustaining. If we were to add additional deposits that were non-recoverable we could justify probably additional

regional centres, but that would be such an onerous cost at some point for people to bear that we felt three was the most reasonable level for us to have.

The community depots will essentially be storage facilities and will likely have the storage capacity so that, for instance, the community depot only needs to empty its collection of recyclables potentially maybe once a year and it can be done in the winter on the winter road. We're certainly not proposing that these materials be flown around. We're going to look for the most cost-effective solution and I don't think that will include flying, unless for some reason there's some backhaul rate that's excellent and is cheaper than the winter road, but I can't imagine, Mr. Chairman, that will be the case. So that is the approach that we're taking. The materials will be driven or barges to the three regional processing centres. But I want to assure the Member, we're not flying things around at great expense. This program has to be self-sustaining, that is the goal. Now should the program warrant future regional processing depots, then that's something that I'm prepared to look at. We are paying attention to the interest from the community of Simpson and certainly the interest and efforts of the Member but, as I've indicated earlier, I don't want to hamstring this program and make it such that we have to subsidize it indefinitely because we've set up this large bureaucracy and administration. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Bell. Mr. Menicoché.

**MR. MENICOCHÉ:** Thank you very much, Mr. Chairman. I was just trying to convey to the Minister that it's already not making sense at all. I appreciate his concern about generating revenue and sustaining the three existing ones, but it just doesn't make sense when you are going to be spending all kinds of money trying to make money. It's just not making sense at all, Mr. Chair. So I just want to convey to the Minister that yes his logic is well thought out, but once you apply it that's where I'm thinking the practicality of the program just doesn't fit at all. I'm telling you that's what the legislation calls for. If the bins in Nahanni Butte are full in the summertime, they have to fly it to Hay River and that's a huge cost. That's like a charter cost to get it from Nahanni Butte to Hay River and the Minister talked about practicality and saving dollars and making dollars, but if they are going to be spending a whole lot because your legislation straps you or obligates you to do it, it just doesn't make sense.

Here we have an opportunity to say okay, we'll make Fort Simpson at least a sub-depot, we can get the stuff there from the smaller communities and the communities up further north, package them and then perhaps get them to Hay River and that's what I've been trying to convey to the Minister. At least we're going to have to do that because I know that there's going to be a cost savings there. Will the Minister look at that and take this heads-up notice that you know you're defending a program based on a high level research and I'm basing what I'm saying on the practicality aspects, because Simpson and the people that have been running the recovery program there for the past 20 years know what they are talking about because they've been actually dealing with this. So will the Minister look at revisiting this whole notion today before it's too late, Mr. Chair? Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Menicoché. Mr. Bell.

**HON. BRENDAN BELL:** Thank you, we certainly want to work with all communities, Simpson as well, and I want to assure the Member we don't believe there will be any diminishment of the service that's currently offered in Simpson. We don't believe the materials are being separated. They are in fact being collected and then forwarded on from there. So that largely is the role of the community depot and that will remain the same. Simpson will still be a community depot.

Also, at some of the smaller communities you won't find the details of this program in the legislation because they aren't there. The details of the program are in the regs that we're developing. So these regulations are what we're working through with our advisory committee and there are a whole range of stakeholders on the advisory committee to advise us on the details of this program to make sure that they make sense and we don't do, as the Member has pointed out, things that are at cross purposes with our intentions here.

So the details of the program will be in the regs being developed. We, I think, imagine our vision, for instance a C-can sized storage facility being set up in a smaller community, and before I would think we would start flying materials around we'd probably add another C-can to ensure that we had the most cost-effective approach possible. I don't want this to be a program we've got to subsidize and, therefore, I don't think it makes sense to be flying glass and aluminium around the Northwest Territories and I take the Member's point. We certainly will take his advice. We will work very closely with the community of Simpson to make sure there isn't a diminishment of the service that they currently enjoy and I think in future the expansion of this program and future programs that this is the first program under this legislation, we'll take a very close look at that community, which, I think the Member is right, is well poised for this kind of development and program. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Bell. Mr. Menicoche. Thank you, Mr. Menicoche. Mrs. Groenewegen.

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. I just want to speak for a few minutes generally to the principle of this creation of a department that is devoted to the goals that Environment and Natural Resources is devoted to. I think it's a good idea. I do think that the mandate of the Department of RWED must have seemed conflicting at times and I don't think perhaps it was more manageable in the past, but going forward I think that it's going to become more magnified and more pronounced because of the demand for our resources here in the North. I think when we talk about our environment here in the North, we have to view it as kind of the last place maybe on Earth to do things right in terms of protecting the land and protecting the environment.

Now when I say that, of course, it's ironic that we can do all we can within our power to protect our North, but in fact it turns out to be an area that seems to be a catch mitt for all kinds of atmospheric contamination. It seems like a lot of things gravitate to the North. When you look at some of the analysis that are done on some of our wildlife and you hear reports of what kinds of things that are not found naturally in our environment that are found in things like breast milk, it just makes you realize that we can try to keep things as pristine here as we want, but still we're

affected by a bigger world around us, which brings me to another point. It's not enough for us to be focused on what's going on here at home. I think we have to be proactive and really involved in other things, which are going to touch on us because we're not an island, we're surrounded by all kinds of things that are going on.

With this new department I think we can take a larger role in some of the national and international issues that wouldn't necessarily affect the North just because of the way that some of these things gravitate towards us and we have a very fragile environment. But if we're not going to be the ones speaking out for that environment, no one else is going to do that for us. I'm sure there are national organizations, international organizations who have an interest, but I think we're the stakeholders, the ultimate stakeholders here. So when I say we could have more of an input I'm thinking of things like ANWR where because the wildlife don't know the boundary that we know we have vested interest in being really proactive on things like the exploration initiatives that are wanting to be undertaken in that wildlife reserve, things like Kyoto, groups that work on climate change with other circumpolar partners. I think that we need to be at the table and we need to be very vocal and we need to be prepared and we need to have effective input on all of these things.

So it isn't just about exactly what's going on maybe in our communities. It's what's going on around us too on an international and in a global way. So I think it's really important that we do things right. We've made a lot of mistakes in the past when it comes to the environment and a lot of that was just lack of knowledge, but even now we think something like the Giant Mine storage of the underground arsenic, the way that was done that was maybe the wisdom of the day that put that where it is, but even now I think we've got oil wells in the middle of the Mackenzie River built on islands and it was really in keeping with the technology of the day. But going hand in hand with that, we do not have yet here in the North what I consider to be a good contaminant containment program. If there was a major malfunction or something happened that a lot of product got into the Mackenzie River, for example, just think about the far-reaching affects that something like that could have. So we have a lot of areas that we could still do some real work on and some catching up with whatever the latest available technology is that's out there around the world.

So I just wanted to say those few comments, Mr. Chairman, and say that I really support this initiative right from the beverage container recycling. Again, it's long past due that we would get on board with making sure that we're not littering our own territory with garbage and unsightly landfills and things that don't need to be cluttering up and filling up our land.

So I think that this is a good move and going forward, it is going to cost a little more money but it is legacy planning and it is far-sighted, visionary and something that needs to be done. I just want to say I support this and I would like to see the new Department of Environment and Natural Resources really grab a hold of some of these major issues which could affect us and put the Northwest Territories on the map when it comes to environmental protection.

---Applause

**CHAIRMAN (Mr. Pokiak):** Thank you, Mrs. Groenewegen. Mr. Bell.

**HON. BRENDAN BELL:** Thank you, Mr. Chairman. I think you can see from the appreciation of other Members, that the Member has indeed made several good points about the future of this government, the future role for this department. I think there are a number of initiatives that are global in nature that we do have to embrace and recognize that it's up to us to advocate the interests of residents of the Northwest Territories. We can't expect that even through some of our other circumpolar memberships or partnerships or our relationship with the Canadian government that our interest will be looked after. I think that's why we put so much open in the devolution or control of lands and resources process. I think we want the control to say in terms of how future development happens.

We know that, as the Member has pointed out, we are living with past legacies of federal control when we look at issues and situations like the Giant Mine storage of arsenic and the problems we have at the surface.

I think Members know that I have talked recently about our Greenhouse Gas Strategy, which was developed. We are bringing that up to date and we are not only focussed on emissions, which I think are important, but also focussed on climate change adaptation. Climate change is a reality. We do have to ensure that we understand how to best adapt and change with this warming trend to ensure that our infrastructure and other things like that are taking into account the changing climate.

You mentioned ANWR and Kyoto. ANWR is a hot topic of debate and probably going forward to elicit lots of interest and discussion in this House as the United States seeks to pass an energy bill and whether or not ANWR drilling is in or out of that energy bill, it will be a topic of discussion. Some recent media speculation that some of the oil and gas companies have backed away from ANWR and discussion of drilling because they feel that there are other targets around the globe that make more sense for them at this point. But at some point, even if there is some delay or deferral, this will be back on the table for discussion. It's important that we weigh in and make sure that the voices of northerners are heard in this process.

Kyoto is important as well. If we look at our emissions as a territory, that's important, but we feel we are bringing on development of cleaner fuels that will help relieve some pressure on the national global account in terms of more carbon intensive sources of fuel. We would like to displace more of those.

There are a whole range of issues. I agree with the Member, we aren't an island. We see that probably most pointedly in climate change. We are forced to react now, not because of our own doing and we do have to continue to insist that the federal government clean up some of the messes that there are these we are currently dealing with locally that they were responsible for and continue to be responsible for. I take the Member's points. We will certainly take that way and I appreciate her comments and input. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Minister. Mrs. Groenewegen.

**MRS. GROENEWEGEN:** My time is up.

**CHAIRMAN (Mr. Pokiak):** Mr. Hawkins.

**MR. HAWKINS:** First of all, I will endorse the development of this department. I can appreciate, as many Members say, about conflicting mandates. It's late, so I won't go into how deep my support runs, but it runs deep. I will say one thing with regard to the cost. When we do the official split in a few weeks, I would endorse that the Ministry keep the same uniforms and we phase things out. So don't throw all the business cards out just yet and the letterhead. Maybe we can do things in a smart manner. The cost associated with that is quite significant and so would throwing it all out and starting from scratch.

I have two questions. The first one my colleague had mentioned regarding Giant Mine. There is a big concern I have with regard to brown fields and contaminated sites in the Northwest Territories. The Minister would be no stranger to the Giant Mine, growing up here. He is well versed in understanding the arsenic problem. Without going into significant details, what is his department going to do in a lead position to address the Giant Mine problem as well as balancing the other brown fields across the Northwest Territories that need immediate action and attention on a federal government level?

The second one, just moving along, because I know Members are exhausted, is if he could speak in the context of which communities will get the first rollout on the beverage container area and how he expects that to be rolled out in a public education sense. So it's beverage container and Giant Mine, two easy softballs. I would like to get some idea on what is happening with those two issues. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Hawkins. Mr. Bell.

**HON. BRENDAN BELL:** Thank you, Mr. Chairman. It's difficult for me to provide a very quick response to the first one, that's Giant. We are in discussions and negotiations with the federal government at a deputy minister level. Peter Vician has that file and has been working and meeting with his counterparts in DIAND to see if we can come up with an agreement going forward. I have met with DIAND Minister Andy Scott specifically on this issue and propose that we set aside some discussion in terms of surface cleanup that had been bogging us down. That was a discussion around responsibilities and liabilities and just talk on what the cleanup would cost and try to fix a proposed cap of exposure for our government in terms of finances. That discussion is ongoing, but we saw this as the only way forward to have this long, drawn out discussion around legal liabilities and try to resolve all of those legal issues first. My sense was that we were going to be doing this for some time and I didn't think that was the best use of our time and resources. So we hope we are fairly close to a surface agreement that can see a cleanup start in the very near future.

In terms of underground, we are convinced at this point the freezing, the in situ alternative that had been proposed by the consultants DIAND was using, is the most effective method at this point, so we are supportive of that. We've always said this is entirely a federal responsibility. We maintain that. I don't think the federal government disputes that.

So the underground and the above ground issues are moving forward. I think we can expect though there will be

a long, environmental assessment process and a thorough one. It will likely be a couple of years before we see some of that work on underground take place. It will require monitoring and treatment in perpetuity with this option, so I am sure that if options become more available as technology changes in the future, the federal government has a real incentive to adopt those from a financial point of view. I will certainly provide more detail in future as this develops. I know the deputy minister must have had five specific meetings with officials in the last month on this issue, so there is a lot of work being done. The department knows this is a priority for us and is pushing ahead quite aggressively.

It seems we had proposals from about nine communities in the Northwest Territories on the beverage containers. There are obviously quite a number of other communities that we have to engage in and involve in this process now. We are looking, as I said, to roll out the depots and processing centers where we do have proposals. The notes I have here indicate we had 14 proposals for community depots and seven proposals for regional processing centres. We are in the process of evaluating and awarding those now, but obviously that does leave a void here in terms of other communities. That's our next challenge, to start to work with those other communities that we haven't got proposals from yet. Thank you, Madam Chair.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Minister Bell. Mr. Hawkins.

**MR. HAWKINS:** Thank you, Madam Chair. I believe that will be more than enough questions for me this evening. So at this time, I would like to report progress.

**CHAIRPERSON (Mrs. Groenewegen):** You have to make a motion to report progress.

**MR. HAWKINS:** I would like to move that I report progress.

---Laughter

**CHAIRPERSON (Mrs. Groenewegen):** Okay. I move we report progress.

**MR. HAWKINS:** I move we report progress.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. Hawkins. The motion is in order. The motion is not debatable. All those in favour? All those opposed? The motion is carried.

---Carried

I will rise and report progress. Thank you, Mr. Bell, Mr. Bailey, and Mr. Kennedy.

**MR. SPEAKER:** Item 21, report of Committee of the Whole. Mrs. Groenewegen.

#### ITEM 21: REPORT OF COMMITTEE OF THE WHOLE

**MRS. GROENEWEGEN:** Mr. Speaker, your committee has been considering Bill 19, Appropriation Act, 2005-2006, and Committee Report 10-15(3) and would like to report progress with one motion being adopted and, Mr. Speaker, I move that the report of Committee of the Whole be concurred with. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. Do I have a seconder for the motion? The honourable Member for Thebacha, Mr. Miltenberger. The motion is in order. All those in favour? All those opposed? The motion is carried.

---Carried

Item 22, third reading of bills. Mr. Clerk, orders of the day.

#### ITEM 23: ORDERS OF THE DAY

**CLERK OF THE HOUSE (Mr. Mercer):** Mr. Speaker, orders of the day for Wednesday, February 23<sup>rd</sup>, at 1:30 p.m.:

1. Prayer
2. Ministers' Statements
3. Members' Statements
4. Returns to Oral Questions
5. Recognition of Visitors in the Gallery
6. Oral Questions
7. Written Questions
8. Returns to Written Questions
9. Replies to Opening Address
10. 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
17. First Reading of Bills
18. Second Reading of Bills
19. Consideration in Committee of the Whole of Bills and Other Matters
  - Bill 15, Tlcho Community Services Agency Act
  - Bill 17, Northwest Territories Business Development and Investment Corporation Act
  - Bill 19, Appropriation Act, 2005-2006
  - Bill 20, Supplementary Appropriation Act, No. 3, 2004-2005
  - Committee Report 9-15(3), Standing Committee on Accountability and Oversight Report on the Review of the Draft 2005-2006 Main Estimates
  - Committee Report 10-15(3), Standing Committee on Governance and Economic Development Report on the Review of the Draft 2005-2006 Main Estimates

- Committee Report 11-15(3), Standing Committee on Social Programs Report on the Review of the Draft 2005-2006 Main Estimates
- Committee Report 12-15(3), Standing Committee on Rules and Procedures Report on the Review of the Report of the Chief Electoral Officer on the Administration of the 2003 General Election
- Minister's Statement 86-15(3), Northern Strategy
- Minister's Statement 88-15(3), Update on Oil and Gas Development in the NWT
- Minister's Statement 89-15(3), Community Leaders' Conference Report: Preparing for the Pipeline
- Minister's Statement 90-15(3), Social Impacts of the Mackenzie Gas Project
- Minister's Statement 91-15(3), Preparations for the Mackenzie Gas Project

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 February 23, 2005, at 1:30 p.m.

---ADJOURNMENT

The House adjourned at 7:24 p.m.



