

Northwest Territories   
Legislative Assembly

4th Session Day 22 15th Assembly

HANSARD

Friday, February 3, 2006

Pages 701 - 744

**The Honourable Paul Delorey, Speaker**

**Legislative Assembly of the Northwest Territories**

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Published under the authority of the Speaker of the Legislative Assembly of the Northwest Territories

# TABLE OF CONTENTS

**PRAYER 701**

**MINISTERS' STATEMENTS 701**

62-15(4) - GNWT General Submission to Joint Review Panel 701

64-15(4) - NWT Stop TB Conference 701

**MEMBERS' STATEMENTS 702**

Mr. Ramsay on Budget Process 702

Mrs. Groenewegen on Provision of Fire Emergency and Ambulance Services 702

Mr. Lafferty on Maintenance of the Highway No. 3 Access Road 703

Mr. Menicoche on Recognition of Elders and Youth of Nahendeh 703

Mr. Pokiak on Enhancement of Access Road in Tuktoyaktuk 703

Mr. Yakeleya on Getting to Know the Land and People of the Northwest Territories 704

Mr. Robert McLeod on Alcohol and Drug Abuse in the North 704

Mr. Hawkins on Public Broadcasting of Legislative Assembly Proceedings 704

Mr. Villeneuve on Growing Public Service in the North 705

Ms. Lee on the Heart and Stroke Foundation of the NWT 705

**ORAL QUESTIONS 706**

**WRITTEN QUESTIONS 716, 716**

**REPORTS OF STANDING AND SPECIAL COMMITTEES 716**

**TABLING OF DOCUMENTS 732**

**MOTIONS 733**

12-15(4) - Provisional Rule Changes to Implement Designated Budget Days 733

**CONSIDERATION IN COMMITTEE OF THE WHOLE OF BILLS AND OTHER MATTERS 733**

**REPORT OF COMMITTEE OF THE WHOLE 743**

**ORDERS OF THE DAY 743**

**YELLOWKNIFE, NORTHWEST TERRITORIES**

**Friday, February 3, 2006**

**Members Present**

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

# ITEM 1: PRAYER

---Prayer

**SPEAKER (Hon. Paul Delorey):** Good morning, colleagues. Welcome back to the House. Orders of the day. Ministers’ statements. The honourable Premier, Mr. Handley.

# ITEM 2: MINISTERS’ STATEMENTS

## Minister’s Statement 63-15(4): GNWT General Submission To Joint Review Panel

**HON. JOE HANDLEY:** Thank you, Mr. Speaker. Mr. Speaker, the Mackenzie gas project is critical to the long-term strategic interests of the Northwest Territories and to the social and economic future of our people and our communities. This project will provide significant opportunity for residents of the Northwest Territories to take control of their economic future.

On February 14th, the Joint Review Panel on the Mackenzie gas project will begin its public hearings to evaluate the potential environmental and socio-economic impacts of the project in the project area.

The Joint Review Panel is one of two hearing processes being undertaken on this project. The GNWT has already filed evidence and will also be participating in hearings being held by the National Energy Board.

Yesterday, the Government of the Northwest Territories filed a general submission with the Joint Review Panel. Copies of our submission can be obtained through the Joint Review Panel’s public registry.

The Government of the Northwest Territories wants to ensure that if the Mackenzie gas project proceeds, it is undertaken in a manner that is environmentally, socially, culturally and economically sustainable. Our submission to the Joint Review Panel is based on the premise that this may be achieved if:

* the proponents implement commitments on project-related impacts;
* the project is subject to ongoing monitoring, mitigation and reporting; and,
* the proponents complete a socio-economic agreement with our government.

Mr. Speaker, the Northwest Territories maintains qualified support for the Mackenzie gas project based upon the information currently available. We intend to continue working with the proponents, other interveners and aboriginal organizations throughout the public hearing

phase of the environmental review of the project to ensure our concerns and issues are addressed.

During the hearing phase of the environmental review, the Government of the Northwest Territories will provide presentations and evidence to support the recommendations contained in our general submission.

Our participation will allow us to learn more about the project, the concerns of others, and to consider adjustments to our recommendations. We fully expect the issues we have identified to be resolved during the hearing process as the proponents provide further information and make additional commitments.

Mr. Speaker, the Government of the Northwest Territories will make our final recommendations to the Joint Review Panel at the conclusion of the public hearing phase. These recommendations will be based on the commitments made by the proponents, the recommendations made by other interveners and any agreements reached with the proponents during the hearing phase. We are confident any outstanding issues will be addressed by the Joint Review Panel in its final report to the federal and responsible Ministers.

Mr. Speaker, the Government of the Northwest Territories’ qualified support for the project, as outlined in our general submission, opens the door for the proponents to address our recommendations. We look forward to participating in this process. Thank you. Mahsi cho.

---Applause

**MR. SPEAKER:** Thank you, Mr. Handley. Ministers’ statements. The honourable Minister responsible for Health and Social Services, Mr. Miltenberger.

## Minister’s Statement 64-15(4): NWT Stop TB Conference

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. I am proud to announce that this week the NWT is hosting its first ever STOP TB conference. The aim of this two-day conference is to educate our frontline health care providers about diagnosing, treating and preventing the spread of this infectious bacterial disease.

The tuberculosis rate in our territory has remained five to 10 times above the national average over the past decade. It is especially troubling that TB rates are highest among our aboriginal population. The disease spreads through the air and can infect anyone. As Members know, this can be very serious.

In 2001, the Department of Health and Social Services developed an action plan to strengthen TB management and control in the NWT and this includes increasing public awareness about TB, enhancing training for primary health care workers, and ensuring public health resources are available to support the TB Program.

The Department of Health and Social Services and the NWT Medical Association are co-sponsoring this conference and over 160 physicians, nurses and other health care providers from the NWT, Nunavut and Yukon are in attendance.

This conference is an opportunity to educate all of the attendees about the disease of tuberculosis, the NWT TB Program infrastructure and specific northern resources for diagnosis, treatment and community efforts towards TB control.

One of the key speakers at this conference will be Dr. Anne Fanning, a TB expert, who has done two external reviews of our TB Program. Dr. Fanning recently concluded her second evaluation of the TB Program and indicated while there are still challenges for the elimination of tuberculosis in the NWT, such as the need to diagnose the cases in the early stage of disease, significant improvements have been made. Dr. Fanning’s report notes, “The recommendations are made in the light of the excellent progress to date and the likelihood that the NWT will soon enter the era of TB elimination. They address two areas of need: education and staffing. They recognize the need to use resources efficiently, but to sustain and strengthen surge capacity for TB control”

As such, this conference will allow the opportunity to present evidence of recommended standards of practice, thus informing clinicians how to diagnose disease and intercept the continued spread of this airborne infectious disease.

I would like to take this opportunity to recognize the work that is being done to fight this disease and the need for continued vigilance. We are providing training and orientation to health care workers at all levels, including doctors, nurses, community health representatives and TB workers.

Mr. Speaker, I am very proud of the work that has been done, but it is clear that we still have a long way to go. With this important TB conference, I hope we can continue this work and lower our TB rates to zero. Thank you, Mr. Speaker.

---Applause

**MR. SPEAKER:** Thank you, Mr. Miltenberger. Ministers’ statements. Members’ statements. The honourable Member for Kam Lake, Mr. Ramsay.

# ITEM 3: MEMBERS’ STATEMENTS

## Member’s Statement On Budget Process

**MR. RAMSAY:** Thank you, Mr. Speaker. Mr. Speaker, I am going to speak today about our budget process and how I feel that Regular Members need to have more input into major decisions, especially considering the constant state of flux that our funding arrangement is in with Ottawa.

In the Northwest Territories, we are supposed to operate in a consensus, consultative way. The Finance Minister advised us two years ago that, according to the formula his department has, it was in the best interests of the Northwest Territories to raise the corporate tax rate from 12 percent to 14 percent. Logic and common sense would dictate that if you raised your tax rate, corporations would file outside the Northwest Territories where they would get a better rate. Some of us even tried to tell the Minister that, but the Minister basically said to committee that day that this had to happen and that they were not afraid of big corporations filing elsewhere; a risk that they were willing to take.

The problem is that corporations did file elsewhere, and the first indication of this was the $30 million restatement of corporate tax revenue that the Finance Minister advised Regular Members of in the fall, and hopefully the decision in this year’s budget to reduce the rate from 14 percent to 11.5 percent will be an incentive for corporations to keep their tax files here in the Northwest Territories.

The problem I have is that the $30 million mistake, I mean reinstatement, hits the government hard. The Finance Minister only advises us that this is happening. As Regular Members, we have had no input or discussion regarding the reductions that were required. Cabinet and the Finance Minister send the various departments scurrying around trying to identify one percent reductions. As Regular Members, we only get the finished product. Our ability to give advice or be consulted is overlooked. It’s funny how it works when government comes forward with supplementary appropriations, we go through them and approve the spending. However, when it comes to reducing government spending, we don’t get a chance to debate or discuss these reductions and how they should take place. I would like to see the Regular Members consulted on government-wide reductions at the earliest opportunity, so that perhaps we can make suggestions to the government and to the Finance Minister. Thank you, Mr. Speaker. I will have questions for the Finance Minister at the appropriate time.

---Applause

**MR. SPEAKER:** Thank you, Mr. Ramsay. Members’ statements. The honourable Member for Hay River South, Mrs. Groenewegen.

## Member’s Statement On Provision Of Fire Emergency And Ambulance Services

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, over the past few months, it’s become quite clear that there is a lack of a comprehensive and consistent policy in place to deal with the provision of fire emergency and ambulance services to NWT communities and surrounding regions. This was very recently raised by myself in the context of liability and appropriate levels of funding to the volunteer ambulance and fire services in Hay River. I have been informed that an interdepartmental response on this issue is in the stage of being developed.

Hay River emergency services received a record number of calls during 2005, and I can only surmise that the anticipated economic activity and growth will place increased demands on the Hay River fire and ambulance services for the immediate future. A comprehensive plan would allow us to access resources, perhaps even from industry. But, Mr. Speaker, we need a plan. I have met with the chief and officers of the Hay River volunteer fire department. After discussing a number of current priorities and imminent future demands on services, we agreed that Hay River needs to commission the development of a proposal regarding fire and ambulance services. We want to contract an independent consultant to undertake this work. We would work with the Town of Hay River, the Hay River Health Board, various government departments and agencies and, most importantly, the volunteers of the Hay River fire department to develop the terms of reference for such a proposal.

I am requesting that the GNWT contribute the cost of a consultant for the preparation of this comprehensive proposal. This proposal would indicate adequate capital, equipment, infrastructure, operations and maintenance funding for the Hay River fire department. I presume this amount would be in the neighbourhood of $10,000. I will have further questions on this matter for the appropriate Minister in question period today. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. Members’ statements. The honourable Member for Monfwi, Mr. Lafferty.

## Member’s Statement On Maintenance Of The Highway No. 3 Access Road

**MR. LAFFERTY:** (Translation) Thank you, Mr. Speaker. I want to talk about Highway No. 3. That is my statement today. Improvements on Highway No. 3. We are thankful these improvements will be done soon because we always use this highway, which is important to us. This highway that is there, there is a lot of people who live along the highway. Sometimes some of these elders and people live along the highway, but since the highway was created, some of them are experiencing hardship because their cabins are a ways from the highway. I am talking about the access road. I am talking about the Department of Transportation. Although they maintain the road, they don’t maintain the access road to their cabins. So the elders and people of the communities that live along the highway, they hunt on the road, they trap. They live a traditional lifestyle that they still hold onto. If they are transporting things to their cabin, it’s hard for them to do that. Some elders are not able to walk a long way.

So the access road is a long way. Sometimes they have to go through a lot of snowdrifts on the road, which makes it hard for them. They do maintain the road, the highways. I will ask questions later regarding the access road. I am going to ask whether they can plough their access road once or twice a month. This is a unique situation in the NWT. So this is what we are asking the government. Later today, I will ask the Minister to see if he can prepare to do this to help these people. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Lafferty. Members’ statements. The honourable Member for Nahendeh, Mr. Menicoche.

## Member’s Statement On Recognition Of Elders And Youth Of Nahendeh

**MR. MENICOCHE:** Mr. Speaker, mahsi cho. (English not provided)

In the beautiful communities of the Nahendeh, many people, groups and organizations work diligently day after day, year after year, to make it a safe, friendly and exciting place to live and visit. Today I want to recognize such individuals. The first is a very respected elder, Mr. Edward Jumbo, from Trout Lake and the youth from Nahanni Butte. A guardian angel is watching over the lake is how our honourable Commissioner Tony Whitford described elder Mr. Edward Jumbo when he came and visited and presented Mr. Jumbo with a certificate from the lifesaving society. In the summer, 2004, Mr. Jumbo saved the lives of two tourists from Calgary who capsized their boat on Trout Lake. This wasn’t the first time. Previously, he saved a man who accidentally fell out of his boat that was going in circles.

From Nahanni Butte, I wish to recognize Breagh Ingarfield, 14; Kayla Betsaka, 15; and Kyra Tanche, 14, who were in the news this week for opening an animal shelter in Nahanni Butte.

---Applause

As well, Mr. Speaker, the youth from Nahanni Butte were recognized by Mr. Wayne Rostad from On the Road Again and did take time to show them on his show last night. It just goes to show the exceptional abilities of our youth from Nahanni Butte.

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

**MR. MENICOCHE:** Once again, I commend my constituency and indeed all NWT residents who take the time and effort to help others. It’s interesting, Mr. Speaker, that these individuals are elders and youth who are going out of their way to provide service to people and animals.

Once again, I would just like to commend these individuals from the Nahendeh communities and all the other people in the North who are taking time out in their busy lives to improve the lives of others and animals as well. Mahsi.

---Applause

**MR. SPEAKER:** Thank you, Mr. Menicoche. Members’ statements. The honourable Member for Nunakput, Mr. Pokiak.

## Member’s Statement On Enhancement Of Access Road In Tuktoyaktuk

**MR. POKIAK:** (English not provided)

Thank you, Mr. Speaker. Once again, I rise in this House to raise the issue of a 22-kilometre access road from Tuktoyaktuk to gravel source 177. Mr. Speaker, in the 1990s, one kilometre of the road from the source to Tuktoyaktuk was constructed using GNWT funds. As I have indicated in previous Member's statements, this access road is in alignment of Tuktoyaktuk’s proposed new landfill, sewage lagoon and an airport. Perhaps more importantly, Mr. Speaker, the access road is also in alignment with the Tuktoyaktuk-Inuvik highway.

I would like to thank Premier Handley, Minister McLeod and out-going MP Blondin-Andrew for meeting with the Tuktoyaktuk Working Group in November. At that meeting, Mayor Jacobson briefed the governments on the need for gravel and why the access road is so important for the future infrastructure requirements of the community. The government was very receptive to the need for a year-round source of gravel and to starting the Tuk-Inuvik highway.

Mr. Speaker, at the last meeting of the federal/provincial/territorial Ministers of Transportation, it was agreed to support the construction and completion of an all-weather road up the Mackenzie, ending in Tuktoyaktuk. I understand that the Minister of Transportation has released two documents: Corridors for Canada II and Connecting Canada from Coast to Coast to Coast. The document Corridors for Canada II has identified a requirement of $15 million to build an access road to gravel source 177.

In closing, Mr. Speaker, this government must vigorously pursue the implementation of these two plans with the new Conservative government. The access road is essential to the continuing economic growth in the Beaufort-Delta and needs to be started as soon as possible. Thank you, Mr. Speaker.

---Applause

**MR. SPEAKER:** Thank you, Mr. Pokiak. Members' statements. The honourable from the Sahtu, Mr. Yakeleya.

## Member's Statement On Getting To Know The Land And People Of The Northwest Territories

**MR. YAKELEYA:** Thank you, Mr. Speaker. Mr. Speaker, I was inspired by our Members to start beginning to use our mother tongue, so I want to use part of my language here.

---Applause

(English not provided)

---Applause

In my language, Mr. Speaker, I want to just let the Members know that I said to thank the good Lord, thank the Creator for today, and that I will speak today on behalf of my people who put me here. I know life is difficult for all of us, and I will do my best to speak for you. I'll give you a voice in the House today. So that's what I said in my language.

I want to say that, Mr. Speaker, in my Member's statement that an elder has told me that if you know the land, you will know the people. I really didn't understand what the elder was saying: to know the land you would know the people. It was not until I started working in this job here as Members, and also scarce and previous Members, that you get to know the people. But when you go into your small communities and meet people from different regions, you get to know the land, you get to see the beauty of the Northwest Territories and the resources and the richness in the values and the way of life they live and the hardships they've come through. They always look at us for work and they call us…(inaudible)…big boss. So they always look to us to give them a better life, and I think that's the whole essence of people sending us here.

I want to say in the Sahtu it's a little different in that you're paying the high prices and that we know what is best for us, and I think this government is starting to work in that direction to give us that type of respect and dignity to elders to have a life that we deserve, like the rest of Canada and the Northwest Territories. Mahsi.

---Applause

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

## Member's Statement On Alcohol And Drug Abuse In The North

**MR. MCLEOD:** Thank you, Mr. Speaker. Mr. Speaker, with today being Friday and the weekend, coming up, I want to speak on a subject that's been a problem with the people, especially the youth, across the Northwest Territories for years. That problem, Mr. Speaker, is alcohol and drugs.

We've been battling that problem for years and it goes way back. With the pipeline coming, there's going to be more money, more chances to get alcohol and drugs, and too many families across the North, Mr. Speaker, have buried loved ones because of alcohol and drugs. Start making some good choices; and this is a message to the youth out there that may be listening. Start making some good choices. If your parents are going out on the land, go with them.

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

**MR. MCLEOD:** If they don't want to go out on the land, ask them to go. If they're the problem, take them on the land with you. It's just too big of a problem to keep ignoring. Kids nowadays have a whole world of opportunity in front of them, a whole world. If they want to go to school, they can be anything they want and this government will support them. I've seen that firsthand. As long as you don't apply 24 hours too late.

---Laughter

Those out there that supply the alcohol and drugs to these young children, you've got to be ashamed of yourself. I'm real curious to know what the view from the bottom of the barrel is.

I was watching TV one time and I heard this elder, I think he was from Saskatchewan. He was singing a song. He had battled abuse his whole life, and alcohol. In his song he said he woke up one morning and he realized that his life had passed him by, and I think that's a sad statement. I don't want that to be the theme song for not only our youth, but some of the older people, too. They have to set good examples. So I urge all of you young children out there, and not so young people, to not let this be the story of your life. You won't regret it. Thank you, Mr. Speaker.

---Applause

**MR. SPEAKER:** Thank you, Mr. McLeod. Members' statements. The honourable Member from Yellowknife Centre, Mr. Hawkins.

## Member's Statement On Public Broadcasting Of Legislative Assembly Proceedings

**MR. HAWKINS:** Thank you, Mr. Speaker. Fundamental to the interest of democracy is the people's access to see our debates on TV. So it is essential that the people have the ability to see what the representative MLAs are doing on their behalf. The media, which we can only rely so much upon, that delivers one of the pillars of democracy -- the stories and the truth that we tell here today -- but we can't put the burden strictly on the media themselves. So it is crucial that a public broadcasting system is available so our proceedings can be maintained at the highest level possible for access to all northerners.

For these reasons, it's regrettable that APTN will no longer be carrying our public debates of this Legislative Assembly. I see it as a great cloud hanging over the democratic process. This will be a significant disappointment across our Northwest Territories, mostly probably held in small communities who look forward, I know personally, to see their MLAs during session.

But this goes further. The loss will also affect the broadcasting of some of our northern aboriginal languages. It, too, will be a great disappointment in Yellowknife because if you only subscribe to satellite, you won't be able to watch it on your regular cable TV.

Mr. Speaker, on a number of occasions I've talked to several constituents and they always talk about how they enjoy watching our proceedings on television and how they say that the flair of our debates are quite classy. Mr. Speaker, but as you know, all has not been lost. I want to personally applaud the efforts of those involved in this Assembly, working with CKLB, the other local radio stations and cable stations, to make sure our coverage gets out to the people, even though in the short term we are struggling with finding quick solutions.

Mr. Speaker, you mentioned the other day that web casting is a new reality, and I applaud that type of thinking. In addition, I want to thank CKLB and again the local radio and cable television stations that are working to make sure the people's business is out there for access to everyone in their homes, so it's quite classy that they're doing that. I hope in the long term we can restore television coverage to all communities, from Yellowknife to our smallest communities all throughout our Territories. I believe a northern television station, Mr. Speaker, truly is our long-term solution. I would like to see this Assembly work with Nunavut and the Yukon to create a northern television channel that could carry our proceedings of all three Houses and allow for better broadcasting on northern issues and northern languages with the northern flair that we all have learned to love.

Mr. Speaker, the possibilities are endless. In closing, I'd like to encourage this Assembly to work through these short-term hiccoughs and I thank everyone for that time. Thank you, Mr. Speaker.

---Applause

**MR. SPEAKER:** Thank you, Mr. Hawkins. Members' statements. The honourable Member from Tu Nedhe, Mr. Villeneuve.

## Member's Statement On Growing Public Service In The North

**MR. VILLENEUVE:** Mahsi, Mr. Speaker. Mr. Speaker, my statement today will be about this government's growing public service again. Mr. Speaker, I know this public service has many people who do very good work and are dedicated to making improvements in the lives of many northerners, be it in our large or small centres. Sadly though, Mr. Speaker, I can also stipulate with conviction that there are many who just don't give a hoot.

Some of the main reasons why I raise this issue is because of the many calls I receive from many of the smaller communities. Issues such as long-outstanding land issues; issues of land tenure, land transfer and property taxation, which have been going on for years without much progress; housing materials that are still in the crates because land transfers have not been completed to begin construction. Mr. Speaker, I understand there is a process in place, but I don't believe that it should take two years.

Issues of infrastructure deficiencies that have been ignored or buried in our bureaucratic cesspool. Why do children in Colville still have to use a honey bucket in school, Mr. Speaker? The upgrade to this was to put fur on the seat, Mr. Speaker. We are in the 21st Century and this is totally unacceptable. Infrastructure in our small communities are valued much more than in our larger centres, because people do not have as many options or programs readily available like they do in our larger centres. We cannot continue to ignore or put these concerns on the bottom of this government's priority list.

Mr. Speaker, I can go on and on about the little plights of our small communities, many of which can be resolved if only we have a responsive and responsible government that can wake up this public service and get them to look outside the box called Yellowknife. Thank you, Mr. Speaker.

---Applause

**MR. SPEAKER:** Thank you, Mr. Villeneuve. Members' statements. The honourable Member from Range Lake, Ms. Lee.

## Member's Statement On The Heart And Stroke Foundation Of The NWT

**MS. LEE:** Thank you, Mr. Speaker. Mr. Speaker, this is the first Friday of the month of February, and February is Heart Month. Mr. Speaker, I agree with the statement on the web site on the Heart and Stroke Foundation that it takes a village to build heart health, and I am also pleased to announce that I will once again be joining thousands of people across Canada and the Territories going door to door to collect donations for vital Heart and Stroke Foundation research, and distribute health information over the next two weekends.

Mr. Speaker, I'm proud to tell you that the NWT raised $34,000 in a door-to-door campaign in 2004, the latest stats available. This is quite a feat, given how cold and blusterous our weather can be.

Mr. Speaker, it should be known that cardiovascular diseases account for the deaths of more Canadians than any other disease. In 2002, the latest year for which Stats Canada has information, cardiovascular disease accounted for 74,626 Canadian deaths, placing more burden on our health care system than any other illness.

Mr. Speaker, 32 percent of all male deaths in Canada in 2002 were due to heart disease, diseases of the blood vessels and stroke. For women, the total was even high. Thirty-four percent of all female deaths in 2002 were due to cardiovascular disease.

Mr. Speaker, the Stroke and Heart Foundation research funds more than 60 percent of all the heart and stroke research money in Canada, and it's work that I'm proud to be doing a little part of it. Mr. Speaker, I'd like to just take this opportunity to thank all the volunteer canvassers, and encourage everyone to open their pockets a little wider when they see the canvassers show up at their door, some of them very young volunteers and some of them may even be their MLA as I will be canvassing in Ward Crescent, and Jeske Crescent, and Jeske Court is in my riding. So I look forward to engaging with my constituents over the next two weeks for this cause. Thank you, Mr. Speaker.

---Applause

**MR. SPEAKER:** Thank you, Ms. Lee. Members' statements. Returns to oral questions. Recognition of visitors in the gallery. I would like to welcome any visitors we have in the gallery today to witness our proceedings. Welcome to the House. Oral questions. The honourable Member from Kam Lake, Mr. Ramsay.

# ITEM 6: ORAL QUESTIONS

## Question 328-15(4): Consultation On Budget Reductions

**MR. RAMSAY:** Thank you, Mr. Speaker. Mr. Speaker, my questions today are for the Minister of Finance. I've stood up in the House before and questioned the Minister on consultation with Regular Members, and this is similar to that. I'm suggesting that consultation has to take place with the Regular Members on reductions. The $30 million reduction in the corporate tax revenue is a pretty substantive reduction. I'd like to ask the Finance Minister why is there no discussion with Regular Members on proposed reductions? Why do we, as Regular Members, approve extraordinary spending, but we have no say in extraordinary reductions? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Ramsay. The honourable Minister responsible for Finance, Mr. Roland.

### Return To Question 328-15(4): Consultation On Budget Reductions

**HON. FLOYD ROLAND:** Thank you, Mr. Speaker. I'm glad the Member has raised the issue of consultation again, specifically in highlighting in his Member's statement the fact that I've, in the past, presented our fiscal situation and the strategies we'd have to work with, and how I guess he would put it, has selective memory of what I've stated. For the record, Mr. Speaker, when we've put the case before Members about where our situation was, I've also informed them why our arrangements were the way they were. So just for the record, Mr. Speaker, it wasn't the fact that we would say that we did not care if large corporations would file their tax outside the Northwest Territories. Our fiscal arrangement of the day impacted how we made our decisions.

Further to the question, Mr. Speaker, about consultation, is through the process of building the budget that's before the Members, through our supplementary appropriations for new expenditures, we undergo quite a rigorous process unlike any other jurisdiction in Canada -- the only one similar to us would be Nunavut -- in how we share the information and what our plans are. With the reduction scenario that the Member has raised, that was an area that we were informed of. I informed the House of our reduction in corporate taxes back in October, and that forced us to look at the overall budget and look for reductions. When you look at the amount we had to reduce, the target I sent to departments, in consultation with my Cabinet colleagues, was a one percent reduction. When you look at that scope of one percent over the whole budget of $1 billion, it's a fairly small amount and Ministers felt that they could take that amount and work it within the departments they were managing. Thank you.

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

### Supplementary To Question 328-15(4): Consultation On Budget Reductions

**MR. RAMSAY:** Thank you, Mr. Speaker. Mr. Speaker, my memory is fairly good on this and I know that the decision two years ago to go from 12 percent I think to 14 percent was the wrong decision at the time. The mistake has come back to haunt this government now for $30 million. I'd like to ask the Finance Minister if he's got any idea or indication of what that decision two years ago is going to cost the government going forward. Is it another $60 million? Is it $70 million? Thank you, Mr. Speaker.

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

### Further Return To Question 328-15(4): Consultation On Budget Reductions

**HON. FLOYD ROLAND:** Thank you, Mr. Speaker. Mr. Speaker, yes, the Member's memory and his comments are accurate about how he felt the decision we were making would have an impact. The impact that we've given, we've highlighted already in October. Now, the difference of our loss of corporate tax falls on two areas. One, the approximate amount of companies shifting where they would pay their taxes; two, probably more significantly, was how companies would refile their corporate income taxes. They have a three-year window where they can write off profits to previous losses so they can reduce the amount of corporate tax that they would pay, and that's what has hit us quite significantly in this fiscal year that we are in today. So it's not all about just having a higher tax rate; it's how companies can use the corporate tax system in their favour. What we've highlighted for loss for our corporate tax rate has been highlighted in the document that's going to be before Members for this year's upcoming budget. Thank you.

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

### Supplementary To Question 328-15(4): Consultation On Budget Reductions

**MR. RAMSAY:** Thank you, Mr. Speaker. Mr. Speaker, I thank the Finance Minister for that. But I want to get back to the consultation. I think a $30 million restatement of corporate tax revenue is a pretty substantial thing. I think that it's incumbent upon the government to come back to Regular Members and ask us for an opinion, or consult us on where we think these reductions could happen, instead of just making decisions to go for a one percent across-the-board cut in all the various departments. Sure, the Ministers can handle it, but we had no idea or indication of where those cuts were going to come from. I think it's important, in our style of government, that that consultation take place. So I'll ask the Minister, in the future when there are reductions of that size or magnitude, will he at least just consult with us, ask us what we think? Thank you, Mr. Speaker.

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

### Further Return To Question 328-15(4): Consultation On Budget Reductions

**HON. FLOYD ROLAND:** Thank you, Mr. Speaker. In line with our consensus style of government and being an open and transparent government, gladly I would seek the Members' input on any reduction scenarios that may come up in the future. Hopefully as we're building our position and our case before the new federal government, we will be able to instead be talking about where we invest more dollars, not how we reduce the expenditures we're in. Thank you.

**MR. SPEAKER:** Thank you, Mr. Roland. Oral questions. The honourable Member from Hay River South, Mrs. Groenewegen.

## Question 329-14(5): Support Of Volunteer Fire And Ambulance Services

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, in my Member's statement today, I talked about support for the Hay River volunteer fire and ambulance service. Members will remember I raised the issue of the inconsistency of support by this government to various fire and ambulance services across the Northwest Territories. In response to that, I know that there is a comprehensive strategy underway between the departments of MACA, Transportation, and Health and Social Services. But specifically to Hay River, what we have is a very well-trained volunteer fire department; we only get a $25,000 contribution to the local health board to operate that fire department. As resource development proceeds, our fire department not only serves the municipality, they serve the highway system east towards Fort Resolution and Fort Smith, south towards the border, and to the west towards Fort Providence, and this is quite a major undertaking. We need to be proactive in preparing for the amount of traffic and the demand that's going to be put on this volunteer ambulance and fire service in Hay River.

To that end, Mr. Speaker, we would like to come up with a plan specific to Hay River. I understand there's an overall overview plan being done for the Northwest Territories, but we want a plan specific to Hay River and we need money to commission that plan. There are five Ministers involved: Health and Social Services; MACA; Justice, under public safety; Transportation; and ITI, because a lot of this will be resource driven and we need $10,000. So any Minister of those five that I named, those five departments, that wants to give us $10,000, we'd greatly appreciate it. Perhaps I could direct the question to…I don't know who the lead is on it. Is it Mr. Miltenberger? Okay, Mr. Miltenberger. Thank you.

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

### Return To Question 329-14(5): Support Of Volunteer Fire And Ambulance Services

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. Mr. Speaker, this is an issue of some concern for the Northwest Territories, the government, and all the communities in the North. We are working, as the Member has indicated, on a plan. In fact, Minister McLeod and I and our staff met yesterday, and we're looking at bringing a document forward that hopefully, over the next number of weeks, we'll be able to review the committee as well, that lays out some of our initial thoughts and recommendations in the interim as we look to how to rationalize the whole process.

In regards to the Member's request for $10,000, if the Member wants to give me her question, then I would be happy to sit down and we would look at it to see how we could best work with the community of Hay River within the work that we're doing, keeping in mind that they are doing a very important job, as well, to see how we could address that request. Thank you.

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

### Supplementary To Question 329-14(5): Support Of Volunteer Fire And Ambulance Services

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. I realize it's not always possible to give a yes or no answer on this particular day, but I perceive a positive response there, so that's good news. We're hoping that we would use such a plan even to perhaps leverage some money from industry, as well. Hay River is not often mentioned when we talk about affected communities for the pipeline. But when you look at the presence of industry that's going to be in the community, we feel a document like this could perhaps even alleviate some of the costs on this government for supporting of all it. Obviously, it's cheaper to support the existing infrastructure that's there and enhance that, than it is for industry to go out and create a stand-alone kind of support service for emergency services while they're in our community. So in taking an answer back to the community then, I guess, for the $10,000 that's required, does the Minister see that as a reasonable amount, and is this something that he sees being done by an outside consultant, or does he have any other options on how he might achieve this plan? Thank you.

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

### Further Return To Question 329-14(5): Support Of Volunteer Fire And Ambulance Services

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. Mr. Speaker, the community of Hay River is to be commended for their proactive attitude. We're working with communities, for example, that do energy plans for all communities because it's a very important area that has a huge impact on communities. As we go forward with this particular initiative, we are going to be working with communities and regions on a community-by-community basis as we look at how services are structured in their particular region or community. So I would ask if you'd bring forward the detail of what you're asking, we will look at it, we will give it our best look with the folks that are involved and have experience in this area, of how best to proceed. Can we assist you with money, support, services in kind? Is there the talent in house? Those are questions that we can address. But I will assure the Member that this will be given very serious consideration, and it's a process that we're going to be engaging in from the 60th parallel right up to Holman.

**MR. SPEAKER:** Thank you, Mr. Miltenberger. Oral questions. The honourable Member from Monfwi, Mr. Lafferty.

## Question 330-15(4): Maintenance Of Highway No. 3 Access Roads

**MR. LAFFERTY:** Mahsi, Mr. Speaker. (Translation) As I said in my Member's statement, we have people living along the highway. There are cabins along the highway. A lot of our elders are practising their traditional lifestyle, and I'd like to ask the Minister a question. Will his department, the staff in Fort Rae, would they be able to plough the access roads to these people's cabins at least once or twice a month? That is my question. Thank you, Mr. Speaker.

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

### Return To Question 330-15(4): Maintenance Of Highway No. 3 Access Roads

**HON. MICHAEL MCLEOD:** Thank you, Mr. Speaker. Mr. Speaker, the clearing of access roads to cabins is really clearly outside of the Department of Transportation's mandate. However, we have, in some regions, been able to come to some agreements in areas where there are no other contractors or no construction outfits to come and do that work. I would be pleased to be able to sit down with the Member to talk about the particular roads that he's referencing. There is some flexibility here where if there's a clear demonstration that there is nobody else that can do it, if he can demonstrate that there is a land tenure to this property, we'd consider it. Other than that, we have been refusing all requests up to now in this area because there are contractors out there that have raised concern, that they have demonstrated that they work in the area and they want to do that kind of work. So I'd be able to sit down and talk to the Member to discuss this further; however, as to going out and saying yes we're going to set up a process to start clearing access roads, that's not something we're willing to do. Thank you.

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

### Supplementary To Question 330-15(4): Maintenance Of Highway No. 3 Access Roads

**MR. LAFFERTY:** (Translation) Thank you, Mr. Speaker. I'd like to thank him for his answer. We always talk about cooperation and working together. We had a meeting in Rae and we talked about how we can all work together as governments. As he has mentioned, he is saying that it is out of his mandate and he's talking like this is not the mandate of the government. But if you look at it, the government, all the communities are our government. It's very difficult if there's no access road to these cabins, so I'd like to ask the Minister a question. Is he willing to work with us? Whose mandate is it to help these people? Is it the Tlicho Government, or maybe he can sit with the Tlicho Government to have further discussion on this issue? Thank you, Mr. Speaker.

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

### Further Return To Question 330-15(4): Maintenance Of Highway No. 3 Access Roads

**HON. MICHAEL MCLEOD:** Thank you, Mr. Speaker. Mr. Speaker, I already offered to do that. I'd be willing to sit with the Member and the leadership of the Tlicho to discuss this. There are a number of concerns that come to the forefront, and we have relayed this to the Member. The contractors have raised the issue of us going into an area where they could go as private contractors. There is land jurisdiction that is a concern. Anything off of our highway right-of-way is a jurisdiction that could possibly be federal land, or it could be Commissioner's land. We need authorization to go onto that land. We may need land use permits. There are a number of things we'd have to work out. If some of these properties are on Tlicho lands, that may be a separate issue and I'd be glad to sit down and work with the Member to see what we can do. Thank you.

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

### Supplementary To Question 330-15(4): Maintenance Of Highway No. 3 Access Roads

**MR. LAFFERTY:** (Translation) Thank you, Mr. Speaker. I thank him for agreeing to sit with us and discuss this. This issue is important to the people who live along the highway because the traditional lifestyle is very important that we are trying to maintain. I thank him again for agreeing to sit with us. We will have discussions with the Tlicho Government and also the federal government. So the sooner the better that we have this meeting. Maybe as soon as this budget session is over, we can arrange a meeting. So the Tlicho Government is also awaiting our decision here regarding that. Maybe we can set a date in the next couple of weeks to have this meeting. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Lafferty. I don’t know if I heard a question there; however, I will allow the Minister…I don’t know if the Minister heard a question or not. Mr. McLeod.

### Further Return To Question 330-15(4): Maintenance Of Highway No. 3 Access Roads

**HON. MICHAEL MCLEOD:** Thank you, Mr. Speaker. It’s pretty hard to answer when there is no question. I certainly will commit to sitting down with the Member in the next couple of weeks, or as soon as he can arrange with the leadership of the Tlicho, to get together to talk about this issue and see if we can find some resolution to it. Thank you.

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

## Question 331-15(4): Federal Funding And The NWT Budget

**MS. LEE:** Thank you, Mr. Speaker. Mr. Speaker, yesterday the Finance Minister’s budget included so much about our reliance or our relationship with the federal government that I was thinking last night that not only should the Minister of Finance become an incredible hulk, I think all 19 of us have to become incredible hulks and maybe we should even consider parking ourselves outside of Wellington Street in Ottawa and make it our full-time job to just lobby the federal government.

Anyway, Mr. Speaker, we know of the importance of getting a deal on resource revenue sharing and devolution, but that’s the big picture item that is with us all the time. However, there are very real, item-by-item things in our budget where we are relying on the federal government to give us money, not only the $500 million for socio-economic impact fund. I don’t think we are concretely solid on that. We still need to get a commitment on that, as well as the money from the Kelowna deal, the Northern Strategy money that the Minister speaks about on page 5 where we are supposed to get a housing unit. I would like to know from the Minister what are our impacts on that. There is $100 million over the next three years for housing that the previous government committed we are not certain of. Then there is a whole whack of money going to community governments that we are not certain on. I would like to ask the Minister what his proposal is. My assumption is that everything is up to debate until they are confirmed. I am assuming that you have to confirm it with the new federal government. I would like to know what his strategy is to ensure we secure these fundings. Thank you.

**MR. SPEAKER:** Thank you, Ms. Lee. The honourable Minister responsible for Finance, Mr. Roland.

### Return To Question 331-15(4): Federal Funding And The NWT Budget

**HON. FLOYD ROLAND:** Thank you, Mr. Speaker. Mr. Speaker, on a number of fronts, we are going to be approaching a new government. The Premier, of course, as soon as he is able, will be getting a meeting with Prime Minister-designate Harper. Myself, when we hear who the Finance Minister will be, will be trying to get some time with the new Minister of Finance. The Minister of Housing will do the same. We would employ much of the same strategies we have with previous governments about specific roles and the commitments made out there. We’ve already highlighted the areas that we feel are most critical on the list that we first need to make contact with. The Members mention a few of them. For myself as Minister of Finance, some of the more critical ones have to do with formula financing arrangements, the borrowing limit and, of course, resource revenue sharing is critical to us.

The issue of housing, specifically, Mr. Speaker, is something that comes out of Bill C-48 and the $1.6 billion federal contribution towards housing across Canada. The commitment out of that money, the amount that Ms. Lee mentioned, was looking initially at $50 million over two years to cost share some housing in the Northwest Territories. We will have to get down there as soon as Ministers are named to their portfolios, to get a commitment of how soon that money will flow. Thank you.

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

### Supplementary To Question 331-15(4): Federal Funding And The NWT Budget

**MS. LEE:** Thank you, Mr. Speaker. Just concentrating on the smaller items but still vital, obviously, the $100 million over the next three years for housing that the Minister mentioned and also there is $12 million budgeted for communities, including $4.5 million from the federal Gas Tax Agreement. We don’t know at this time if it’s going to be multi-year funding. Then we have money for the water treatment plants. There are lots of partnerships between the GNWT and community governments that community governments really are relying on. Is it safe or can we be safe that the budget we are passing this session is reliable, or is there a possibility that we will have to revisit this in June, depending on what the federal government does? Thank you.

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

### Further Return To Question 331-15(4): Federal Funding And The NWT Budget

**HON. FLOYD ROLAND:** Thank you, Mr. Speaker. Mr. Speaker, the funding amounts that we have included in the budget that’s going to be before Members identifies money we have accounted for. So legislation has gone through the federal Parliament, as well as Treasury Board. It’s a matter of just getting commitments of how soon will they flow and release some of those funds to us, but for the most part, they are confirmed money. The ones we have highlighted as issues are the large ones, as I have addressed yesterday, in fact. The housing money is something we need a commitment on. The $500 million impact funding is something we need them to commit on. That one flows outside of the budget process we are in. Yes, there are a lot of different facets we are going to have to get up to speed on. I know when new Ministers are named, they have to deal with issues from across the country and we hope to be front and centre on some of those initiatives to try to get some movement very quickly. Thank you.

**MR. SPEAKER:** Thank you, Mr. Roland. Short supplementary, Ms. Lee.

### Supplementary To Question 331-15(4): Federal Funding And The NWT Budget

**MS. LEE:** Thank you, Mr. Speaker. With respect to the infrastructure money to the communities, it’s my understanding that those are multi-year funding in partnerships with the community governments and the GNWT and federal funding, as well as the federal gas tax. The former government, during the campaign, talked about making it multi-year. We are not certain about that. Could I just ask the Minister if the section that he has on page 5 is certain for now and not subject to change with the new government? Thank you.

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

### Further Return To Question 331-15(4): Federal Funding And The NWT Budget

**HON. FLOYD ROLAND:** Thank you, Mr. Speaker. Mr. Speaker, the issues with community funding that we have identified have been put in trust, the agreements are signed and arrangements are made. Our arrangements where we need to match have been identified. What we have included for community infrastructure and budgets, the federal gas tax agreements, those are agreed to, signed off, and will be flowing. So those are straightforward in those areas. If there are areas that we have to match again, it’s identified within the appropriate Ministers' budgets and we are confident in those areas. Thank you.

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

### Supplementary To Question 331-15(4): Federal Funding And The NWT Budget

**MS. LEE:** Thank you, Mr. Speaker. Mr. Speaker, just to be clear, then, can we speak with the same certainty about the housing money, $4 million under the Northern Strategy and $100 million over the next three years now that the legislation has been passed? Is it okay for us to expect that the new federal government would honour that legislation? Thank you, Mr. Speaker.

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

### Further Return To Question 331-15(4): Federal Funding And The NWT Budget

**HON. FLOYD ROLAND:** Thank you, Mr. Speaker. The particulars that we are working on, the gas tax situation, that is certain. The $4 million that comes from the Northern Strategy trust is certain. The $100 million amount that we were talking about over the next couple of years from federal Housing, Bill C-48, has been through Parliament but it did not make it through Treasury Board. So that is the one that we have highlighted as an issue that we need to get the federal government to make a serious commitment on and see where they are going to go with that. The $100 million is over three years. It’s tied to the $1.6 billion for housing across Canada, so that piece of legislation has been dealt with, it’s just the Treasury Board section that deals with us. Thank you.

**MR. SPEAKER:** Thank you, Mr. Roland. Oral questions. The honourable Member for Sahtu, Mr. Yakeleya.

## Question 332-15(4): Minimum Standards For NWT Health Centres

**MR. YAKELEYA:** Thank you, Mr. Speaker. (English not provided)

I have a question for the Minister of Health and Social Services. Mr. Speaker, it is my understanding that Sahtu health is underway with the new health board. I want to ask the Minister responsible for Health what plans are in place for the new health board to have all the health centres brought up to standard in terms of the medical equipment for emergencies such as stroke, heart attacks and such other things that the other regional health centres have had. Thank you.

**MR. SPEAKER:** Thank you, Mr. Yakeleya. The honourable Minister responsible for Health and Social Services, Mr. Miltenberger.

### Return To Question 332-15(4): Minimum Standards For NWT Health Centres

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. Mr. Speaker, the health authority in the Sahtu and their staff will carry on with administrative processes in place to deal with O and M requirements for minor capital and larger capital items will go into the capital planning process. As well, we have assessments of the health centres, the condition of the health centres and where they may be in terms of their life expectancy and potential required upgrades. Thank you.

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

### Supplementary To Question 332-15(4): Minimum Standards For NWT Health Centres

**MR. YAKELEYA:** Thank you, Mr. Speaker. Mr. Speaker, I look forward to the assessments. My understanding of some of the centres in the Sahtu is you dare not have a heart attack in the Sahtu because we don’t have emergency medical equipment such as the defibrillators or the cardiac monitors or IV pumps. So we wanted to deem this as an emergency and not wait until the assessment. Other things can be forthcoming; however, we really need some equipment there. How soon can the Minister put these types of emergency equipment into the health centres in the Sahtu? Thank you.

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

### Further Return To Question 332-15(4): Minimum Standards For NWT Health Centres

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. Mr. Speaker, that work is underway across the Territories. We look at the resources we have and the needs that are there for the various facilities and communities and types of equipment. I would be happy to get for the Member the capital requirements for the Sahtu, both large capital and small capital and equipment, then we could have the discussion on a more informed basis. Thank you.

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

### Supplementary To Question 332-15(4): Minimum Standards For NWT Health Centres

**MR. YAKELEYA:** Thank you, Mr. Speaker. I appreciate the invitation from the Minister. However, Mr. Speaker, I want to ask again, in terms of the types of services that are being performed, our nurses are working hard in our centres but need these types of services. I am hoping to have something from the Minister today in terms of saying to the people in the Sahtu we will get you this emergency equipment, such as defibrillators, cardiac monitors and IV pumps, that are standard in each hospital across the North. Also, to other centres that need them. I am looking for a commitment. Thank you.

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

### Further Return To Question 332-15(4): Minimum Standards For NWT Health Centres

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. Mr. Speaker, we are committed to making sure that every community and every health centre is adequately resourced and equipped. That is the basis that we look at allocating the resources. As we go through the detailed budget review, and we have the staff here and we will have the documentation, I would be happy, at that point, plus separately with the Member, to go over what is on the books for the Sahtu that we can see firsthand. I can tell the Member that there are dollars allocated and identified that we are going to be spending in the Sahtu in a whole range of areas. Thank you.

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

### Supplementary To Question 332-15(4): Minimum Standards For NWT Health Centres

**MR. YAKELEYA:** Thank you, Mr. Speaker. Again, Mr. Speaker, I want to ask the Minister if there is anything in the policies in the current system right now, because of the time that we take to have our meetings and get the funding approved, to have certain medical equipment in our region between now and that time. Is there anything in the policy that would be of assistance to the Sahtu in terms of assisting people who have strokes or heart attacks that would satisfy on an interim basis? Thank you.

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

### Further Return To Question 332-15(4): Minimum Standards For NWT Health Centres

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. I will make a commitment to check with the deputy, so we can ask the Sahtu staff and the board to confirm what is available and if there are gaps in the areas that the Member has mentioned. At that point, I would be able to talk with the Member further. Thank you.

**MR. SPEAKER:** Thank you, Mr. Miltenberger. Oral questions. The honourable Member for Nunakput, Mr. Pokiak.

## Question 333-15(4): Implementation Of Corridors For Canada II Document

**MR. POKIAK:** Thank you, Mr. Speaker. Mr. Speaker, in my Member’s statement, I indicated that the government is receptive to the 22-kilometre access road from Tuk to source 177. I appreciate the receptiveness, Mr. Speaker, however, we need to continue the momentum by pursuing the implementation of the document, Corridors for Canada II. The question I have for the Minister of Transportation is, with the release of the document Corridors for Canada II, can the Minister of Transportation provide me with the next step and when the government will be able to implement the funding identified in Corridors for Canada II? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Pokiak. The honourable Minister responsible for Transportation, Mr. McLeod.

### Return To Question 333-15(4): Implementation Of Corridors For Canada II Document

**HON. MICHAEL MCLEOD:** Thank you, Mr. Speaker. Mr. Speaker, the issue of gravel in the community of Tuktoyaktuk and the source of gravel has been a long-standing one that the community has raised on a number of occasions and the department has been looking at for a long time now. In the 1990s, they were able to construct a kilometre road and there is still another 22 kilometres that have to be constructed. We did have several meetings with the community and members of the community over the last while to discuss this issue. We looked at different ways that we could try to fast track some of this with the federal government. We have, as a government, included it in our Corridors for Canada II, as the Member has mentioned. We’ve also included the whole portion of the road from Inuvik to Tuktoyaktuk in other document called Connecting Canada. We’ve also shared this information with other organizations, such as the Business Coalition, and have been talking about how and what our next steps are going to be. We are waiting to see who will be the Minister, and we are in the process of drafting a plan to approach the federal government to present this to them.

However, having said that, at our meetings with the community, we’ve talked about our other options of what we can do in the interim. The communities indicated to us that they would like to start an engineering assessment of this stretch of road from Tuktoyaktuk to source 177. The federal government sat in on a meeting. We both agreed, as the territorial government and as the federal government, to provide some dollars to the community. An amount of $50,000 was requested and we have provided our share of $25,000 and sent it over to the community.

The other thing that we are looking at as an option is the possibility of doing a P3 project. Our departments have been working together to do an assessment of what the needs are in the community of Tuktoyaktuk over the next 20 years. We have been able to identify that there is a need of 200,000 cubic metres of gravel in the community. That doesn’t include other needs such as the actual gravel needs for construction of a road from Inuvik to Tuktoyaktuk. Thank you, Mr. Speaker.

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

### Supplementary To Question 333-15(4): Implementation Of Corridors For Canada II Document

**MR. POKIAK:** Thank you, Mr. Speaker. I would like to thank the Minister. We did sit down and get some money from the GNWT and the federal government, up to $50,000. I am well aware of that. The Minister mentioned a P3 project. Where is that process now? Thank you, Mr. Speaker.

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

### Further Return To Question 333-15(4): Implementation Of Corridors For Canada II Document

**HON. MICHAEL MCLEOD:** Thank you, Mr. Speaker. Mr. Speaker, the community of Tuktoyaktuk and several representatives had talked about the possibility of looking at an option of entering into an agreement to sign a P3 project that would provide gravel to the community on a cost-recovery basis. The first step in doing that was to do an assessment of how much gravel was needed in the community. We’ve done some very conservative estimates. That number is 200,000 cubic metres. That doesn’t include the requirements for erosion control, for the Inuvik-Tuk highway, for other growth in the community. We know there is a need for a new subdivision in that community and approximately 30 or 40 lots that need to be developed. This does not take that into account, but there is a huge need. We are providing that information to the community. We will continue to work to see if there is some viability in developing a P3 project. Thank you.

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

### Supplementary To Question 333-15(4): Implementation Of Corridors For Canada II Document

**MR. POKIAK:** Thank you, Mr. Speaker. I don’t know if I am allowed to ask this question, but I will let you determine that. I noticed that, in the Finance Minister’s budget, he identified $11 million for the Mackenzie Valley winter road bridge program in his budget speech. I want to ask the Minister of Transportation, I guess, why there wasn’t any thought in putting any money into the budget for the source access road. Thank you, Mr. Speaker.

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

### Further Return To Question 333-15(4): Implementation Of Corridors For Canada II Document

**HON. MICHAEL MCLEOD:** Mr. Speaker, the money included in the budget is money identified on a cost-shared basis through agreements with the federal government. There were a number of projects that were included in our submission called Corridors for Canada. There was also the Strategic Highway Infrastructure Program and other agreements signed with the federal government. Some of these were earmarked for specific areas. In the case of the bridging program and the Mackenzie Valley roads, it was to deal with some of the resource development pressures. We had included the Tuk to Inuvik stretch of road in our submission. It was not accepted. It did not meet the criteria for the federal government. That is why it is not in this budget, Mr. Speaker.

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

### Supplementary To Question 333-15(4): Implementation Of Corridors For Canada II Document

**MR. POKIAK:** Thank you, Mr. Speaker. I have one last question for the Minister. Is there any possibility that the department can find extra funds for this winter to actually pour some gravel from the source to town, Tuktoyaktuk? Thank you.

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

### Further Return To Question 333-15(4): Implementation Of Corridors For Canada II Document

**HON. MICHAEL MCLEOD:** Mr. Speaker, we are doing an assessment of the gravel needs in the community. Transportation has taken the lead on some of this stuff to provide the stockpiling. I couldn’t tell you right now whether that is going to happen in Tuk this year. We have to do an assessment with all of the different departments and see what their needs are in terms of requirements for this coming fiscal year. I will have to get back to the Member as to if there will be a stockpiling program or not this year. Thank you.

**MR. SPEAKER:** Thank you, Mr. McLeod. Before I go on, I would like to draw Members’ attention to a request that has come to the Chair from our Member for Monfwi. As we know, our Member is using his language in the House whenever he can. He informs the Chair that the interpreter is having a hard time keeping up with Members’ statements and oral questions at times. So I would just ask that Members keep that in mind and maybe slow down a bit to give the interpreter a chance to keep up with what is being said. Thank you, Members. Oral questions. The honourable Member for Yellowknife Centre, Mr. Hawkins.

## Question 334-15(4): Compliance With GNWT Sole Source Contract Procedures

**MR. HAWKINS:** Thank you, Mr. Speaker. Mr. Speaker, in October of last year, I rose in this House with questions to the lucky Health Minister we have over here about sole sourcing purchases that are going directly south and the concern that several Yellowknife businesses had brought to me with the fact that they felt left out of the picture of bidding opportunities. They felt slighted by the process. Mr. Speaker, I wrote to the Minister about the policy. Two days ago in this House, I tabled a letter to me from the Minister of Health and Social Services regarding medical supply businesses. He says they follow the GNWT procurement program process. If I read one sentence, I am going to ask him what they are doing about it, which is some authorities appear to comply. Others have misinterpreted the policy and others appear to comply. What is the Minister doing about this problem that people are not complying to our policies? Thank you, Mr. Speaker.

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

### Return To Question 334-15(4): Compliance With GNWT Sole Source Contract Procedures

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. Mr. Speaker, the deputy has been tasked and quickly recognizes the need to follow-up with all of the CEOs and the various authorities to review the processes and appropriate procedures and ensure that they are put into place on an ongoing basis. Thank you.

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

### Supplementary To Question 334-15(4): Compliance With GNWT Sole Source Contract Procedures

**MR. HAWKINS:** Thank you, Mr. Speaker. I emphasize Yellowknife businesses were missing out on opportunities that they felt that they didn’t even get to see the bid on. These are the same businesses that are filing taxes here, so that should make our Finance Minister happy, but they are also being asked to donate to the community. If I can point out sole sourcing on a tabled document here on May 31, 2005, for Health and Social Services, it is a sole source directly that was $18.5 million out of their total contracting budget area which was $20 million, so that represents 92 percent of contracts went sole sourcing. What is the Minister going to do to make sure we correct this and have it measurable, deliverable, so I can go out to the Yellowknife Centre businesses and say to them that this government is doing something about this problem? Thank you, Mr. Speaker.

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

### Further Return To Question 334-15(4): Compliance With GNWT Sole Source Contract Procedures

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. Mr. Speaker, we will ensure that we are appropriate and guidelines are followed and procedures are followed. But I would like to point out, as well, that we have some very significant contracts that are with a specific provider. The one that immediately comes to mind, of course, is the capital health authority, where we have over a $10 million arrangement with them to provide services. We have numerous arrangements for children in care that are very specialized services that we just don’t put out to tender. In cases where it is appropriate, we are talking about goods and services and it makes sense, we make sure that the guidelines and policies are followed. I have committed to that. The Member should just be aware that there are a significant number of contracts in the business that we do. By virtue of necessity, they are done the way they are. Thank you.

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

### Supplementary To Question 334-15(4): Compliance With GNWT Sole Source Contract Procedures

**MR. HAWKINS:** Thank you, Mr. Speaker. I really appreciate the Minister pointing that out because that lead well into my next question. The Minister said that there are significant contracts. I will bow to his expertise. Yes, there are very significant contracts that probably do need to go to sole source. But, Mr. Speaker, out of the 75 contracts awarded that are over $5,000 on this tabled document, 58 of those are sole sourced. That means 17 went out to any type of competitive bid. That is telling you that 77 percent of these contracts of over $5,000 went to sole source. Mr. Speaker, how can we measure that in a fair and equitable way? I think people in the Northwest Territories are missing out on fair opportunity. What is the Minister going to do about that? Thank you, Mr. Speaker.

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

### Further Return To Question 334-15(4): Compliance With GNWT Sole Source Contract Procedures

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. Mr. Speaker, the Member has the document. I am not quite sure what the question is. I have indicated that we have identified, in some parts of our operation, we have to pay better attention and be more diligent in how we apply the contracting processes. We are going to do that. I would suggest that, as we bring forward in our accountable way how contracts are let and what contracts are let, we should hopefully see an improvement. Thank you.

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

### Supplementary To Question 334-15(4): Compliance With GNWT Sole Source Contract Procedures

**MR. HAWKINS:** Thank you, Mr. Speaker. To further emphasize my point, and I do appreciate how the Minister was very forthcoming on this information, because I believe it was a lot of work to put it together, but under Stanton Territorial Hospital authority, northern suppliers supplied $156,000. In comparison, southern suppliers supplied $1.75 million. That means northern suppliers supplied eight percent at the Stanton Territorial Hospital.

Mr. Speaker, the Department of Health and Social Services, under the sole source contracting ledger here, made up 43.6 percent as a government as a whole for sole source. So it looks like the Department of Health and Social Services certainly has a different conduit for putting out public tenders. Mr. Speaker, my last question to the Minister is, what is he going to do to ensure that every single contract that can get out there gets out there for a fair and public opportunity for businesses? Thank you, Mr. Speaker.

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

### Further Return To Question 334-15(4): Compliance With GNWT Sole Source Contract Procedures

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. Mr. Speaker, I believe I spent the last three questions providing the information of what we intend to do. I will just stand by those commitments that I made in previous answers to previous questions. We will ensure that, where appropriate, we go to public tender. Recognizing the business we are in, we require the latitude to do sole source in certain areas. Where it has been identified that the rules haven’t been applied properly, we have taken the steps with the deputy minister to ensure that everybody involved is clearly aware of what is expected of them. Thank you.

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

## Question 335-15(4): Affordable Housing Units For Fort Liard

**MR. MENICOCHE:** Thank you, Mr. Speaker. My question today is for the Minister responsible for the NWT Housing Corporation. As well, I am pleased to see that Housing was, indeed, addressed in the budget speech with respect to building new affordable housing units in 14 of our small communities.

I have always been advocating that, over in Fort Liard, we had one of the most severe housing shortages and coupled with the mould problem, Mr. Speaker. I just would like to know what exactly is the department going to do to have some funds directed in that direction to renovate those homes and bring in some new additional units? The community has been asking for six-plex type units and single housing units. Are we going to address those in this budget, Mr. Speaker, or are we going to allocate any funds to relieve those conditions there? Mahsi cho.

**MR. SPEAKER:** Thank you, Mr. Menicoche. The honourable Minister responsible for the Housing Corporation, Mr. Krutko.

### Return To Question 335-15(4): Affordable Housing Units For Fort Liard

**HON. DAVID KRUTKO:** Thank you, Mr. Speaker. Mr. Speaker, in regards to Fort Liard, we have had a problem with the Kotaneelee units. We have put $1 million in there to do renovations of the units. We have completed four. We have had meetings with the municipality, the hamlet and the band council for them to conclude the remaining six units. But in this year’s budget, we are looking at allocating five more units into Fort Liard. With that and ongoing funding, we hope to address the housing needs in Fort Liard.

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

### Supplementary To Question 335-15(4): Affordable Housing Units For Fort Liard

**MR. MENICOCHE:** Thank you, Mr. Speaker. Just with respect to Kotaneelee houses, I am sure glad that we are going to spend a lot of effort on renovating those homes. However, there are many other homes that do have mould infestation problems. I just might add too, Mr. Speaker, that in a lot of the homes, there is lots of overcrowding in Fort Liard. We have to address this and soon. Particularly with mould, we are going to have to…It can be, and is, a serious health problem at times. I know that the Housing Corporation went on public record last year saying that one way to address the mould problem is with a cleaning solution, but that is not the solution that people are wanting to hear, Mr. Speaker. I would like to know what other efforts the Housing Corporation will direct to address this problem. Thank you.

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

### Further Return To Question 335-15(4): Affordable Housing Units For Fort Liard

**HON. DAVID KRUTKO:** Thank you, Mr. Speaker. Mr. Speaker, we have identified dollars in the upcoming budget to deal with emergency cases, such as Fort Liard mould and other situations, to make improvements to bring our houses up to the standard that is liveable. There are dollars allocated in the budget in which we will be reviewing next week. Thank you.

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

### Supplementary To Question 335-15(4): Affordable Housing Units For Fort Liard

**MR. MENICOCHE:** Thank you, Mr. Speaker. I just would like to know if the Housing Corporation is going to the communities and asking for further input. Quite often, they keep saying that the Housing Corporation has to change its ways, that they are doing business in the communities and the homemade solution is the best. I know the corporation made a recent visit into Fort Liard to address some of these housing concerns. What direction will the Housing Corporation take? What other support will they be providing the community of Fort Liard? Mahsi.

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

### Further Return To Question 335-15(4): Affordable Housing Units For Fort Liard

**HON. DAVID KRUTKO:** Thank you, Mr. Speaker. Mr. Speaker, we have been working with the community of Fort Liard. The leadership in the community is in the process of establishing a community housing board to deal with these housing issues, and that will establish an officer to work with the community to take on more of that responsibility. Right now, it is administered pretty well out of Fort Simpson. By doing that, we will devolve more of that authority to that community and allow them to make decisions with housing. We are working with the community leaders, the hamlet, the band council, and also proceeding with establishing a local housing authority there which will improve the housing access to people in Fort Liard right in the community. Thank you.

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

### Supplementary To Question 335-15(4): Affordable Housing Units For Fort Liard

**MR. MENICOCHE:** Thank you, Mr. Speaker. I am pleased to hear that answer. Housing is very near and dear to all of the constituents in my riding and particularly in Fort Liard. With respect to the mould problem, is there any indication by the Housing ministry of developing a program specific to the mould? I know that other communities in my riding are coming forward and saying, look, I have that same kind of problem. Does the housing program have any type of programs to assist me with cleaning it out or retrofitting my house and getting rid of the constant mould problem, Mr. Speaker? Thank you.

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

### Further Return To Question 335-15(4): Affordable Housing Units For Fort Liard

**HON. DAVID KRUTKO:** Thank you, Mr. Speaker. Mr. Speaker, we do have various programs at their disposal for people to apply. One of them is emergency repair programs. It falls within that category. We will be able to assist. We have done an in-depth report on the mould problem in Fort Liard, so we are in the process of dealing with that, starting off with the Kotaneelee housing. But there are programs available to residents of Fort Liard to apply, especially the emergency repair funding. With is there. By that process, they can access that through that program. Thank you.

**MR. SPEAKER:** Thank you, Mr. Krutko. Oral questions. The honourable Member for Hay River South, Mrs. Groenewegen.

## Question 336-15(4): Current Versus Historical Cost Of Remand Services In Hay River

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, it was about a year ago in this House that I was arguing very strenuously about the closure of the remand unit in Hay River. One of the premises of my argument, just one of them, was the fact that I didn’t feel that the $400,000 projected savings was actually going to materialize. Subsequent to that, I did ask the Minister of Justice, Minister Bell, if he would monitor the costs of providing the remand services under the new regime so that we could compare it to the historic costs for remand. Over the course of the year, he would do that. Does the Minister have any updated information for me with respect to that comparison? Thank you.

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

### Return To Question 336-15(4): Current Versus Historical Cost Of Remand Services In Hay River

**HON. BRENDAN BELL:** Thank you, Mr. Speaker. We are monitoring the costs both internal and our departmental savings. As the Member knows, we took $400,000 out of the budget, but we are looking at what our actual costs to deliver programs and services in that area will be and see what the true savings are. The other aspect that we are monitoring is the cost of the RCMP. Of course, their budget did not go up but, anecdotally, we wanted to know from them whether or not this was an additional workload, whether it was taking them away from other duties. So by year end I will have an analysis of that done. I would also suggest that our intent was to save money. It was a cost-saving exercise. I wanted to ensure that that is, in fact, what was happening. Thank you.

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

### Supplementary To Question 336-15(4): Current Versus Historical Cost Of Remand Services In Hay River

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. We will certainly look forward to that report and the folks in Hay River mostly affected by it. Five positions were going to be by attrition. I understand that only one of those positions has actually been vacated. But the folks who were most affected by this were the casual staff who were called in on a frequent basis to monitor the remand unit. I understand that a number of them are still in Hay River. They would be very interested in hearing the response. When the report comes out and it proves that there were no $400,000 cost savings, what measure will the Minister take in that regard? Thank you.

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

### Further Return To Question 336-15(4): Current Versus Historical Cost Of Remand Services In Hay River

**HON. BRENDAN BELL:** Thank you, Mr. Speaker. It is a hypothetical question at this point. I am prepared to consider that information when I get it. I would also propose that I would like to see the facility, have a tour of the facility, get a better sense of how the remand services were delivered and take a look at options. I know we have improved surveillance in the facility now and installed some new cameras. I think that goes a long way toward dealing with some of the safety concerns that we had and were raised by the chief coroner. There are a number of things that I can look at, but I still want to analyze the cost savings. Again, it was a cost-savings initiative. We will see where we are by the end of March. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Bell. Oral questions. The honourable Member for the Sahtu, Mr. Yakeleya.

## Question 337-15(4): Update On Bridge Construction In The Sahtu

**MR. YAKELEYA:** Thank you, Mr. Speaker. Mr. Speaker, I want to ask the Minister of Transportation. Last week, I indicated that I was in the Sahtu in a regional conference. One of the elders from Fort Good Hope said that the road is so good up in the Sahtu, it is beyond the gold road now. It is scary there. I want to thank the Minister and the Premier for the work. The elder said that he can put his coffee cup on the dashboard now and not spill the cup. I want to ask the Minister for an update in terms of the winter road in the Sahtu in terms of the bridge work that is going to be put into various creeks to conclude the bridge work of that road. Thank you.

**MR. SPEAKER:** Thank you, Mr. Yakeleya. The honourable Minister of Transportation, Mr. McLeod.

### Return To Question 337-15(4): Update On Bridge Construction In The Sahtu

**HON. MICHAEL MCLEOD:** Thank you, Mr. Speaker. Mr. Speaker, it is always good to get a compliment on some of the work and initiatives we have done in the different areas of the North. We have certainly put a lot of effort in the Sahtu. We have been working this year, I think, in the Sahtu region. We are working on two fairly large projects in terms of bridging. Big Smith and Little Smith creeks, those will be going ahead. We started doing some of the initial work this past year. We will continue to do that. The cost factor is a concern. Our prices are coming in fairly high. We are looking at ways that we can accommodate the needs for some additional investment to deal with that.

On the ice roads and the winter roads, I believe all of our winter roads and ice roads are now at the maximum level. So we are quite happy that we are able to do that. Thank you, Mr. Speaker.

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

### Supplementary To Question 337-15(4): Update On Bridge Construction In The Sahtu

**MR. YAKELEYA:** Thank you, Mr. Speaker. I want to say this on behalf of the people, that they wanted to congratulate Minister McLeod and other people who made it happen that we happen to have a very excellent road this winter here. In terms of the bridge, I know that costs and factors are high. That is why I want to ask the Minister in terms of doing business in the Sahtu. It is certainly different in the south here. We have to pay the Sahtu prices for doing business there. I want to ask the Minister, what types of plans are in place for his department to stay in the Sahtu prices, because otherwise business would be leaving to look for work elsewhere in terms of finishing up the bridge. I want to ask if he would give special consideration to the local workers up in our region in terms of winter road work. Thank you.

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

### Further Return To Question337-15(4): Update On Bridge Construction In The Sahtu

**HON. MICHAEL MCLEOD:** Thank you, Mr. Speaker. Mr. Speaker, we always give first consideration to the local companies in the area. We have done so with the Sahtu contractors. We have also had, actually, several sit-down meetings with a number of the companies. We will continue to do so. The requirement for additional investment is, of course, a concern. We will not be looking at going outside of the region, or we will probably look at a process that will allow us to have northern bidders or an RFP, for that matter. As to additional dollars, we may have to look at moving dollars from another project or another region. I am not sure how we are going to accommodate it at this point. Thank you.

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

### Supplementary To Question 337-15(4): Update On Bridge Construction In The Sahtu

**MR. YAKELEYA:** Thank you, Mr. Speaker. Mr. Speaker, the ice roads are a concern this year in the Sahtu. I know that Mr. Minister had indicated some time in the past about a bridge at the Bear River. I want to ask the Minister for an update on that progress. Thank you.

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

### Further Return To Question 337-15(4): Update On Bridge Construction In The Sahtu

**HON. MICHAEL MCLEOD:** Mr. Speaker, the work continues to go ahead on the Bear River bridge. We did some early design work. We have done some early scoping and costing of the area. We have also had several meetings with the community to talk about the actual location of where this bridge can be accommodated. These meetings were very well attended. There was some good discussion. We feel that we are quite comfortable, along with the community, as to the actual site of the bridge. We have hired a company to do some pricing on this project. Some early costing has shown that this bridge will more than likely come at a high price tag, a lot higher than what was earlier budgeted for, so we are looking at different options of how we can deal with this bridge, including looking at buying a bridge that was from the South. Thank you.

**MR. SPEAKER:** Thank you, Mr. McLeod. Time for oral questions has expired. Before we go on to the next order of the day, the Chair is going to call a short break.

---SHORT RECESS

**MR. SPEAKER:** I'll call the House back to order. Orders of the day. Written questions. The honourable Minister from the Sahtu, Mr. Yakeleya.

# ITEM 7: WRITTEN QUESTIONS

## Written Question 20-15(4): Housing Program In Sahtu Region

**MR. YAKELEYA:** Thank you, Mr. Speaker. Mr. Speaker, I have a written question to the Minister of the Northwest Territories Housing Corporation.

1. What is the latest assessment of core need of housing in the Sahtu?
2. What types of NWTHC programs are committed solely to the elders/seniors?
3. Who in the Sahtu region have taken up the manufactured homes since they were brought in?
4. When will the NWTHC begin regional discussions with our region on the concept of Novel manufactured homes?
5. How many homes did NWTHC sell to community members and what programs were used to assist them?
6. What plans are in place to design new, affordable, efficient-heating homes?

Thank you.

**MR. SPEAKER:** Thank you, Mr. Yakeleya. Written questions. Replies to the opening address. Replies to the budget address. Honourable Member from Tu Nedhe, Mr. Villeneuve.

**MR. VILLENEUVE:** Mr. Speaker, I seek the House's permission to return to item 7, written questions.

**MR. SPEAKER:** The Member is seeking unanimous consent to return to item 7, written questions. Are there any nays? There are no nays. Return to item 7, Mr. Villeneuve.

# REVERT TO ITEM 7: WRITTEN QUESTIONS

## Written Question 21-15(4): Suicide Helpline

**MR. VILLENEUVE:** Mahsi, Members. I have a written question for the Minister of Health and Social Services.

1. Is there a 24-hour suicide helpline available for all communities in the NWT?
2. Are professionals available on a 24-hour basis for people who are suffering from mental illness or severe depression? Are doctors available to answer these distress calls?
3. Do people in our remote communities, who cannot and will not discuss their mental problems with their community health workers or use the helpline, have other options available that the Department of Health and Social Services can offer?
4. If so, is there any information or regular communication being delivered to the remote communities about these programs and suicide prevention in general?

Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Villeneuve. Written questions. Replies to the budget address. Petitions. Reports of standing and special committees. The honourable Member from Nahendeh, Mr. Menicoche.

# ITEM 12: REPORTS OF STANDING AND SPECIAL COMMITTEES

## Committee Report 5-15(4): Standing Committee On Accountability And Oversight Report On The 2006-2007 Pre-Budget Review Process

**MR. MENICOCHE:** Report on the 2006-2007 Pre-Budget Review Process.

**Introduction**

The Standing Committee on Accountability and Oversight is pleased to present its report on its 2006-2007 Pre-Budget Review. This report covers both the committee’s review of the 2006-2009 Draft Business Plans, which took place in September 2005, and also its review of the 2006-2007 Draft Main Estimates, which took place in January 2006.

During this budget cycle, changes were introduced with the goal of increasing the level of public debate and involvement in the budget process. The first change was the implementation of pre-budget public consultations, which the committee undertook late in the summer of 2005. The committee presented its report on those consultations last October, and looks forward to the tabling of the government’s response later in this sitting.

The second change was to the process committees use to review the draft main estimates. In the past, committees have met with Ministers over a two-week period leading up to the budget session to review the draft main estimates for each of the departments in detail. Committee members were concerned that much of the discussion during these reviews was redundant and should be taking place in the Legislative Assembly, where it would be on the public record, rather than in closed-door meetings. This year, the draft main estimates review was shortened to a meeting of approximately two days between the Standing Committee on Accountability and Oversight and the Minister of Finance. The primary purpose of this meeting was to give committee members an opportunity to receive information on changes made to the budget since last September’s draft business plans, while leaving the detailed department-by-department review for the Legislative Assembly. It is hoped that this new approach will lead to more energetic and informative budget debates on the floor of the House.

## Motion That Committee Report 5-15(4) Be Deemed Read And Printed In Hansard In Its Entirety, Carried

Mr. Speaker, I move, seconded by the honourable Member for Tu Nedhe, that the report of the 2006-2007 Pre-Budget Review Process of the Standing Committee on Accountability and Oversight be deemed and read and printed in Hansard in its entirety. Thank you.

**MR. SPEAKER:** Thank you, Mr. Menicoche. Motion is on the floor. Motion is in order.

**AN HON. MEMBER:** Question.

**MR. SPEAKER:** All those in favour? All those opposed? Motion is carried.

---Carried

## Committee Report 5-15(4): Standing Committee On Accountability And Oversight Report On 2006-2007 Pre-Budget Review Process

**Department Of The Executive**

Members of the Accountability and Oversight committee had an opportunity to meet with the Premier on September 20, 2005, to review the draft business plan for the Department of the Executive.

Members also received a briefing from the Minister of Finance on January 17, 2006, outlining the changes to the budget for the Executive since the committee reviewed the draft business plan in September.

Committee members made note that the department is proposing to spend $13.197 million in operations expense for the fiscal year 2006-2007.

Committee members offer the following comments on issues arising out of the review of the 2006-2007 Draft Main Estimates and budget-planning cycle.

**Socio-Economic Impact Fund**

On July 18, 2005, the Government of Canada announced their intent to establish a $500 million socio-economic impact fund to mitigate the impacts of the Mackenzie gas project on communities located along the proposed pipeline route. This fund came about as a result of a collaborative effort between regional aboriginal leaders and the GNWT to encourage the federal government to acknowledge the costs, both social and economic, that NWT communities face as a result of the pipeline construction.

The 2006-2007 budget includes funding for a new senior advisor position to coordinate GNWT involvement with the socio-economic impact fund. The standing committee has significant concerns about the socio-economic impact fund and does not support the new position at this time.

The committee believes it is premature to propose this position in the 2006-2007 Draft Main Estimates. Although the fund was announced in July, federal legislation to enable the money to flow was not passed prior to dissolution of Parliament. There is no guarantee that the new Conservative government will follow through with this agreement. In response to questions put to the Conservative Party about its support for the fund and its willingness to pass the necessary legislation as quickly as possible, the Conservative leader declared support for “the general principles and objectives of the socio-economic impact fund.” Members are not convinced that enabling legislation will be passed imminently. So although Members see merit in the GNWT having a seat at the table that would see the fund distributed, they see no urgency and, therefore, recommend that government refrain from creating a socio-economic impact senior advisor position until such time as there is parliamentary assurance.

The committee is also opposed to the GNWT taking on administrative costs to oversee the allocation of the SEIF and certainly does not support funding a new position to coordinate GNWT involvement in that context. It is the committee’s position that all administrative costs should be borne by the federal government and included in the Socio-Economic Impact Fund Agreement.

When, and if, the SEIF goes ahead, it will not flow through the Government of the Northwest Territories. Nonetheless, Members agree with the government that it is in the interest of NWT residents for the GNWT to be at the table. The GNWT has an important role to assist with the coordination and effective use of all funding intended to mitigate the negative impacts of development, irrespective of its source. The GNWT also has a level of expertise to lend to the process.

However, the committee feels very strongly that the case could and should be made to the federal government that the SEIF must include a contribution to the GNWT for reasonable administrative costs. The fund is ample enough that the committee sees no reason it add a financial burden to the GNWT.

Finally, committee believes it is excessive to create a position that will exclusively oversee one single federal fund, especially since funding will not flow through the GNWT. Members see this as inefficient use of scarce resources. The GNWT is faced with fiscal restraint. Legislators are being forced to make difficult decisions about how to best use scarce resources. Managers are being asked to make do with less. The creation of this position, as presented in the 2006-2007 Draft Main Estimates, is not acceptable. The work could be done by current GNWT employees. The GNWT already has eight staff at the Mackenzie Valley pipeline office in Hay River, whose mandate is to focus on government-wide coordination, planning and strategy formulation, to maximize the benefits and to mitigate the adverse impacts of the development of the proposed Mackenzie gas project. Moreover, the 2006-2007 Draft Main Estimates proposes four new regional superintendents for the Department of the Executive. Committee members consider these new positions well placed to be the local liaison between the GNWT and the regions on the SEIF rollout.

**Recommendation**

The Standing Committee on Accountability and Oversight recommends that the government delete the proposed socio-economic impact fund senior advisor position.

**Extraordinary Funding Initiatives And Impacts On GNWT Responsibilities**

The Standing Committee on Accountability and Oversight, along with counterparts on the Standing Committee on Governance and Economic Development, notes that there are an increasing number of new or extraordinary funds becoming available to regions and communities for a variety of programs and projects, worth a considerable sum of money. The SEIF is worth $500 million over 10 years. The federal gas tax will flow $37.5 million to community governments for new infrastructure funding over a five-year period beginning in 2005. The municipal and rural infrastructure fund will provide joint federal-territorial community infrastructure funding of $32 million over five years, $16 million from the federal government and $16 million from the GNWT, while tax-based communities are expected to contribute another $7 million. The community capacity building initiative includes $35 million to communities, as a result of the Northern Strategy agreement.

Irrespective of the source of the funds, or their criteria, communities’ decisions to make use the funds available to them will impact upon the responsibilities and priorities of the GNWT. As communities and regions begin to access these funds, identify their priorities and move forward with projects, the committee perceives a need for the GNWT to have a clear position on how the choices made by the communities will affect GNWT responsibilities.

Rather than creating a new position exclusively to oversee the SEIF, the committee suggests it would be a better use of resources for the new regional superintendents of the Executive to coordinate all extraordinary funds, to ensure there are no competing interests, duplication or downloading of responsibilities.

**Resource Development Impacts**

The Standing Committee on Accountability and Oversight takes very seriously the responsibility of the GNWT to ensure that all residents of the NWT are prepared to take advantage of opportunities presented by economic development, and that adverse social impacts of development are mitigated in all communities. The committee is concerned that the socio-economic impact fund only addresses the needs of regions directly along the proposed pipeline route. Committee points out that the impacts of large-scale development are felt throughout the territory, including smaller communities that are not directly on the proposed route. The same is true of the larger centres: Hay River, Fort Smith and Yellowknife. Committee urgently reminds the GNWT of its responsibility to all NWT communities.

**Coordinating Role For Government-Wide Initiatives**

During the review of the 2006-2009 Draft Business Plan, the Standing Committee on Accountability and Oversight noted that the Department of the Executive was taking on increasing responsibility for coordinating government-wide initiatives. The committee suggested it would be preferable that the department whose mandate makes them best suited takes lead responsibility to coordinate initiatives that involve more than one department. For example, the committee recommended that MACA would be better suited to take the lead for Canada Games 2007, because of its mandate for sports and recreation. Similarly, the responsibility for International Polar Year should rest with a department with expertise in the area of research and the environment, for example, the Department of Energy and Natural Resources.

The committee recommended that the Executive review its coordinating role in government-wide initiatives very carefully and consider if a program department with expertise specific to the initiative could take the lead for inter-departmental coordination.

At the root of the recommendation was the concern that as government units that provide services to government, such as the Executive, take on increasing responsibility, there is need for additional resources. The cost of government administration is growing at an alarming rate and the committee sees a need to be cautious. As legislators, we must ensure that any new central administrative initiatives, such as the coordination of a government-wide initiative, are looked at very critically to consider if there are already existing resources available to take the lead.

Since that time, the government has embarked on an initiative to improve planning and coordination in government. Committee is generally pleased with the initiative to date. However, as this work moves ahead, committee members caution the government that unwarranted administrative growth will not be supported.

**Duplication Of Mandates And Activities - Executive And The Ministry Of Aboriginal Affairs**

The Standing Committee on Accountability and Oversight has been concerned for some time now about the duplication of mandates and activities of the Ministry of Aboriginal Affairs and the Department of the Executive, particularly the office of intergovernmental affairs and strategic planning. One year ago, during the review of the 2005-2006 Draft Main Estimates, the committee recommended that the Premier undertake an internal review of the two departments to identify where duplication exists and to come forward with options to address this.

The committee acknowledges that considerable work has been initiated to improve the planning and coordinating functions of government, including the plan to move the intergovernmental functions from the Executive into the Ministry of Aboriginal Affairs. The committee supports this organizational change and hopes that this will lead to increased efficiency and effectiveness in government-to-government negotiations. While implementing this initiative, the committee again urges the government to keep in mind there is a need to keep public service growth in check.

Finally, some Members caution that as we move forward to a new era of intergovernmental relationships in a self-government political environment, the significant relationship between the GNWT and aboriginal governments must continue to be reflected in the GNWT structure.

**Aboriginal Affairs And Intergovernmental Relations**

Members of the Accountability and Oversight committee had an opportunity to meet with the Premier on September 20, 2005, to review the draft business plan for the Ministry of Aboriginal Affairs.

Members also received a briefing from the Minister of Finance on January 17, 2006, outlining the changes to the budget for the ministry since the committee reviewed the draft business plan in September.

Committee members made note that the ministry is proposing to spend $7.328 million in operations expense for the fiscal year 2006-2007.

Members also made note of the transfer of the intergovernmental function from the Executive to the ministry and the transfer of the devolution function out of the ministry into the Executive.

Committee members offer the following comments on issues arising out of the review of the 2006-2007 Draft Main Estimates and budget-planning cycle.

**Holding GNWT Negotiations In Regions**

During the review of the 2006-2009 Draft Business Plan, the Standing Committee on Accountability and Oversight voiced its long-standing frustration that land claims and self-government negotiations often occur thousands of miles from the communities that are central to the negotiations. The land and communities are, after all, the essence of the negotiations, and committee members feel that negotiations should take place where these negotiations matter most. Although the committee understands that there are logistical reasons that negotiating tables cannot be moved permanently to the regions, the committee would like to see negotiations held in the relevant regions, as much as possible.

**Recommendation**

The Standing Committee on Accountability and Oversight recommends that, whenever possible, the GNWT should actively seek to hold self-government and land claim negotiations in the relevant regions and to report back to the committee on progress during the next business planning cycle.

**Core Principles And Objectives**

The committee was pleased to note during the review of the 2006-2009 Draft Business Plan that the ministry has turned its attention to the important issue of how to ensure territory-wide standards are maintained in the self-government political environment.

The committee points out the importance of ensuring standards are protected within the public tendering processes so as to protect the interests of all companies that do business inside the Northwest Territories, to ensure that taxpayers receive the best value for their money for public procurement and to ensure the rule of law is maintained in public government.

**Financial Management Board Secretariat**

Members of the Accountability and Oversight committee had an opportunity to meet with the Minister responsible for the Financial Management Board on September 28, 2005, to review the draft business plan for the secretariat.

Members also received a briefing from the Minister of Finance on January 17, 2006, outlining the changes to the budget for FMBS since the committee reviewed the draft business plan in September.

Committee members made note that the secretariat is proposing to spend $18.283 million in operations expense in fiscal year 2006-2007, and $500,000 on capital projects in fiscal year 2006-2007.

Members also note that FMBS has undergone a significant organizational change, with the creation of a stand-alone Human Resource department.

Committee members offer the following comments on issues arising out of the review of the 2006-2007 Draft Main Estimates and budget-planning cycle.

**Contract Registry**

During the review of FMBS’s draft business plan, the committee had the opportunity to raise the possibility of moving the contract registry from the Department of Industry, Tourism and Investment to the Financial Management Board Secretariat.

The committee notes a number of reasons to support transferring the contract registry program. First, some Members note that the secretariat’s establishment policy clearly states, “the chairman of the Financial Management Board shall have charge of and be responsible for developing financial and contract policies, systems and procedures required in support of government operations.” The committee further remarked that the secretariat’s 2006-2009 draft business plan notes that expenditure and procurement management is being considered for delivery through the ‘service centre’ concept. Finally, the committee points to a recent report on best practices for public procurement that recommends FMBS would be the better suited to oversee the contract registry.

**Recommendation**

The Standing Committee on Accountability and Oversight recommends that the Financial Management Board Secretariat work with Industry, Tourism and Investment to consider the option of moving the contract registry from ITI to FMBS and report back to the committee on the pros and cons of this move during the next business planning cycle.

**Human Resource Department**

Members of the Accountability and Oversight committee had an opportunity to meet with the Minister responsible for the Financial Management Board on September 28, 2005, to review the draft business plan for the centralized human resource unit, prior to the creation of the new stand-alone Department of Human Resources.

The Standing Committee on Accountability and Oversight met with the Finance Minister on January 17th to be briefed on major changes within the new stand-alone department.

Committee members made note that the department is proposing to spend $29.237 million in operations expense in fiscal year 2006-2007, and $500,000 on capital projects in fiscal year 2006-2007.

Members note that consolidation of human resources is finalized with the creation of the stand-alone Department of Human Resources. Important policy issues relating to human resources and the future direction of the public service had previously been put on the backburner while the prerequisite organizational change took place. Now that reorganization is complete, Members look forward to turning their attention to this matter. Some of the priorities Members look forward to discussing with the Minister responsible for the Human Resource department include: employment equity and the importance of attaining a public service that is representative of the population it serves; the changing demographic of the public service and the need for secession planning; and attaining increased efficiency and effectiveness in government administration.

**Department Of Finance**

Members of the Accountability and Oversight committee had an opportunity to meet with the Minister of Finance on September 28, 2005, to review the draft business plan for the Department of Finance.

Members also received a briefing from the Minister of Finance on January 17, 2006, outlining the changes to the budget for the department since the committee reviewed the draft business plan in September.

Committee members made note that the department is proposing to spend $7.953 million in operations expense in fiscal year 2006-2007.

Committee members offer the following comments on issues arising out of the review of the 2006-2007 Draft Main Estimates and budget-planning cycle.

**Borrowing Limit And The Fiscal Responsibility Policy**

The borrowing limit for the GNWT is arbitrarily set at $300 million by Order-in-Council of the federal Cabinet. The Standing Committee on Accountability and Oversight notes with concern that the current fiscal framework projects that the GNWT will exceed the arbitrarily imposed borrowing limit, often referred to as the ‘debt wall,’ in late 2007-2008.

During the last business planning cycle, the Standing Committee on Accountability and Oversight supported the Finance Minister’s initiative to establish a fiscal responsibility policy to replace the arbitrary debt limit. Since that time, the GNWT’s fiscal situation has taken a turn for the worse, making the need to establish the fiscal responsibility policy all the more urgent.

The Standing Committee on Accountability and Oversight continues to offer strong support for the government’s efforts to advance the fiscal responsibility policy with the federal government. The committee believes it is a positive step to move away from the arbitrarily established debt limit, and to establish a borrowing limit that recognizes the GNWT’s capacity to finance debt. Not only is this consistent with practices in other jurisdictions, but moreover, it places responsibility on the GNWT to be accountable for its own debt management.

**Formula Financing**

During the review, the committee noted the federal government has extended the interim approach to formula financing for another fiscal year while it waits for the delayed report from the expert panel. The Finance Minister advised the committee of the government’s intention to increase efforts to move the GNWT’s position forward, especially on the key issue of resource revenue sharing. The committee sees the change in government in Ottawa and the Council of the Federation report on Fiscal Imbalance as opportunities to raise the profile of GNWT.

The standing committee strongly supports the Finance Minister to be aggressive in his lobbying efforts.

**MR. SPEAKER:** Member from Nahendeh, Mr. Menicoche.

## Motion To Receive Committee Report 5-15(4) And Move Into Committee Of The Whole, Carried

**MR. MENICOCHE:** Mr. Speaker, I move, seconded by the honourable Member for Tu Nedhe, that Committee Report 5-15(4) be received by the Assembly and moved into Committee of the Whole.

**MR. SPEAKER:** Thank you, Mr. Menicoche. Motion is on the floor. Motion is in order. To the motion.

**AN HON. MEMBER:** Question.

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

---Carried

Committee report will be moved into Committee of the Whole. Honourable Member from Nahendeh, Mr. Menicoche.

**MR. MENICOCHE:** Thank you, Mr. Speaker. I would like to seek unanimous consent to waive Rule 93(4) and have Committee Report 5-15(4) moved into Committee of the Whole for consideration on Monday, February 6th, 2006.

**MR. SPEAKER:** Thank you, Mr. Menicoche. Member is seeking unanimous consent to waive the rule and have Committee Report 5-15(4) moved into Committee of the Whole for Monday. Are there any nays? There are no nays. Committee Report 5-15(4) will be moved into Committee of the Whole for Monday. Reports of standing and special committees. The honourable Member from Hay River South, Mrs. Groenewegen.

## Committee Report 6-15(4): Standing Committee On Governance And Economic Development Report On 2006-2007 Pre-Budget Review Process

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker.

**Introduction**

The Standing Committee on Governance and Economic Development is pleased to present its report on its 2006-2007 Pre-Budget Review Process. This report covers both the committee’s review of the 2006-2009 Draft Business Plans, which took place in September 2005, and also its review of the 2006-2007 Draft Main Estimates, which took place in January 2006.

The GED envelope includes the departments of Municipal and Community Affairs; Public Works and Services; Transportation; Industry, Tourism and Investment; and Environment and Natural Resources.

## Motion That Committee Report 6-15(4) Be Deemed Read And Printed In Hansard In Its Entirety, Carried

Mr. Speaker, I move, seconded by the honourable Member for Tu Nedhe, that the Report of the 2006-2007 Pre-Budget Review Process of the Standing Committee on Governance and Economic Development be deemed read and printed in Hansard in its entirety. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. Motion is on the floor. Motion is in order. To the motion.

**AN HON. MEMBER:** Question.

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

---Carried

## Committee Report 6-15(4): Standing Committee On Governance And Economic Development Report On 2006-2007 Pre-Budget Review Process

**General Comments**

**Cost Of Living Strategy**

As the high cost of living was one of the issues that members of the committee heard about during our pre-budget consultations, the committee is supportive of the Premier’s initiative to establish a cost of living strategy committee, composed of Cabinet and Regular Members.

One of the biggest cost drivers is the price of fuel. The increasing costs of energy will affect everyone across the Territories. Some communities will see an increase in fuel between one to 20 cents per litre because the government has decided it can no longer average the price of fuel that Public Works and Services delivers.

The Governance and Economic Development committee, after their review of the 2006-2009 Business Plans, wrote to the government asking them to establish a concise plan that balances the provision of affordable energy with plans for conservation.

This committee also commented that the government should be highly conscientious of its own use of energy and establish itself as a role model for the Northwest Territories. The cost of utilities for some government facilities, such as hospitals, is rising dramatically. Every opportunity to demonstrate commitment to controlling energy costs should be taken. For instance, government vehicles should be turned off and not left to idle, and appliances should be unplugged in vacant public housing units.

The Governance and Economic Development committee would like to see the government take the lead in pursuing demonstrable energy savings. The committee would prefer not to see a huge increase in forced growth cost as a result of energy consumption.

**Recommendation**

The Governance and Economic Development committee recommends that the government design its facilities to be energy efficient and also use their equipment in an energy-efficient manner.

The Governance and Economic Development committee also recommends the government develop a program to recognize and reward employees for suggesting ways to save energy.

**Municipal And Community Affairs**

**General Comments**

The committee then met with the Minister and his officials on Monday, September 26, 2005, to review the draft business plan of the Department of Municipal and Community Affairs.

Members also received a briefing from the Minister of Finance on January 17, 2006, outlining the changes to the budget of the Department of Municipal and Community Affairs since the committee reviewed the business plan in September.

Committee members made note that the department is proposing to spend $110 million in operations expenses and $31 million on capital projects in fiscal year 2006-2007.

Committee members offer the following comment on issues arising out of the review of the 2006-2007 Draft Main Estimates and budget-planning cycle.

**MACA - Land Access And Squatters On Commissioner’s Land**

Building affordable and adequate housing for their residents is a serious challenge for our communities. The inability to expand our communities is jeopardizing our families and our businesses. For instance, the location of the proposed Kam Lake access road is on disputed land. This is one of the reasons the access road could not be included in the Department of Transportation’s Corridors for Canada II proposal to the federal government. The difficulties of obtaining funding for this road may delay construction.

There are several issues complicating land administration. These are: the limited availability of land due to ongoing land claim issues; the lengthy 60-day consultation periods required by interim measures agreements, and finally, small communities simply face too many complicated land administration issues.

People without land tenure are building on Commissioner’s land because of the lack of land and affordable housing available to them. With the impact of resource development upon us, the housing situation will become even direr.

The committee recognizes the efforts of the Department of Municipal and Community Affairs to address the issues of land access and squatters by increasing land administration positions in the regions. We believe, however, that the department could go even further by taking over all land administration related issues for the government.

**Recommendation**

In order to allow territorial businesses to grow and to give residents access to affordable housing, the Governance and Economic Development committee recommends Municipal and Community Affairs expedite resolution of the access to land issues and also encourage the federal government to fulfill their obligations with regards to land administration in the Northwest Territories.

The Governance and Economic Development committee also recommends that the Department of Municipal and Community Affairs broaden their mandate with regard to land administration and become the department responsible for all GNWT matters pertaining to land administration.

**Public Works And Services**

**General Comments**

The committee then met with the Minister and his officials on September 22, 2005, to review the draft business plan of the Department Public Works and Services.

Members also received a briefing from the Minister of Finance on January 17, 2006, outlining the changes to the budget of the Department of Public Works and Services since the committee reviewed the business plan in September.

Committee members made note that the department is proposing to spend $47 million in operations expense and $9.2 million on capital projects in fiscal year 2006-2007.

Committee members offer the following comment on issues arising out of the review of the 2006-2007 Draft Main Estimates and budget-planning cycle.

**Consolidation Of Information Technology (IT) And Information Systems (IS) Within Public Works And Services**

The Governance and Economic Development committee is always encouraging the departments within their envelope to realize cost savings and operate as efficiently as possible. For instance, the Governance and Economic Development committee has been working with Public Works and Services over the past year to see where more cost savings could be found by amalgamating all IT and IS staff under their department.

In the past, the committee had asked during their review of the department’s 2005-2006 Main Estimates if there was a way to further amalgamate these applications in order to realize further efficiencies and savings. PWS replied that a number of departments have a large number of complex applications in house. The Informatics Policy Committee, a part of the Knowledge Management Strategy, was trying to come up with the best balance between resources that are dedicated to the departments and resources that are pooled corporately.

The committee then noted during their review of the PWS 2006-2009 Business Plan that although TSC and systems and communications were amalgamated, there are still department-specific applications and positions that remain decentralized.

The Governance and Economic Development committee recommended that PWS supply the committee with information about the IT and IS people who are still employed outside of the department, what applications these positions are supporting and if there is a plan to migrate these functions to the TSC.

PWS, however, replied that in fact, as per the Knowledge Management Strategy, there are no longer any IT functions outside the TSC and that IS functions should remain decentralized.

The Governance and Economic Development committee is still of the opinion that further consolidation of IS functions is possible.

**Recommendation**

The Governance and Economic Development committee recommends that the Department of Public Works and Services continue to try to pool more resources, such as information systems, corporately, within the TSC, in order to realize greater cost savings.

**Department Of Transportation**

**General Comments**

The committee then met with the Minister and his officials on Monday, September 26, 2005, to review the draft business plan of the Department of Transportation.

Members also received a briefing from the Minister of Finance on January 17, 2006, outlining the changes to the budget of the Department of Transportation since the committee reviewed the business plan in September.

Committee members made note that the department is proposing to spend $83 million in operations expense and $46 million on capital projects in fiscal year 2006-2007.

Committee members offer the following comments on issues arising out of the review of the 2006-2007 Draft Main Estimates and budget-planning cycle.

**Deh Cho Bridge**

The Deh Cho Bridge is being built through a public-private partnership arrangement between the GNWT and the Deh Cho Bridge Corporation. The Deh Cho Bridge Corporation will raise the capital, design, build, operate and maintain the Deh Cho Bridge. The Government of the Northwest Territories will pay the corporation for the bridge over a 35-year period, largely from toll revenues collected from the traffic crossing the bridge and savings from discontinued ferry operations and winter road construction.

A significant cost increase to construct the bridge could impact and increase the bridge tolls the GNWT has to collect to pay for the bridge. An increase to the tolls may mean communities north of the bridge may have to pay more for goods and services than current prices that are already high due to transportation costs.

In the 2006-2007 Main Estimates, the lease costs for the Deh Cho Bridge are projected to rise from $57 to $70 million dollars. The government says that this figure still keeps the bridge costs within the permissible toll rate of $5 to $6 per tonne. The committee, however, is concerned about delays to this project. For example, traffic is not expected to roll across the bridge until 2008, three years later than the department’s original projections. Also, there are only two remaining contractors left to bid on the bridge construction and the increasing costs for steel to build the bridge is of a concern.

Finally, the government has just added greater expense and further complications to the project by taking over the operations of the Fort Providence ferry and its employees.

**Recommendation**

The Governance and Economic Development committee recommends that the Department of Transportation provide Regular Members with a current costing of this project, including but not limited to: the cost for construction of the bridge, an accounting of expenditures under the $3.5 million loan guarantee, the cost of discontinuing ferry operations, and finally, the cost of returns to the Deh Cho Bridge Corporation on the $5 million equity they have invested in this project. The committee also recommends the department provide Members with a status report on the project.

**Department Of Industry, Tourism And Investment**

**General Comments**

The committee then met with the Minister and his officials on September 23, 2005, to review the draft business plan of the Department of Industry, Tourism and Investment.

Members also received a briefing from the Minister of Finance on January 17, 2006, outlining the changes to the budget of the Department of Industry, Tourism and Investment since the committee reviewed the business plan in September.

Committee members made note that the department is proposing to spend $38 million in operations expense and $2.7 million on capital projects in fiscal year 2006-2007.

Committee members offer the following comments on issues arising out of the review of the 2006-2007 Draft Main Estimates and budget planning cycle.

**Contract Registry Relocation**

The Governance and Economic Development committee believes that the contract registry should be moved out of ITI and placed with FMBS.

The purpose of the contract registry is to make available on the Internet contracting opportunities with the GNWT for over $5,000 with NWT businesses. The registry also makes it possible to report on tendering activity at yearend.

The committee notes a number of reasons to support transferring the contract registry program. First, the secretariat’s establishment policy clearly states, “the chairman of the Financial Management Board shall have charge of and be responsible for developing financial and contract policies, systems and procedures required in support of government operations.” Secondly, the committee further remarked that the secretariat’s 2006-2009 Business Plan notes that expenditure and procurement management is being considered for delivery through the ‘service centre’ concept. Finally, the committee points out that a recent report on best practices for public procurement recommends that the FMBS would be the better suited to oversee the contract registry.

**Recommendation**

The Standing Committee on Governance and Economic Development recommends that Industry Tourism and Investment work with Financial Management Board Secretariat to review the possibility of transferring the contract registry to the Financial Management Board Secretariat and report back to the committee on the positive and negative aspects of such a move within a definite period of time.

**Taltson Hydro Project**

The government plans to expand the existing Taltson system to supply power to NWT diamond mines.

The committee is concerned about the growing amount of funds being devoted to this project. ITI came forward with a supplementary appropriation in October 2005 for $730,000 earmarked for the NWT Energy Corporation’s feasibility and environmental studies on the Taltson hydro project. In 2006-2007, ITI is asking for another $1 million to complete the feasibility studies and environmental baseline work.

As far as the committee is given to understand, although letters of interest have been obtained from the mines, there are not any confirmed customers and there still may be the outstanding issues of agreement to proceed with the Lutselk’e band.

Furthermore, the committee is concerned about the accountability for this project. Formerly headed by the Premier, the responsibility for the NWT Power Corporation has changed and now the money flowing to the corporation is coming from the Department of Industry, Tourism and Investment.

**Recommendation**

The Governance and Economic Development committee recommends that the government record Taltson hydro project expenditures in the capital plan to show the amount of money being spent on this project.

The committee further recommends that before spending any more money on this project, the responsible department present a business case for this project, including guaranteed customers and total project costs, and confirm who the Minister responsible is for this project.

**Interpretive Bison Centre - Chan Lake**

During their pre-budget consultations, the committee heard from members of the public who suggested that the GNWT should provide more resources for product and infrastructure development and marketing.

The committee discussed the possibility of creating an interpretive bison centre at Chan Lake with the departments of ITI and ENR during their review of the 2006-2009 Business Plans. The committee thought this project was not only a great tourist attraction, but also a practical solution to some of the issues on that section of road. For instance, the road between Fort Providence and Yellowknife can be a long stretch of road without any services. MACA could locate an emergency phone centre there.

Transportation could also develop a roadside turnout, and the staff at the centre could advise tourists about driving safely in bison country. This recommendation also fits in with ITI’s RV site initiative.

**Recommendation**

The Governance and Economic Development committee recommends that an interpretive bison centre be established at Chan Lake.

**Department Of Environment And Natural Resources**

**General Comments**

The committee then met with the Minister and his officials on September 21, 2005, to review the draft business plan of the Department of Environment and Natural Resources.

Members also received a briefing from the Minister of Finance on January 17, 2006, outlining the changes to the budget of the Department of Environment and Natural Resources since the committee reviewed the business plan in September.

Committee members made note that the department is proposing to spend $55 million in operations expense and $3 million on capital projects in fiscal year 2006-2007.

Committee members offer the following comment on issues arising out of the review of the 2006-2007 Draft Main Estimates and budget planning cycle.

**Keeping Communities Clean**

During committee’s review of Environment and Natural Resources' 2006-2009 Business Plan, we noted that our beautiful communities and wilderness are being harmed by an ever-increasing problem of illegal dumping spots that are littering the landscape. The committee is concerned with illegal dumping around our communities and thinks that some creative solutions will be required to eliminate this problem.

**Recommendation**

The committee on Governance and Economic Development recommended the departments of MACA and ENR to work together to draft a strategy to help communities and the surrounding areas stay clean, litter free and eliminate illegal dumping.

The government replied that MACA, through its infrastructure acquisition plan, provides funding to community governments for solid waste disposal sites and they are responsible for enacting and enforcing bylaws to regulate solid waste disposal sites. Environment and Natural Resources offers the beverage container recovery program in the attempt to reduce waste.

**MR. SPEAKER:** The honourable Member from Hay River South, Mrs. Groenewegen.

## Motion To Receive Committee Report 6-15(4) And Move Into Committee Of The Whole, Carried

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, I move, seconded by the honourable Member for Tu Nedhe, that Committee Report 6-15(4) be received by the Assembly and moved into Committee of the Whole. Thank you.

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. Motion is on the floor. Motion is in order. To the motion.

**SOME HON. MEMBERS:** Question.

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

---Carried

Committee Report 6-15(4) will be moved into Committee of the Whole. Honourable Member from Hay River South, Mrs. Groenewegen.

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. I would like to seek unanimous consent to waive Rule 93(4) and have Committee Report 6-15(4) moved into Committee of the Whole for consideration on Monday, February 6th, 2006. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. Member is seeking unanimous consent to waive Rule 93(4) and move Committee Report 6-15(4) into Committee of the Whole for Monday, February 6th. Are there any nays? There are no nays. Committee Report 6-15(4) will be moved into Committee of the Whole for consideration Monday, February 6th. Reports of standing and special committees. The honourable Member from Range Lake, Ms. Lee.

## Committee Report 7-15(4): Standing Committee On Social Programs Report On 2006-2007 Pre-Budget Review Process

**MS. LEE:** Thank you, Mr. Speaker. Your Standing Committee on Social Programs is pleased also to provide its report on the 2006-2007 Pre-Budget Review Process and commends it to the House. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Ms. Lee. Motion is on the floor. The motion is in order. Did she make a motion? No, she didn't make a motion. Ms. Lee.

## Motion That Committee Report 7-15(4) Be Deemed Read And Printed In Hansard In Its Entirety, Carried

**MS. LEE:** Thank you, Mr. Speaker. Mr. Speaker, I move, seconded by the honourable Member for Sahtu, that the Report on the 2006-2007 Pre-Budget Review Process of the Standing Committee on Social Programs be deemed read and printed in Hansard in its entirety. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Ms. Lee. Motion is on the floor. Motion is in order. To the motion.

**AN HON. MEMBER:** Question.

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

---Carried

## Committee Report 7-15(4): Standing Committee On Social Programs Report On 2006-2007 Pre-Budget Review Process

**NWT Housing Corporation**

**Introduction**

Members of the Standing Committee on Social Programs, as Members of the Accountability and Oversight committee, were involved in the new pre-budget consultation process with the people of the Northwest Territories in late August of 2005. Hearings were held north and south of the lake, and gave ordinary northerners and non-governmental organizations the opportunity to provide input to MLAs on the priorities that the budget should focus on.

The committee then met with the Minister and his officials on Wednesday, September 21, 2005, to review the draft business plan of the Northwest Territories Housing Corporation.

Members also received a briefing from the Minister of Finance on January 17, 2006, outlining the changes to the budget of the NWT Housing Corporation since the committee reviewed the business plan in September.

Committee noted the total operating budget for the Northwest Territories Housing Corporation for 2006-2007 is planned at $122.486 million. Of this total amount, the corporation proposes $85.658 million in revenues or non-cash items, and a GNWT contribution of $36.828 million.

The following outlines committee members’ issues from their review of the 2006-2007 Draft Main Estimates for the Northwest Territories Housing Corporation and the new budget planning cycle.

**Pre-Budget Consultations**

The one consistent concern heard in all communities was the need for more housing. The majority of presenters felt that if we could reduce overcrowding and provide suitable and affordable housing in the communities, many of the pervading social problems that exist would be relieved.

The standing committee has heard this concern and will be working with our Cabinet colleagues to formulate a plan to address the long-term housing and attendant social problems in the North during the final two years of our Assembly.

**New Mandate And Structure For The Delivery Of Housing In The NWT**

Much of the discussion at the committee level over the budget planning cycle has focused on the need for a new mandate and structure for the NWT Housing Corporation.

With the transfer of responsibility for existing social housing to the Department of Education, Culture and Employment there is an opportunity to revitalize housing programs to meet the housing needs of all northerners.

Over the next year, the committee will be working with its Cabinet colleagues to come to a consensus on the how government can best address the housing shortage in the NWT.

Once roles have been defined, work can begin on developing a government-wide business plan that will secure community and aboriginal governments’ cooperation in developing the building lots our communities require to build the houses that we need.

**Focus For Capital Spending**

During the pre-budget consultations we heard many stories of people living in housing units that lack adequate water and sanitary systems and heating sources.

Many of these units were built for people who have subsequently aged and are now having trouble in keeping up with the chores that a house with minimum services demands.

During the review of the business plans in September, the committee made a recommendation that the Housing Corporation focus on those units that lack adequate water and sanitation systems and heating sources. The corporation has agreed with this recommendation.

**Renewable Energy Sources**

During the review of the business plans in September, the committee made a recommendation that the Housing Corporation incorporate the option of installing woodstoves in all housing packages sold to northerners. The corporation has agreed with this recommendation.

**Federal Funding For Social Housing And Non-Market Communities**

Much of the money for new social housing and housing in non-market communities is predicated on the federal government providing a significant portion of the required funding.

With the recent change in government at the federal level, it is unclear when, or even if, the funding for northern aboriginal housing contained in the Kelowna Agreement or the Novel housing proposal will come to the Territories.

Members of the committee are concerned with the plans of the corporation should the potential federal funding for these new initiatives not materialize. There does not appear to be any plan on the part of this government to address the housing needs of northerners within the context of our present financial reality.

The committee is not saying we abandon pushing the federal government for more funding to take advantage of the Novel housing proposal and to address the shortage of housing in many of our smaller communities, but we, as a government and territory, should be prepared to react to our housing crisis on our own.

The committee looks forward to further information on the economic viability of the Novel housing proposal and other options on financing much-needed housing in our communities.

For now, the NWT Housing Corporation needs to focus on what it can do today, not what it may be able to do five years from now if the federal government comes up with the money.

**Policy Issue - One House In A Lifetime**

Many of the first clients of the NWT Housing Corporation’s programs are now senior citizens. They no longer require the three or four-bedroom houses they had built for their young families. However, these people now find themselves unable to access any of the services of the corporation, because of the one house in a lifetime policy.

The committee is of the opinion that the corporation would be able to free up houses for the private market if it were to provide smaller housing packages/construction services or possible bridge financing for those elders who no longer require such a large home, but still wish to live in their own stand-alone house.

Committee will be pursuing this with the Minister responsible for the NWT Housing Corporation.

**NWTHC And School Trades Programming**

The Standing Committee on Social Programs is pleased with the support that the corporation has been providing to school trades programming.

Exposing young adults to the trades and letting them work on real-world applications is the only way that they would be able to make intelligent career choices that take into account the opportunities in the trades.

Members are concerned that in providing housing packages to the schools, the Housing Corporation has thus far concentrated on larger communities. The committee is not saying this is the fault of the Housing Corporation, and suspect that it is more a result of the corporation taking advantage of the opportunities that are presented to them.

However, the committee would like to see the Housing Corporation, in cooperation with the Department of Education, Culture and Employment, make a concentrated effort to expand into smaller communities and work on developing partnerships with industry and other levels of government.

**Land Issues**

Should the corporation be successful in securing federal financing under the aboriginal housing initiative and for the Novel housing project, they will be faced with the problem of a lack of suitable, developed land in virtually every community in the Northwest Territories.

Our discussions indicate that the corporation is alive to this issue, but Members were concerned that there was no specific mention in the business plan narrative about the need to cooperate with other departments and levels of government.

When the committee looks at the problems the corporation had and is having in securing land for the 45 units under the market housing initiative, we cannot help but have feelings of trepidation when the corporation is proposing building or placing 1,600 units in the communities over the next 10 or so years.

It is very important the Housing Corporation makes sure that communities and governments understand the magnitude and expectations that will be placed on them, should the corporation secure federal funding. At minimum this would require concentrated and coordinated partnerships and firm agreements with municipal and aboriginal governments to be reached beforehand.

As previously mentioned, once government roles are defined, we can proceed in developing a business plan to engage our aboriginal and community government partners in developing the building lots we need.

**Financial Counselling Services**

Members are concerned with financial counselling services being delivered by the district offices in the smaller communities. The committee was especially surprised with the RFP looking for a contractor to develop this program since the committee’s expectation was that the work would be done in house. Will there be adequate follow-up after the initial meeting to ensure that people stay on track in saving for their first home, or will people be left to sink or swim on their own?

This is the primary concern that the committee will be looking to be addressed in the program.

**Department Of Health And Social Services**

**Introduction**

Members of the Standing Committee on Social Programs, as Members of the Accountability and Oversight committee, were involved in the new pre-budget consultation process with the people of the Northwest Territories in late August of 2005. Hearings were held north and south of the lake, and gave northerners and non-governmental organizations the opportunity to provide input to MLAs on the priorities that the budget should focus on.

The committee then met with the Minister and his officials on Friday, September 23, 2005, to review the draft business plan of the Department of Health and Social Services.

Members also received a briefing from the Minister of Finance on January 17, 2006, outlining the changes to the budget of the Department of Health and Social Services since the committee reviewed the business plan in September.

Committee members made note that the department is proposing to spend $265.186 million in operations expense and $9.301 million on capital projects in fiscal year 2006-2007.

Committee members offer the following comments on issues arising out of the review of the 2006-2007 Draft Main Estimates and budget planning cycle.

**Pre-Budget Consultations**

During the community visits, several common themes became apparent to committee members. People want to see health services delivered at a local or regional level.

There is a general recognition that existing addiction programs are not close enough to the community and require a holistic approach that involves the addict’s family and reintegration into community life.

Many comments were also received on the need to support the non-governmental organizations that deliver health and social programs on behalf of the Department of Health and Social Services, with stable, multi-year funding agreements. It was also noted that government departments build forced-growth funding into their budgets and yet expect NGOs to make do with the same amount of money, and deliver the same level of programming, year after year.

Finally, committee heard many comments on the need to support frontline workers at the community level. We heard that these workers are doing an excellent job, but are hampered in some cases by inadequate funding, large caseloads and micro-management from the department and regional authorities.

**Non-Governmental Organization Funding**

During the business plan review and following feedback received from the pre-budget consultations and other concerned constituents, the committee recommended that the Department of Health and Social Services issue a directive to the health and social service authorities on the use and preference for multi-year funding agreements with non-governmental organizations with proven track records.

The department did not commit to a directive, but did commit to advising the health and social services authorities that they can use multi-year funding arrangements where it is determined such an agreement is in the best interest of the authority and the service provider. In addition, Minister Miltenberger encouraged NGOs to work with their health and social services authority to enter into multi-year funding arrangements during the October session. Whether this will translate into concrete action on the part of the department and its authorities remains to be seen.

Multi-year funding agreements may be inconvenient for the health and social services authorities to administer and track; however, it is important to remember than the reasons for multi-year funding agreements are to provide financial stability to the non-governmental organizations that deliver services to the residents of the NWT on our behalf.

Within the context of a proper reporting and accountability structure, we should, as a government, be trying to make things as administratively easy for NGOs as possible.

The committee will be tracking the use of multi-year funding arrangements during the business planning process and will be expecting an increase in the number of such arrangements by September 2006.

**Treatment Centres For Troubled Youth**

During the business plan review the committee made a recommendation that the department examine any and all possibilities to increase capacity in the NWT to deal with those children and adolescents with addictions and emotional and mental problems.

This recommendation was made because of the significant amount of money presently spent on southern placements and the infrastructure that is in place in Yellowknife that will be underutilized once the Territorial Treatment Centre is transferred to Hay River in 2007-2008.

The department’s response indicates that, given the amount of money being spent on southern placements for youth addiction and mental health treatments, it is economically viable to deliver these types of services in the NWT. The department is in the process of examining its options, and although they have not provided committee with any firm timelines, the committee will follow up during the review of the 2007-2008 Business Plans in September of 2006.

**Rehabilitations Teams**

The Standing Committee on Social Programs is very excited about the concept behind the roll out of the rehabilitation teams. Getting important services closer to the people they are intended to serve is the hallmark of a responsive health care system and responds to many of the concerns that we heard during our pre-budget consultations.

Members strongly encourage the department to be aggressive in staffing these positions. Recent media reports seem to indicate that audiologists are in high demand and that the NWT’s pay scale may no longer be realistic or a sufficient incentive to attract experienced and qualified candidates. The department, within the context of the Collective Agreement, will have to look for solutions to this dilemma.

Once the teams are in place, it is expected that wait times for rehabilitation services should be dramatically reduced and that services to children in the school system will improve. It is extremely important that the rehabilitation teams establish a close working relationship with schools, educators and child psychologists.

The one area of concern for the committee was the workload that the Yellowknife-based team would have in meeting the needs of the residents of the Tlicho, Sahtu and Deh Cho regions. Some members of the committee believe there should be regularly scheduled visits to each community within these regions, while others would prefer the workload to determine the service patterns. The department is encouraged to monitor the workload of all the rehabilitation teams to ensure there is a proper distribution of resources and that extra help is provided to those teams that require it.

**Addiction Services**

During the community pre-budget consultations, it became apparent to committee members that there is not a lot of buy-in at the local level for the Mental Health and Addictions Strategy. Anecdotally, Members have been told there is a real disconnect between residents and the primarily southern-hired mental health workers. Many people told committee that if the government would give them the money, they would be able to deliver addictions programming at the local level for much less than what the government is currently spending.

Members suspect that the answers and solutions lay somewhere in between the current model and involving communities and regions more directly in the delivery of addiction programming.

Committee also heard that the spectrum of addiction services is failing, not because there is a lack for funding or infrastructure, but because there is a lack of coordination between the department, authorities and non-governmental organizations that are delivering addictions programming on behalf of the GNWT.

There is clearly a need for a coordinated approach at the community and regional level between governments and NGOs. The department is encouraged to take the lead in fostering and maintaining such an approach, and it is hoped that the second Chalmers Report will provide the department with the strategic direction it needs to improve addictions services at the community level.

Members of the committee are also concerned that there does not seem to be an adequate focus on addictions in the school curriculum. Many people have told committee members that the school system, in concert with parents and the community, has to do a better job of communicating the consequences of alcohol and drug abuse to our children.

**Capital Planning And Health Infrastructure In The Smaller Communities**

There is concern at the committee level that there is sometimes a leaning towards protecting government assets, such as health centres, in the larger communities, over ensuring that all NWT residents have access to the same level of health care at the community level.

It is noted there are several communities without adequate health centres and/or health care professionals.

The committee asks that the department be cognizant of this fact when determining their capital requirements for upcoming years.

**Nurse Practitioners In The Northwest Territories**

The standing committee would like to commend the department on their ambitious program to expand the use of nurse practitioners throughout the Northwest Territories.

**Increased Funding For Dialysis And Cancer Treatments**

The committee supports the repatriation of patients to the Northwest Territories from southern facilities and the provision of dialysis at a local or regional level wherever a sound business case can be made for offering such services.

**Aboriginal Wellness Program At Stanton Territorial Hospital**

The committee supports the department and Stanton in taking these first proactive steps in incorporating aboriginal traditional healing, values and beliefs into the health care system.

It is hoped that the physical component of this commitment will be seen once the committee has an opportunity to review the Stanton master plan.

Members would like to reiterate that they believe the community health representatives (CHRs) have an important role to play in the success of an Aboriginal Wellness Program, and the department and Stanton are encouraged to tap into this valuable human resource.

**Dementia Facility And Other Territorial Long-Term Care Facilities**

Members support the building of a dedicated territorial dementia facility in Yellowknife as well as renovations to long-term care facilities in the communities. The committee believes it is important to keep patients in long-term care as close as possible to their families for as long as possible.

**Funding For Foster Care**

Over the last number of years there has been a marked increase in the number of children being taken into care and placed in foster homes. Increased uptake has meant an increase in required funding to deliver the program.

It is noted that this budget proposes to spend an additional $469,000 on foster care placements in 2006-2007. The committee is concerned this amount will not be enough and that more work needs to be done in addressing the root causes of why children are taken into care and placed in the foster care system.

**Department Of Education, Culture And Employment**

**Introduction**

Members of the Standing Committee on Social Programs, as Members of the Accountability and Oversight committee, were involved in the new pre-budget consultation process with the people of the Northwest Territories in late August of 2005. Hearings were held north and south of the lake and gave northerners and non-governmental organizations the opportunity to provide input to MLAs on the priorities that the budget should focus on.

The committee then met with the Minister and his officials on Monday, September 26, 2005, to review the draft business plan of the Department of Education, Culture and Employment.

Members also received a briefing from the Minister of Finance on January 17, 2006, outlining the changes to the budget of the Department of Education, Culture and Employment since the committee reviewed the business plan in September.

Committee members made note that the department is proposing to spend $259.205 million in operations expense and $29.972 million on capital projects in fiscal year 2006-2007.

Committee members offer the following comments on issues arising out of the review of the 2006-2007 Draft Main Estimates and budget planning cycle.

**Pre-Budget Consultations**

During the pre-budget consultations, committee members took note of the following issues that were mentioned in a majority of the communities we visited: early childhood or day care programs, special needs funding for students in kindergarten to Grade 12, funding for literacy programs aimed at youth who are not in school and, finally, under post-secondary education, the need to increase student financial assistance for tuition and living expenses and increase the number of NWT residents in apprenticeships.

These issues will be commented on later in this report.

**Aboriginal Languages**

The committee found the discussion during the business plan review surrounding the revitalization of aboriginal languages to be very interesting. The possibility of the federal government creating a central agency for the revitalization of aboriginal languages is also of concern to the committee.

Members agree with the department’s position that it is important to maintain a government-to-government relationship on funding for aboriginal languages. Being lumped in under a central agency could impact on the amount of funding available for each language group, as territorial aboriginal language groups would be outnumbered by larger southern First Nations.

The standing committee also supports the renegotiation of the languages agreement with the federal government and the linkage of aboriginal languages and French language under one agreement.

**Early Childhood Development (Day Care)**

The committee had supported the Minister in negotiating base funding in addition to any per capita funding that might flow out of a federal Early Childhood Development Framework Agreement.

However, with the recent change in government, and the uncertainty of federal funding to improve regulated day care in the NWT, it may be necessary to shift focus on our current early childhood programming.

As committee members heard during our pre-budget consultation process, residents are very concerned with the state of early childhood programs in the NWT. The lack of suitable infrastructure in smaller communities coupled with unstable funding and a piecemeal approach to programming is meaning that children are not getting the head start they should, and parents are being forced to use caregivers that may not be able to provide for their children’s intellectual stimulation.

Committee members are of the opinion that the current programming related to day care in the Northwest Territories is geared towards larger communities that have the necessary volunteers and infrastructure to get a day care off of the ground.

The committee is aware there is extra funding available for smaller communities to get day care programs up and running but are, nonetheless, of the opinion that this extra funding does not go far enough in addressing the infrastructure needs and shortfalls at the community level. Committee would like to see the department bring forward a plan to improve and revitalize the current program. The committee is also very interested in seeing the outcome of the review of the day care program being undertaken by Alternatives North and would encourage the department to participate in the review process.

It is realized we do not have the funding to deal with the infrastructure needs of a universal day care program in the Northwest Territories regardless of the amount of funding secured from the federal government in the future.

Subsequent to the review of the business plan, the committee did ask that the department consider dedicating one of the early childhood development positions to assisting communities/day care operators in finding suitable, long-term day care facilities in communities. Constituents have told committee members that the day care consultants seem to place a greater emphasis on the regulation of existing day care operators than on helping new operations get started or helping existing operations to survive and prosper. It was thought by the committee that reprofiling one of the positions to help new operators could be a positive step in increasing the number of licensed day care spaces in the Northwest Territories.

The department’s response to this request was that the four regional early childhood education specialists were expected to offer this kind of assistance as part of their regular duties and that any new position or reprofiling would be redundant. Residents are encouraged to utilize the regional early childhood education specialists in setting up regulated day cares in their communities.

Members would be very interested in discussing any new ideas or initiatives that could address these issues during the review of income security programs and in the next business planning cycle.

**Funding For Student Support Services (Special Needs Funding)**

During the pre-budget consultations we heard from parents and the NWT Teachers' Federation on the need to increase funding for special needs students, and, in particular, for disabled students who require one-on-one assistance to function in a classroom.

The committee notes the department will be increasing funding for student support services to 20 percent from 15 percent of the base funding over the next three school years, starting with an increase to 17 percent in this budget at a cost of $1.764 million.

The committee is in support of this increased funding for student support services and of the strict enforcement of the ministerial directive on the usage of the funding for the purposes for which it was intended and voted on by the Assembly. Members will be looking for evidence that this funding increase will make a difference in the lives of children who need special supports to succeed.

Members were also pleased to see a mechanism for the involvement of parents in determining the required supports for their children is being developed. Members have spent too much time in the past helping parents access services for their child that should have been provided by the school as a matter of course. It is hoped that the increase to 20 percent of base funding for student support services will result in more children be supported to reach their full potential.

It was also noted that the new health and social services rehabilitation teams will be an important component of a revitalization of the student support services available in our schools. It is important that there be close linkages and cooperation between educational and health care professionals. The committee will be looking for evidence of such cooperation once the rehabilitation teams are staffed and up and running.

**Pupil/Teacher Ratios**

One of the significant accomplishments of the 14th Assembly was the reduction of the pupil to teacher ratio (PTR). During the pre-budget consultation we heard from parents and the NWT Teachers' Association on the need to reduce the PTR even further so that we can ensure that each student gets the individual attention and courses that they require to succeed in school.

With all of the opportunities that come with resource development, there is a clear need to expand the exposure of students, particularly at the high school level, to the trades.

Many schools in the NWT lack dedicated physical education teachers and, in the context of the Healthy Living Strategy, this needs to be addressed.

The standing committee will be looking for evidence of a focus on the trades and physical education during the next business planning cycle.

**Adult Training And Development And Aurora College**

There were concerns expressed about the lack of a career counsellor in the Tlicho region. Members understand that the area is currently served by the North Slave Career Centre in Yellowknife and that counsellors travel to the region on an infrequent basis.

Given the fact that the Tlicho region has been accorded regional status, by virtue of the land claim and self-government agreement, and the successes that Tlicho residents have achieved in post-secondary education, the committee is of the opinion that it would be appropriate to staff a career counsellor position in the region. This does not necessarily have to be a new position. A position could be staffed through attrition at the North Slave Career Centre. The department has agreed to examine this request in the 2007-2010 business planning exercise.

Members would also appreciate the opportunity to review and offer comment on the Aurora College corporate plan that is currently under development. The college is very important to the future of all northerners, and Members are anxiously awaiting the results of the college’s consultation and the formulation of a corporate plan.

**Income Security Programs**

The Standing Committee on Social Programs supports the increases to the Student Financial Assistance Program. Students have been hit hard by tuition increases in the last number of years and our program has not kept pace. The planned increase will allow students to spend more of the money they receive for living expenses on just that, instead of tuition costs.

It is important to note that the $573,000 increase to the student financial assistance budget will only mean a maximum of $1,925 per semester for tuition and $400 for books. Current tuition and fee costs per semester at the University of Alberta range between $2,647.86 for a simple undergraduate program to $9,340.46 for the dentistry program. While we continue to have the best Student Financial Assistance Program in the country, it is clear that we do not cover all costs for tuition and books. These increases will mean that students will have an extra $325 in their pockets each semester.

The committee also supports increasing the senior citizens’ supplementary benefit to $160 per month from $135. Seniors, for the most part, are on fixed incomes. Those who rely on the Canada Pension Plan for the bulk of their income are hard pressed to make ends meet in the supercharged economy that is the Northwest Territories today and this increased support is a welcome measure.

Members have also noted that there is a gap that hard-to-house people seem to fall into between the programs that are offered through the NWT Housing Corporation and the local housing authorities and the programs administered by income support. Members are aware of people living in substandard, private accommodations paid for by income support because they are no longer eligible for social housing for one reason or another.

It is hoped with the combining of these two programs under one authority that problems with hard-to-house people can be addressed.

**Full-Time Kindergarten**

The committee is pleased to see the inclusion of funding in the amount of $1.638 million to deliver funded full-time kindergarten programming in the Northwest Territories.

Many district education authorities have already begun offering full-time kindergarten programs and have shown excellent results in preparing a child to learn and succeed in school. It was time to ensure that all kindergarten students in the NWT were afforded the same opportunity to develop the skills to learn.

The committee provided strong support to the Minister to advance this initiative by helping to ensure that the necessary legislative amendments to the Education Act were passed and by making our colleagues aware of the importance, and successes, of full-time kindergarten programs.

The Minister and department are to be commended in securing the funding to provide full-time kindergarten programming. It is hoped that we will see marked improvements in graduation rates and attendance in years to come.

**Funding For Students Over The Age Of 21 Attending High School**

The standing committee was made aware of the cuts to funding students over the age of 21 attending high school during the review of the business plans in September. At the time, it seemed reasonable to provide sufficient funding to a student for three additional years to complete their graduation requirements, and the committee had no serious concerns with the proposed cut at that time.

Subsequent to the review of the business plan, the committee held a public hearing on bills and other matters in the community of Behchoko and heard concerns expressed on the ending of funding for students attending high school over the age of 21 and the efficiency of adult basic education courses being offered through Aurora College. We heard of parents and grandparents, who have decided to go back to high school at the same time as their children or grandchildren, who have ended up being positive role models, and by their attendance alone, a calming influence on all the children, resulting in a more positive learning environment.

The committee now believes it erred in not objecting to the proposed cut to funding for students over the age of 21 who chose to attend high school. The fact is, as a government, we would be expending funding on some of these students to attend Adult Basic Education. So does it really matter which pot of funding pays for their education? It’s the results that count.

The committee will be pursuing further discussions with the Minister and affected communities and looking for ways to strike a compromise.

**Capital Plan**

The committee is aware that the results of next summer’s piling inspections may require either increased funding or a reprofiling or delay of existing capital projects that are in the infrastructure acquisition plan. The first priority for this government and the department must always be the safety of our children in our schools.

The committee would appreciate being kept advised of the results of the piling inspections as they come in.

**Department Of Justice**

**Introduction**

Members of the Standing Committee on Social Programs as Members of the Accountability and Oversight committee were involved in the new pre-budget consultation process with the people of the Northwest Territories in late August of 2005. Hearings were held north and south of the lake and gave ordinary northerners and non-governmental organizations the opportunity to provide input to MLAs on the priorities that the budget should focus on.

The committee then met with the Minister and his officials on Monday, September 22, 2005, to review the draft business plan of the Department of Justice.

Members also received a briefing from the Minister of Finance on January 19, 2006, outlining the changes to the budget of the Department of Justice since the committee reviewed the business plan in September.

The committee noted expenditures of $83.800 million for operations expense and $4.029 million to be spent on capital projects.

Committee members offer the following comments on issues arising out of the review of the 2006-2007 Draft Main Estimates and budget planning cycle.

**Pre-Budget Consultations**

During the pre-budget consultations, committee members took note of the following issues that were mentioned in a majority of the communities we visited: more support for local justice committees; resources for on-the-land programs for people who have committed less serious crimes, especially youth at risk and young offenders; the need for offenders to reconnect with traditional values; the need for training and education for offenders to make them more employable; and increased RCMP resources in smaller communities.

These issues will be commented on later in this report.

**Community Justice Committees**

During the pre-budget consultations in the communities we heard that more funding should be directed to the local justice committees.

During the business plan review in September, the Standing Committee on Social Programs was concerned that funding to community justice committees was not keeping pace with their increased workload. The standing committee recommended $50,000 in base funding for each justice committee.

Currently the Department of Justice is reviewing how they can revitalize community justice committees. One area they are looking at is their funding structure. The standing committee will be looking forward to reviewing the 2007-2010 Business Plans and seeing increased funding for community justice committees and programs.

**Policing In Smaller Communities**

The Standing Committee on Social Programs is concerned over the $200,000 reduction in the Police Services Agreement. During the last budget Session, the committee supported the increase of $1.489 million to the Police Services Agreement. Now part of the increase the committee supported last year is being removed as part of a budget-cutting exercise.

During the business plan review in September, the committee supported the Minister making it a priority to increase police presence in communities without detachments. The Minister of Justice has since informed the committee that a joint RCMP/department strategic planning group has been formed, and one of their first priorities is to increase the police presence in smaller communities.

The committee is concerned that the proposed $200,000 reduction in the overall Police Services Agreement may make it difficult for the RCMP to increase police presence in communities where there is already minimal police presence, such as Sachs Harbour and Colville Lake.

The Committee finds it difficult to see how the enhancement of police service through more frequent patrols, longer stays, and the support of crime prevention initiatives can be accomplished, when the department is proposing a $200,000 reduction. As a result, the committee does not support this reduction.

**RCMP Orientation Program**

During the business plan review in September, the committee was concerned that some RCMP officers have not been able to integrate well into the community where they have been stationed.

The committee is interested to see progress of the RCMP Orientation Program and will be provided with information on the new RCMP Orientation Program from the Minister of Justice as it becomes available.

**Family Law And Legal Aid Files**

During the business plan review, the committee had concerns regarding lawyers not taking on family law or legal aid cases in the NWT. In general, there are difficulties in attracting lawyers to the NWT, and attracting lawyers to take on family law matters is of particular concern. The Minister’s staff explained that making mediation a prerequisite before using the court system is one alternative to decrease the backlog of family law cases.

Since the business plan review in September, the department has started a pilot Family Law Mediation Program in Yellowknife and Hay River that will run until the end of this fiscal year.

The committee will be provided with information from that pilot project when available.

The committee is also very interested to see possible initiatives to recruit more lawyers to the NWT in the 2007-2010 Business Plans.

**Wilderness Camps**

The committee was concerned about the substantial reduction of $425,000 to youth wilderness camp funding.

The justification given by the department for the cut is the lack of youth receiving custodial sentences, and, as a result, there has been minimal use of the Youth Wilderness Camp Program. The committee is concerned that once this funding is cut out of the program, it will be difficult to reinstate this funding.

The committee is also concerned that minimal use of the Youth Wilderness Camp Program is a result of poor program delivery and/or design. The committee understands the potential benefits of the Youth Wilderness Camp Program and recommends that a program redesign may prove better than cutting out $425,000 from the program.

The committee would like to see the department develop new models for the Youth Wilderness Camp Program similar to the review the department is currently completing on the Wilderness Camp Program for adult offenders and provide committee an opportunity for input.

**Outdoor Recreation Area For North Slave Correctional Centre**

During the business plan reviews in September, the committee was left with the impression that the outdoor recreation area was going to be built as an arena.

However, the department has clarified that it “has no intention to build a new arena for the North Slave Correctional Centre.” Rather, “the Department has proposed an outdoor recreation area in the capital plan to provide a fenced area for inmate outdoor activity and programs such as healing circles, similar to the grounds of the old Yellowknife Correctional Centre.”

It should be noted that there was an outdoor arena on the grounds of the old Yellowknife Correctional Centre. Given the close proximity of the North Slave Correctional Centre to the new Yellowknife Multiplex arena, the committee is concerned that an outdoor arena may not be the best use of government funding.

**MR. SPEAKER:** Honourable Member from Range Lake, Ms. Lee.

## Motion To Receive Committee Report 7-15(4) And Move Into Committee Of The Whole, Carried

**MS. LEE:** Thank you, Mr. Speaker. Mr. Speaker, I move, seconded by the honourable Member for Sahtu, that Committee Report 7-15(4) be received by the Assembly and moved into Committee of the Whole. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Ms. Lee. Motion is on the floor. Motion is in order. To the motion.

**SOME HON. MEMBERS:** Question.

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

---Carried

Committee Report 7-15(4) will be moved into Committee of the Whole. Honourable Member from Range Lake, Ms. Lee.

**MS. LEE:** Thank you, Mr. Speaker. Mr. Speaker, I would like to seek unanimous consent to waive Rule 93(4) and have Committee Report 7-15(4) moved into Committee of the Whole for consideration on Monday, February 6th, 2006. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Ms. Lee. Member is seeking unanimous consent to waive Rule 93(4) and have Committee Report 7-15(4) moved into Committee of the Whole for consideration on Monday, February 6th. Are there any nays? There are no nays. Committee Report 7-15(4) will be moved into Committee of the Whole for consideration on Monday, February 6th. Reports of standing and special committees. Reports of committees on the review of bills. Tabling of documents.

# ITEM 14: TABLING OF DOCUMENTS

## Tabled Document 82-15(4): Report On Members' Compensation And Benefits

Pursuant to section 35.3 of the Legislative Assembly and Executive Council Act, I hereby table the 2005 Review of MLAs Compensation and Benefits prepared by the Independent Commission to Review Members' Compensation and Benefits.

Tabling of documents. Notices of motion. Notices of motions for the first reading of bills. Motions. The honourable Member from Great Slave, Mr. Braden.

# ITEM 17: MOTIONS

## Motion 12-15(4): Provisional Rule Changes To Implement Designated Budget Days, Carried

**MR. BRADEN:** Thank you, Mr. Speaker.

WHEREAS the Legislative Assembly has recently instituted a number of changes to its budget review process to improve public access, transparency and efficiency;

AND WHEREAS in recent years the sitting hours of the Legislative Assembly during the winter budget session are frequently extended;

AND WHEREAS the Legislative Assembly is committed to remaining accessible and transparent to all residents;

NOW THEREFORE I MOVE, seconded by the honourable Member for Frame Lake, that "designated budget days" be implemented on a provisional basis;

AND FURTHER that Monday, Tuesday and Wednesday of each week be "designated budget days;"

AND FURTHER that the House shall commence sitting at 11:00 a.m. on "designated budget days;"

AND FURTHER that the time of adjournment on "designated budget days" shall be 6:00 p.m.;

AND FURTHER that notwithstanding Rule 34(6), the time allotted for Ministers' statements on "designated budget days" shall not exceed 10 minutes;

AND FURTHER that notwithstanding Rule 38(4), on "designated budget days," when a Minister answers an oral question, only two supplementary questions per Member directly related to the same subject may be asked;

AND FURTHER that notwithstanding Rule 27(2), the daily order of business in the Assembly on "designated budget days" be amended on a provisional basis to remove the items: replies to opening address, reports of standing and special committees, and motions;

AND FURTHER that notwithstanding Rule 4(1), the House shall not sit on Friday, February 17, 2006;

AND FURTHERMORE that the "designated budget days" provisional rules be effective Monday, February 6, 2006, until the prorogation of the Fourth Session.

Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Braden. Motion is on the floor. Motion is in order. To the motion.

**MR. BRADEN:** Thank you, Mr. Speaker. Briefly, this is a motion that, of course, I moved it, I'm speaking very much in favour of it. It is consistent with initiatives and efforts that all Members agree would be desirable for the efficiency and the improvement of our business. But I think, Mr. Speaker, the biggest advantage that I see in giving these new rules a try is that it will make us more accessible to the general public through the media, through the provision of doing our business more during hours that are more accessible to the public.

I remember very much the hours spent in this Assembly, Mr. Speaker, after 6:00 p.m. when most people are doing other things with their family, the media's not here, the cameras are turned off, and yet we continue with our deliberations and our debates. We might get our business done, but I think the interests of the public in knowing, and listening, and hearing what we're doing is lost. This is an attempt to bring us more in line, and I hope make our business more engaging and more interesting for people to watch and listen. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Braden. To the motion.

**SOME HON. MEMBERS:** Question.

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

---Carried

Motions. First reading of bills. Second reading of bills. Consideration in Committee of the Whole of bills and other matters: Bill 13, Bill 14, Bill 18, with Mr. Ramsay in the chair.

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

**CHAIRMAN (Mr. Ramsay):** I would like to call Committee of the Whole to order. The first order of business is Bill 13, An Act to Amend the Financial Administration Act. I would like to start by asking if the Minister responsible for the Financial Administration Act, the Honourable Floyd Roland, would like to introduce the bill.

**HON. FLOYD ROLAND:** I am pleased to introduce Bill 13, An Act to Amend the Financial Administration Act. This bill was introduced to allow the government and, more specifically, the petroleum products revolving fund, to use commercial financial instruments, such as fuel swap transactions, when prudent, to limit the impact of movements in fuel prices.

The petroleum productions division of the Department of Public Works and Services administers the petroleum products revolving fund under the authority of the Revolving Funds Act and the Financial Administration Act. PPD provides fuel sales, dispensing and delivery services in 15 NWT communities. PPD's costs to purchase fuel are determined by the Edmonton rack or spot market price at the time of delivery. The fuel market is very volatile and prices change frequently. This price volatility creates uncertainty for financial planning and budgeting.

Fuel purchases are PPD's main expenditures. A one cent per litre change in the rack price has a $250,000 impact on PPD's financial operations. PPD has difficulty predicting its financial position because it does not know the cost of fuel until after it has received delivery of fuel into its tanks.

Purchasing fuel on the spot market exposes PPD to the risk of sudden price increases. The use of commercial financial instruments, such as fuel swap transactions, when prudent, can limit the impact of fuel price movements.

A fuel swap is a fuel price risk management tool that would allow PPD to balance prepaid versus spot market fuel prices, potentially lowering the overall costs of fuel products purchased by PPD.

Under current legislation, however, PPD does not have the authority to enter into this type of financial transaction. The amendment proposed in Bill 13 would authorize transactions of this nature that are in accordance with regulations and guidelines to be approved by the Financial Management Board. A consequential amendment to the Revolving Funds Act will allow PPD to make expenditures for the purposes of settling financial agreements made under this section of the Financial Administration Act.

Regulations and guidelines will be developed and submitted to the Financial Management Board for approval, to provide the necessary checks and balances for those staff authorized to engage in such transactions.

At the appropriate time, I would be pleased to answer any questions that Members may have.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Roland. I will now go to the chairman of the Accountability and Oversight committee, Mr. Menicoche, for the committee’s comments on the bill. Mr. Menicoche.

**MR. MENICOCHE:** Thank you, Mr. Chairman. The Standing Committee on Accountability and Oversight met on December 9, 2005, to review Bill 13, An Act to Amend the Financial Administration Act. Following the clause-by-clause review, the motion was carried to report Bill 13 to the Assembly as ready for Committee of the Whole. This concludes the committee’s general comments on Bill 13. Individual committee members may have questions or comments as we proceed. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Mahsi, Mr. Menicoche. I would like to now ask the Minister if he would like to bring in witnesses.

**HON. FLOYD ROLAND:** Yes, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Does committee agree?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Committee has agreed. So, please, Mr. Minister, bring in your witnesses.

Does committee agree that the Minister introduce his witnesses?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** For the record, Mr. Minister, please introduce your witnesses.

**HON. FLOYD ROLAND:** Thank you, Mr. Chairman. Mr. Chairman, joining me today are the acting deputy minister of Public Works and Services, Mr. Mike Aumond; the deputy minister of Finance, Ms. Margaret Melhorn; and, as well, we have from Justice, Ms. Patricia Gall.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. That was Patricia Hall? Gall. I will now open up the floor to comments by committee members. Mr. Menicoche.

**MR. MENICOCHE:** Thank you, Mr. Chairman. With respect to how fuel is handled in the communities, particularly gasoline, that’s been operated by our government in the communities and the cost of that gasoline, as an MLA, it’s always a concern in the smaller, remote communities, such as Trout Lake and Nahanni Butte, that they are stranded. Our government does provide fuel to the communities and sometimes we allow individuals, not only in the band corporations, to run those products. However, it’s not really like a free market situation in the small communities. I know that we are providing a service. We are buying the fuel to put in there. Particularly of late, Mr. Chairman, the communities are saying that because early in the fall the gas prices were climbing and our government didn’t want to get caught short this year, I think we added an extra allowance and increased the cost of the fuel in anticipation of rising costs. Now I am just wondering how this new act would make it more flexible for the gas prices to come down?

For instance, in Jean Marie, they are still paying $1.40 per litre and that is September or October prices. That’s what they are saying. What is going on, Kevin? Why is the government sticking to this when everywhere else in the world the price of gas is declining? Yet, we are stuck with this. It’s a catch-22 for Jean Marie. Because their gas storage is $1.40, they are not going to be buying gas there. They will be driving out and buying their fuel from Fort Simpson, Hay River or even Checkpoint, which is a 15-minute drive outside the community. So now we are stuck with stranded gas that is $1.40. I don’t know how long that is going to sit there. We are probably going to have to take a hit. They are concerned about how we do that pricing. Even though they topped off the tank, they know darned well -- they aren’t specialists in oil and gas, or economic experts -- that that tank was half full. If they just topped it off, why is all the gas worth $1.40? They are saying it doesn’t seem right.

The fact is how do we make it more flexible and more responsive to market prices in the small communities? Smaller communities often say that just because we are here, doesn’t mean we have to be penalized. That’s the way they feel, Mr. Chairman.

I know I have the Minister’s opening remarks here, but I wonder if the Minister can detail how these new changes will roll out in the small communities and how they will be more responsive to their needs. The cost of living is quite a burden on them. I don’t know how they’re doing it today, Mr. Chairman, because they’re paying for the heating fuel costs, which is also fixed, too, in the smaller communities by our government. So just with that, Mr. Chairman, I’d like to hear a response from the Minister and his staff.

**CHAIRMAN (Mr. Ramsay):** Mahsi, Mr. Menicoche. Mr. Minister.

**HON. FLOYD ROLAND:** Thank you, Mr. Chairman. Mr. Chairman, the bill that’s before Members will give us some flexibility in how we go and get our fuel. But ultimately what we’re faced with is paying the price of the product when it is delivered in the tanks, and beyond that there is no more flexibility because the policy we have set in place now is that we have to pay for the actual product that is delivered. We’re still not charging for the capital that’s there, the tankage and so on. But for the product delivered, we’re having to recover actual costs. So that’s what the Member’s communities are feeling.

All communities served by the petroleum products division is the fact that we have to pay for the actual landed costs in communities when it is delivered. So those communities that receive it by barge, once it’s soft-loaded off the barge into the tanks, we’re given a bill. Those that are by ice road, again it’s delivered from the trucks into the tanks. What we’ve been faced with in the past, and even felt it more so this past fall, was the fact that the prices were climbing considerably and by the time we were delivered into our facilities, there were some significant jumps in previous years. There’s good and bad to that, I guess one can say. The fact that if you’re in a private sector community there’s some fluctuation, as their tanks are emptied and refilled, that they can lower their prices to compete; whereas, in our situation, we have to pay the actual cost of the product. We have a very small margin of flexibility when it comes to carrying over any surplus or over-expenditure.

What we’re hoping to do with this bill is that when we go out to get the product, if we see that the market is fluctuating quite significantly, we can do some fuel swap transactions as laid out and potentially have some savings there by pre-purchasing fuel on future markets that would allow us then to have a savings when we actually have it delivered. So that’s the one thing this can help us in delivering the product to communities and hopefully creating a somewhat more stable environment than we are faced with today, because today’s practice is it’s a rack price and it’s at the time of delivery and we have to bill for the fuel that is delivered at that time.

The concern about Members knowing that there is some fuel still in some of the tanks and when we refuel we increase our price, what happens is there’s a measurement. We know how much fuel is in the tanks, when they’re refuelled and that fuel at the old price is blended with the new price. So there’s an average between the two. It’s not automatically just paying the higher cost for the full volume. It is blended. Thank you.

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

**MR. MENICOCHE:** Thank you very much, Mr. Chairman. I’m still not too clear how this change in the legislation would help a community like Jean Marie, whose stuck today at a fuel cost of $1.40 and that product’s not going to move very quickly because it’s at $1.40 and they can just drive 15 minutes down the road and get their product for $1.09. So does this mean that the Ministry will have the flexibility to drop that price because it’s not being moved? How is that going to work there, Mr. Chairman?

**CHAIRMAN (Mr. Ramsay):** Mahsi, Mr. Menicoche. Mr. Minister.

**HON. FLOYD ROLAND:** Thank you, Mr. Chairman. Mr. Chairman, this bill will not give us the flexibility of lowering the price if the product isn’t moving. The policy we have in place is that the department has to recover its full cost of fuel delivered. So unless there’s a private sector company that steps into a community and starts delivering fuel, we have to recover the cost of the actual fuel delivered.

What this bill will do for us is give us somewhat more certainty than we have right now in our ability to purchase the fuel. Instead of paying the right rack price, which can jump significantly in short periods of time, we can, if we see a trend occurring, buy on the future markets at a certain price and have that delivered and have some savings potentially there, and that savings would be passed on then to the customer. But it would not allow us to change the price from week to week, or month to month, that you would find in private market communities. Thank you.

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

**MR. MENICOCHE:** Well, Mr. Chairman, I’m not quite sure how the Minister intends to bring the smaller communities in line. Like the gas prices aren’t going to rise anytime soon back to $1.40 where it will be marketable in communities to buy fuel at the storage tanks again. So that fuel is going to be stranded for awhile. I think the communities were looking for a solution. What they do in the free market, too, is they have sales. So it could be the communities are looking for a Floyd’s blow-out fuel sale in the smaller communities here, just so we can readjust and get these fuel prices back to levels in the smaller communities that are comparable with the rest of the world. So that’s what they’re looking for. They’re looking for solutions. We’re saying we’re a global village, yet we like to penalize people for living in isolated communities and they’re saying that’s not fair. We’ve got to build and design a system that’s more flexible and how do we do that? I’m not quite sure, but we’re going to have to do something. We cannot keep that gas there for $1.40 because it’s just going to stay in those tanks and people are not going to buy it. So, you know, they got caught up in this whole rising prices and everybody knew it wasn’t sustainable. So now we’re down back at more normal levels. It’s still higher than, of course, a year or two ago, but in the communities they’re really extraordinary costs on gasoline prices and it affects every venue of their lives. So that’s one issue there. But it’s just not clear to me how this amendment will help address those concerns, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Mahsi, Mr. Menicoche. Mr. Minister.

**HON. FLOYD ROLAND:** Thank you, Mr. Chairman. Mr. Chairman, the bill that’s presented would allow us to deal with the impacts of fuel prices before we get it delivered into the tanks. There is no provision in the act itself to deal with the fluctuating costs throughout the year. The policy that we’ve been directed to fulfill is to recover actual costs of product delivered into those tanks. In some cases, that can work in a positive way for some of the communities because if we can get a price product delivered at a time of year when the prices are somewhat lower and as they increase throughout the year, other places with private markets would adjust their price upward, ours would be locked at the same price. But right now, I mean, we’ve not really had this happen to us before where we went out and bought at a higher price and then it’s worked its way down. The Member is correct; in a lot of the other communities where prices were $1.30, 40 cents a litre, even in Yellowknife, I believe, it was as high as $1.20 or in that range for a short period of time. It’s worked itself down, but because we purchased a price at rack price, we’re stuck with that price for that product. What I’ll commit to do is find out the volume sales and what’s happening out there. But what I’m informed as average right now across the board that the communities were involved with, we’re actually selling more fuel now than we’ve done in the past year.

But for the particulars there, this bill will not give us the flexibility of taking a loss on fuel product sales. That’s what we’d have to look at, is if we’re going to drop the price of the product in the tankage, then we’re going to have to account for a loss of revenue and potentially, if that continues to happen, we’re going to have to come to this Assembly for a write-off for some of that. Thank you.

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

**MR. BRADEN:** Thank you, Mr. Chairman. I’ll speak in favour. My position is in favour of this bill. I think if we can take advantage of a technical way of doing something better, minimizing our exposure to, as the Minister said, the volatility in any market, especially the fuel market, then it’s a good one and we should proceed with it. I guess what I’d like to do, though, Mr. Chairman, is just get a sense of the scale or the scope of the dollars that we’re talking about here. I don’t need a huge, detailed picture, but what are the volumes and perhaps the dollar values that PPD deals with on an annual basis? The very big picture, Mr. Chairman. Just tell me; give a sense of the volumes and quantities we’re talking about. Thank you.

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

**HON. FLOYD ROLAND:** Thank you, Mr. Chairman. Mr. Chairman, if you look at the process we’re involved with on an annual basis, we’ve now worked with the Power Corporation and are pulling them into this solution where there’s bulk buying with savings for both sides. Initially, just with PPD, the communities we served, it’s in the area of -- and I believe it’s in the budget documents -- $12 million annual sales. As I stated in my comments, a one cent change in price per litre can affect us by $250,000. So on one hand, if we can get this through and be able to buy on a future market and save ourselves two or three cents, that’s a significant amount of dollars we can save, and in a sense that would be directly passed on to the consumer. Just as if the price is high, we’ve had to pass on that extra cost. Thank you.

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

**MR. BRADEN:** Mr. Chairman, has the vision run any scenarios? Again, I’d just like to get a sense of if we had this instrument and we had this practice in place, say, over the past fiscal year, given the volatility and the conditions of the market, do you have a scenario…Does the division have a scenario or even some good estimates of what we may have saved if we’d had this in place? Again, Mr. Chairman, just to give me an idea of the scale and the scope of the kind of money we’re talking about here. Thank you.

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

**HON. FLOYD ROLAND:** Thank you, Mr. Chairman. Mr. Chairman, I don’t have a scenario to present to Members about the actual impacts of litres that were purchased and how much potential savings there are. All I can go towards right now is if we had this tool available when the prices started to go up and if we were able to purchase on the future market, just looking at the percentages that have happened, we’ve had some products go up by almost 50 percent from what the price was. So if we were able to buy just as it were starting to climb, we could have saved a significant amount of dollars. We had some large increases in communities in this last year that we probably would have been able to save anywhere to half of the actual increases. But, unfortunately, that’s not available to us; that tool isn’t there. That’s why that thought was there. But looking at the legislation, we were not permitted to do so and that’s why we’ve come forward for that now. Thank you.

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

**MR. BRADEN:** Mr. Chairman, the notes that the Minister gave us in opening this discussion suggests that we will, through this, minimize the risk of sudden price increases, because right now we’re buying it on the spot market and we’re subject to all those variables. I’d like to get a sense of what kind of risk there may be in taking this new measure. Is there a down side to it? A potential for something going wrong? Could the Minister outline that for us? Thank you.

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

**HON. FLOYD ROLAND:** Thank you, Mr. Chairman. Mr. Chairman, there is a potential risk here. For example, if the trend was starting to go up and we decided to buy in future markets a year or two years down the road, thinking that this trend is going up and will stay that way, and we purchased at that time and as it got time to deliver that fuel the price actually went below, we would end up paying the higher price. That’s the risk in this. If the trend suddenly drops off, then we would take the hit on that. If we had this in place…We’ll just use the example of this past summer’s experience. We had a very large and fluctuating market. The increase climbed steadily over a number of weeks and months. In fact, daily changes were happening and if we ended up two years prior buying on a future market and hit that price on a high end…It has since come down, as we’ve seen in the private markets. We would be paying that higher price. So that is the danger of that, and we would have to make sure what we put in place, and our estimates used in watching the market would have to be finely tuned. Thank you.

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

**MR. BRADEN:** So then, if I could offer a bit of advice, it’s that you shouldn’t do as I do in the stock market. You should not buy…How does it work now? I can’t even figure that one out. You don’t want to buy high and sell low, for what it’s worth. Mr. Chairman, finally, will the department be able to sort of track its performance once we start using this methodology here so that we can get some sense of have we actually achieved some savings, or potentially have we cost ourselves some money? Would that be able to be measured and reported, Mr. Chairman?

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

**HON. FLOYD ROLAND:** Thank you, Mr. Chairman. Yes, Mr. Chairman, we will be able to track how purchases are done and how effective this may be. We do tracking already on the existing operations we have just in cost of product and so on, and the trend has been an upward one over the years. But for this purpose, yes, we will have to make sure we put in a good tracking system.

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

**MR. BRADEN:** Thank you, Mr. Chairman. And reporting? The results? Thank you.

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

**HON. FLOYD ROLAND:** Yes, as well we’ll be reporting to this House as well as to Members. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. I have Mr. Yakeleya next. Mr. Yakeleya.

**MR. YAKELEYA:** Thank you, Mr. Chairman. Mr. Chairman, I want to make a few comments to the Minister. Mr. Chairman, the Minister in his notes and talked during questions with the other MLAs in regards to this bill here. I’m somewhat concerned, I guess, in terms of the…I want to know if this bill was taken by this department, this government, to competitive market price competitors in terms of competing with other private business in the North or the region in terms of having flexibility now in the market and buying bulk sales. You may have some fuel that could be seen or perceived lower than the private market people out there selling fuel and they’re going to…Yes, poor granny in Nahanni. I guess I want to ask about that in terms of the intent in that where there could be some places where you’re going to squeeze out the market and the government may be going in this direction if it's not careful. Thank you.

**CHAIRMAN (Mr. Ramsay):** Mahsi, Mr. Yakeleya. Mr. Minister.

**HON. FLOYD ROLAND:** Thank you, Mr. Chairman. Mr. Chairman, this proposal and the amendment before the Members are not going to change the way we do business in communities on a day-to-day process. What it will give us is, at the time we want to purchase fuel, if we see a trend going up we can use, for example, an 18-month window. That’s sort of the extreme it would do for how far out we might go to a market and say we want to purchase this amount of fuel at this price. That’s all it would do. It wouldn’t give us how we do our dealings in communities. Thank you.

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

**MR. YAKELEYA:** Thank you, Mr. Chairman. Mr. Chairman, I have no arguments with the Minister about the way they’re looking at living by this new bill here. My question again is that they talked about buying bulk fuel with NCPC and having bulk fuel in the North here and in the regions. This bulk fuel may be used sometimes as a means to sell to other companies that may see that they have lower prices than the private market. I’m scared that this bill may leave some flexibilities here. We are in the business of too bad for the private businessman. Lower the costs. As they call it, sharpen your pencils. As government, we might be heading in this direction. That’s all my concern. Thank you.

**CHAIRMAN (Mr. Ramsay):** Mahsi, Mr. Yakeleya. Mr. Minister.

**HON. FLOYD ROLAND:** Thank you, Mr. Chairman. Mr. Chairman, our policy from within government is not to compete with the private sector. If there’s a private sector in the community that delivers fuel, right now we have the process of standing back to see if they’re successful before we would pull out, but there is not privatization initiatives on the books. Of course, the product in the community, it’s for sale. Those that would come and pay the price that we have established, it’s there for them because we would be the only supplier. That’s the way we would continue to operate. Thank you.

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

**MR. YAKELEYA:** Thank you, Mr. Chairman. Mr. Chairman, I get the intention of this bill and the community that only has the territorial government being the supplier of fuel sales. That’s fine. It’s where there are communities who have other suppliers in the community or region that we are, you know, this bill allows some flexibility, it allows us to be in the market in terms of the sales. Then they stated they’re not in the competition business or competing, but certainly if somebody came to them and said we want to buy some fuel off you guys, I mean, certainly you can say have you checked the other places? You know? That’s what I’m getting at. Thank you.

**CHAIRMAN (Mr. Ramsay):** Mahsi, Mr. Yakeleya. Mr. Minister.

**HON. FLOYD ROLAND:** Thank you, Mr. Chairman. Mr. Chairman, this bill does not change the way we do operations. All this bill allows us is the purchasing of fuel. Not on the sales and dispensing of fuel. This only deals with how we would purchase fuel from the market. Thank you.

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

**MR. YAKELEYA:** Thank you, Mr. Chairman. Mr. Chairman, this bill allows them to purchase fuel. There’s something else that allows them to distribute the fuel or deliver the fuel. This allows them to purchase, and I understand this bill, I guess there’s something more. Maybe I’m reading into it. I’m going to leave it at that right now, Mr. Chairman. The Minister knows my concerns that I’ve raised and I know this bill is something the Minister is working for the benefit of the Northwest Territories. So I’m going to leave it at that right now. Thank you.

**CHAIRMAN (Mr. Ramsay):** Mahsi, Mr. Yakeleya. No question. We’ll move now to Mr. Pokiak. Mr. Pokiak.

**MR. POKIAK:** Thank you, Mr. Chairman. Just a couple of quick comments. I agree with what Mr. Menicoche referred to earlier with regard to the price of fuel and gas. It is a problem in the small communities. In Sachs Harbour, they’re paying quite a high number, and in Holman, Paulatuk. Also, I might as well say Tuk, although Tuk is privatized, you know, and the cost is very high. I understand what the Minister indicated to me some time back. Once it’s privatized, it’s pretty hard to control the price. But again, it’s something that, you know, Tuktoyaktuk is concerned about. I just want to say that I concur with Mr. Menicoche’s comments earlier, because I heard the responses from the Minister. I just want to ask him, in regard to the regulations and guidelines, are you going to take the present guidelines, or are you going to develop totally new ones? Thank you.

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

**HON. FLOYD ROLAND:** Thank you, Mr. Chairman. Mr. Chairman, the guidelines for using this instrument would be worked through the Financial Management Board and developed with them to get this in place. So it would be a new set of guidelines for this instrument to work. There’s been some work done on it, but we’d have to get approval through the FMB.

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

**MR. POKIAK:** Thank you, Mr. Chairman. In regard to the review of the regulations and guidelines, will the FMB present it to us before they put it out? Thank you.

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

**HON. FLOYD ROLAND:** Thank you, Mr. Chairman. Mr. Chairman, I don’t see it being a problem sharing that with Members when the regulations are ready to be put in place. Thank you.

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

**MR. POKIAK:** Yes, just one last one. Thank you, Mr. Chairman. In regard to fuel swap transactions, can you give me an idea of when you say “when prudent"? I just need an explanation. Thank you.

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

**HON. FLOYD ROLAND:** Thank you, Mr. Chairman. Mr. Chairman, there would be times when we look at the market and the price would either be in a general increase and that would be the time we would look at using this tool to buy fuel or gasoline on future markets, so that if we look at the trend, the trend would show it’s going up. If our re-supply is happening in, say, six months’ time and the price seems to be going up, we can make a decision to buy at that price for that future time to be delivered. At the same time, we could see the trend would either be levelled off or maybe going down, we would say let’s not use this at this time and wait for that. The spot market might be better than it is at the day when you look at making a decision like this. So it’s not something that you would do at every time we go for re-supply, but we would be watching the market, the trend. If the prices are continuing to climb and we know we’re getting to a heavy time of year for use of products, usually the price of those products climbs accordingly. We would, at that point, look at using this instrument to buy out there and hopefully have a savings when it’s delivered. Thank you.

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

**MR. POKIAK:** Yes, thank you, Mr. Chairman. Just on page 2, second paragraph, I wonder if the Minister can give us an example of the potential overall delivery costs of fuel products purchased by PPD? Thank you.

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

**HON. FLOYD ROLAND:** Thank you, Mr. Chairman. Mr. Chairman, I guess a simple example would be if we have this in place and know that a one cent per litre increase in the cost of a product would have an overall impact of $250,000 for us, we would have to transfer that increased cost on to the customer in the community. So if we were able to buy in the future, and if there was a savings of five cents or even 10 cents, that would save us passing that kind of increase on to the customers in the communities. Usually the adjustments would be in the few cent range. But as we found out this last cycle we went through re-supplies in communities, we had significant increases in the 10 to 20 cent range in some places because of what the previous year’s product was delivered at to the new amount, the new fuel delivered at that time. So if we had this instrument, it would have come in very handy, but, unfortunately, that wasn’t in place and this would help us protect against those types of increases. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Mr. Pokiak. Does committee agree that general comments on the bill are concluded?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Okay. No further general comments. We’ll go clause-by-clause review of the bill. Thank you. We’ll go to clause 1 right away and that’s of Bill 13, An Act to Amend the Financial Administration Act. Clause 1.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Clause 2.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Clause 3.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Clause 4.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Clause 5.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Clause 6.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Thank you. To Bill 13 as a whole?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Does committee agree that Bill 13 is ready for third reading?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Bill 13 is now ready for third reading. I would like to thank the Minister and the witnesses for their appearance here today. Thank you.

We will just give them a second to depart and we will get on with Bill 14.

Thank you, committee. We will now go to Bill 14, Public Airports Act. I would like to ask the Minister responsible, the Honourable Michael McLeod, if he would like to introduce the bill.

**HON. MICHAEL MCLEOD:** Thank you, Mr. Chairman. I am pleased to present for your consideration Bill 14, Public Airports Act.

In 1990, the federal government devolved the authority for the smaller airports in the Northwest Territories, also referred to as the Arctic B and C airports, to the territorial government. A similar process transferred the six larger, or Arctic A, airports in 1995.

Since that time, the Government of the Northwest Territories has been operating these public airports through the powers granted by the airport devolution agreements, the Commissioner's airport lands regulations, and the Financial Administration Act. This piecemeal legislative approach was intended to be temporary. I must tell you that I am very pleased to have Bill 14 before you today for consideration.

The new Public Airports Act spells clearly the powers of the Minister of Transportation respecting public airports. This act will provide greater clarity and transparency with respect to airport operations.

The proposed act sets out the statutory authority of the Minister of Transportation to establish, construct, operate, maintain and close public airports in the Northwest Territories. It also consolidates, clarifies and more clearly defines the authorities of the Minister with respect to public airports, and will enable the Minister to operate public airports more effectively.

The proposed act specifically authorizes the Minister's legislative authority over the following five areas:

First of all, the act provides regulation-making authority to designate Commissioner's lands as Commissioner's public airport lands.

Secondly, the proposed act authorizes the Minister to establish, administer and operate public airports and to designate a pre-existing NWT airport as a public airport.

The proposed act authorizes the Minister to establish leases, licenses and other agreements in respect of public airport lands.

Fourth, the proposed act includes provisions for the regulation of commercial activities and vehicular traffic on public airport lands.

Finally, the act authorizes the development of regulations for fees, rates and charges to assist in offsetting the costs of public airports.

Throughout the development of the proposed Public Airports Act, extensive consultations, with a range of stakeholders, have taken place. We have consulted with the aviation industry and other stakeholders, including the Northern Air Transport Association. In addition, we have consulted Government of the Northwest Territories departments and Transport Canada.

I am pleased to report that throughout the extensive consultation process, no major concerns were received from any of the stakeholders consulted. One minor concern raised by Transport Canada resulted in a revision to the draft bill. This revision provided further clarification to the distinction between the authority of the Parliament of Canada and that of the Government of the Northwest Territories. As you may be aware, the federal government maintains authority over civil aviation, including safety, security and commercial, business and general aviation activities. For clarity, federal legislation still applies to airside operations, such as runway and taxiway operations, while Bill 14 generally applies to landside operations, such as air terminal buildings and parking.

There has been a need for this legislation since the transfer of the public airports from the federal to the territorial government in the 1990s. The interim approach used since the transfer has limited the ability of the Minister of Transportation to operate the public airports in the most effective manner. For example, the Minister's authority to regulate motor vehicle traffic at airports, to assign and administer public parking, and to regulate the provision of commercial services is not clearly defined in the existing legislation. The proposed Public Airports Act would clearly define these and other authorities in the same way as the Public Highways Act establishes the Minister's authority over the highway system.

As the territorial airport system matures and becomes more sophisticated, many of the issues related to the day-to-day activities that occur on NWT airports have become more difficult to address and resolve using the transitional provisions that were put in place at the time the airports were transferred.

After 10 years of experience operating the airports, this legislation is required to address many of the issues related to commercial activities, traffic management, parking control, and managing fees and charges that have become more complex and complicated.

In closing, I sincerely thank you for your time today and for your consideration and review of this important legislation. I look forward to any questions and comments you may have. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Minister McLeod. I would now like to ask the chairman of the Standing Committee on Governance and Economic Development, Mrs. Groenewegen, to provide the committees comments on the bill. Mrs. Groenewegen.

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. The Standing Committee on Governance and Economic Development met on January 18, 2006, to review Bill 14, Public Airports Act. The committee received a written submission from Mr. James Pokiak of Tuktoyaktuk, asking that the rules restricting public access to the apron be made less restrictive in smaller communities. The committee also received a letter from the Tuktoyaktuk Community Corporation in support of Mr. Pokiak’s submission.

Mr. Pokiak gave the examples of family members needing to unload coffins and people wanting to access aircraft that they have chartered. As Mr. Pokiak stated, people going out on the land often have bulky and heavy items and it does not make much sense for a family on their way to a camp to have to drive to the fence with a load of 45-gallon gas drums, unload the drums from the truck and then roll them over to the aircraft to reload by hand.

While committee members are sympathetic to Mr. Pokiak’s concerns, we understand that airside operations are regulated by the federal government and it is, therefore, not possible for the GNWT to address this issue in its own legislation. However, impractical or unreasonable the rules may be in situations such as the ones Mr. Pokiak described, the Minister advised us that the federal government is unlikely to change them.

Committee members questioned the Minister on whether the act would allow for the creation of airport authorities. The Minister and his staff confirmed that it does not.

Following the clause-by-clause review, a motion was carried to report Bill 14 to the Assembly as ready for Committee of the Whole.

The committee would like to thank Mr. Pokiak and the Tuktoyaktuk Community Corporation for their letters, and the Minister and his staff for presenting the bill. This concludes the committee’s general comments on Bill 14. Individual committee members may have questions or comments as we proceed. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mrs. Groenewegen. I would now like to offer the Minister to bring in any witnesses. Does the committee agree?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Thank you. Mr. Minister, if you would like to bring in witnesses, please proceed.

I would now like you to introduce your witnesses that you have with you today.

**HON. MICHAEL MCLEOD:** Thank you, Mr. Chairman. Mr. Chairman, I would like to introduce Mr. Russell Neudorf, the deputy minister of the Department of Transportation; to my right, Mr. Paul Guy, the assistant director of airport programs and standards, Department of Transportation; and, Ms. Janis Cooper, legislative counsel for the Department of Justice.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. I welcome witnesses this afternoon. I would now like to open the discussion to general comments on Bill 14. Mr. Pokiak.

**MR. POKIAK:** Thank you, Mr. Chair. I just have a couple of quick comments in regard to Mr. Pokiak’s request. I understand the legislation. If they were to go onto the apron, how will they be penalized if they happen to take in all of their equipment to the small aircraft? What steps will the airport manager take to penalize them? Thank you.

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

**HON. MICHAEL MCLEOD:** Mr. Chair, the authority for vehicles to go onto the airside of an airport is not in this legislation. This legislation is intended to reflect authority over the groundside of the airport. However, having had the question raised to us at the committee and also a letter from Mr. Pokiak, we did take a look at it and review the Aeronautics Act that governs the airside of the airport. There is allowance for the airport manager to authorize vehicles to go on. We have had our staff go into Tuktoyaktuk to talk to the individual there and also the airport people. We will make that information available to all of our airport managers and have that information circulated.

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

**MR. POKIAK:** Thank you. Will the notification be given after this legislation is passed, or is it in the process now? Thank you.

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

**HON. MICHAEL MCLEOD:** Mr. Chair, we have already been to Tuktoyaktuk. This legislation is already in place. However, that information regarding the access to the airside is not part of Bill 14.

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

**MR. POKIAK:** Thank you, Mr. Chair. I am just trying to understand what the Minister trying to tell me…A trapper goes to the airport, opens the gate, goes into the apron of their airline, where their airline lands. Isn’t that part of the responsibility, or is that federal? Thank you.

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

**HON. MICHAEL MCLEOD:** Mr. Chair, again, this is outside of this act. I am trying to get information as we go here, but, Mr. Chair, there is the ability to access the airside through a different legislation that is administered by the federal government. Our airport managers are authorized to grant a permit to do so. There are rules around it. However, that information is being circulated to the different airport authorities. We also have had our staff go into the community of Tuktoyaktuk to provide that information.

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

**MR. POKIAK:** Thank you, Mr. Chair. Another question I would like to ask the Minister is in regard to the airport managers. As you know, we have one airport manager in Tuktoyaktuk who oversees Holman, Paulatuk and Sachs. In that regard, what sort of further responsibilities would the airport manager have? In those smaller communities, they are on contract. The airport manager travels to communities on a monthly basis to see how they are doing. How will some of these changes be to the smaller communities? Thank you.

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

**HON. MICHAEL MCLEOD:** Mr. Chair, this bill will not change the authority of the airport managers. I don’t believe the airport manager is on contract. Our contracts are usually with the maintenance side of the airports. That is the case in Tuktoyaktuk. We just recently put the airport maintenance to public tender. A local company has taken on that responsibility. Our airport manager will have the same authority. In fact, he would have also the responsibility to act as an enforcement officer in the airports that he looks after.

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

**MR. POKIAK:** Thank you, Mr. Chair. Just for clarification, I know that the airport manager is employed by the department. I think I was leaning towards the contracts that the department has in smaller communities, say CARS. They do have people that work that fit under contract. Having said that, I think that pretty well covered my question in regard to the airport manager. He can oversee these people in the smaller communities. Thank you, Mr. Chair.

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

**HON. MICHAEL MCLEOD:** Thank you, Mr. Chair. Again, that is quite outside this bill. However, we don’t look after the CARS contract anymore. That responsibility is through NAV Canada. They have gone to a private company to administer this program. So that responsibility is no longer ours.

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

**MR. BRADEN:** Thank you, Mr. Chair. I am interested in the aspect of this bill that covers the provision of airport lands to businesses and other tenants, especially the case at our larger airports, Mr. Chair, where there is more business and commercial activity. Of late here in Yellowknife, I think a relatively long-standing issue has cycled up again. This relates to the ability of businesses to access our airport lands on a leased basis and then, of course, the comparative cost of that land to other commercial options. Perhaps a question of the core of this is, to what extent could, or should, territorial airports be in the business of making their lands available to businesses without an airline or an aircraft function? In respect of that, one side of the question is, what is the value of a piece of airport leased land compared to the value of a piece of commercial land right across the street, and how does this equate for the business community? The question that I wanted to put in relation to this, Mr. Chair, is, what methods are used to establish lease rates and costs in communities where there is a viable commercial market? Thank you.

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

**HON. MICHAEL MCLEOD:** Mr. Chair, we believe our rates for leases on airport lands are comparable to what the city leases their lands for. We do an assessment on a five-year basis. Every five years, we have a consultant come on stream. We do an assessment and check the market to see if our rates are comparable. So we are quite comfortable that it is comparable. However, having said that, it should be noted that the service levels are not the same. Our lands are leased out. They don’t have provisions for water and sewer at this point, so the rates could be considered higher on airport lands than they would be within the city.

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

**MR. BRADEN:** Thank you for that information, Madam Chair. I won’t get into a discussion of that. I think that is outside of the bill, but I appreciate knowing how this is done.

The bill sets out quite a range of terms and authorities that the department and, of course, the airport manager needs to be able to run the place efficiently and effectively. What I wanted to probe a little bit here was the accountability of the authorities, the airport manager, to answer for and justify the kind of rules or regulations that they may set. Say in a municipality, and I guess in a very rough sense I equate the operation of an airport to running a small community. There’s a whole bunch of different things that have to be in place for it to work efficiently and that’s fine, I don’t dispute that at all. But in any other public venue, if rules are going to be set and penalties and things applied, then there’s usually an appeal or some kind of accountability mechanism for the people in authority. What is the accountability here at this airport management level? Thank you.

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

**HON. MICHAEL MCLEOD:** Madam Chair, the act is fairly clear on the accountability process. There are a number of ways to enforce a lot of the stuff; whether it’s through the enforcement officers or through the Minister’s authority. Also, we have to remember that a lot of these lands that fall under the airport jurisdiction also are within the city. We follow very closely with the zoning requirements. We also require our leases to have permits that are issued from the city. So we have a number of ways, checks and balances, that we ensure that the proper rules are followed.

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

**MR. BRADEN:** Thank you, Mr. Chairman. I’m sorry; that’s not quite what I meant in asking the question. It is where the airport authority will set out certain rules and conditions and if I am found to be in violation, what mechanism, then, do I have to seek an appeal or have my side of the story heard? This is maybe where I’m not using the right word, but that’s what I meant by accountability. If we’re exercising authority here, then where is…Okay. I will continue to use the word “accountability.” Can the public have a way of testing, and probing, and challenging where it might be required of these authorities? That’s what I meant by accountability. Where is that mechanism? Thank you.

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

**HON. MICHAEL MCLEOD:** Madam Chair, I guess this is what we’re trying to resolve here with this new act. We’re trying to put an act in place that will cover a number of acts that we fall under that we’re not clear. In this new legislation, the rules are very clear; they’re spelled out how things should be operating. The duties fall under the airport managers to enforce. If that does not follow through, the appeal process would either go to the deputy minister or myself as a Minister, or whoever the Minister of the day is. The first stop would be through the airport manager, but failing that, of course, is the regular process of going to the deputy minister or the Minister.

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

**MR. BRADEN:** So then there is no established or procedural or formal manner of appeal or, as I say, challenge other than through the, if you will, the administrative route. There are no rules on that. I guess, given the range and the scope of authorities that are sought here, why isn’t there some kind of established route or mechanism by which I could seek redress, or appeal, or challenge something that I feel is not right? It needn’t be sophisticated, but something where I know, for instance, that I have a certain timeline. There is a definite place that I can go so that I know my case will be heard and it will get a reasonably timely treatment. Right now if my only avenue of appeal is to the deputy minister or the Minister, well, you know, that is very open ended. I couldn’t really place 100 percent of my trust in that. I’m looking for some kind of a mechanism that would help people have their case heard if they felt they were not getting fair treatment at the management level. Thank you.

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

**HON. MICHAEL MCLEOD:** Madam Chair, I don’t believe any of our acts spell out a formal process to appeal any infractions under this bill. There is, of course, the standard procedure, as in the highway act. If you don’t feel you were treated fairly, you could go to the staff, you could go to the senior management, or you could go to the Minister. If it’s a traffic ticket that is issued, then you can appeal it through the court system. There is a legal process. We don’t have it spelled out, written anywhere in that respect, but neither do any of our other bills lay that out in a step-by-step manner.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. McLeod. Any further general comments? General comments on Bill 14. I’ll turn the chair to Mr. Pokiak.

**CHAIRMAN (Mr. Pokiak):** Good afternoon. Is the committee ready to go clause-by-clause? Does committee agree?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Bill 14, Public Airports Act, clause 1.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Clause 2.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Clause 3.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Clause 4.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Clause 5.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Clause 6.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Clause 7.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Clause 8.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Clause 9.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Clause 10.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Clause 11.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Clause 12.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Clause 13.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Clause 14.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Clause 15.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Clause 16.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Clause 17.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Clause 18.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Clause 19.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Clause 20.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Clause 21.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Clause 22.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Clause 23.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Clause 24.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Clause 25.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Clause 26.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Clause 27.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Clause 28.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Clause 29.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Clause 30.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Clause 31.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Clause 32.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Clause 33.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Bill 14, Public Airports Act. Does committee agree?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Does committee agree that Bill 14 is ready for third reading?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Bill 14 is now ready for third reading. At this time, I would like to thank Minister McLeod and his staff…(inaudible)…take time out.

That concludes the committee’s consideration of bills 13 and 14. What is the wish of the committee? Mr. Braden.

**MR. BRADEN:** Mr. Chairman, I move that we report progress.

**CHAIRMAN (Mr. Pokiak):** There is a request to report progress. Does committee agree?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** The motion is in order. Does committee agree?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Thank you. We shall now adjourn Committee of the Whole and report progress.

**MR. SPEAKER:** Report of Committee of the Whole. Mr. Pokiak.

# ITEM 20: REPORT OF COMMITTEE OF THE WHOLE

**MR. POKIAK:** Thank you, Mr. Speaker. Mr. Speaker, your committee has been considering Bill 13, An Act to Amend the Financial Administration Act, and Bill 14, Public Airports Act, and would like to report that bills 13 and 14 are ready for third reading and, Mr. Speaker, I move that the report of Committee of the Whole be concurred with.

**MR. SPEAKER:** Thank you, Mr. Pokiak. Do we have a seconder? The honourable Member for Mackenzie Delta, Mr. Krutko. There is a motion on the floor. The motion is in order. All those in favour? All those opposed? The motion is carried.

---Carried

Third reading of bills. Mr. Clerk, orders of the day.

# ITEM 22: ORDERS OF THE DAY

**CLERK OF THE HOUSE (Mr. Mercer):** Mr. Speaker, there will be a meeting of the Accountability and Oversight committee at 8:30 a.m. Monday morning.

Orders of the day for Monday, February 6, 2006, at 11:00 a.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 Budget Address
10. Petitions
11. Reports of Committees on the Review of Bills
12. Tabling of Documents
13. Notices of Motion
14. Notices of Motion for First Reading of Bills
15. First Reading of Bills
16. Second Reading of Bills
17. Consideration in Committee of the Whole of Bills and Other Matters

- Committee Report 5-15(4), Standing Committee on Accountability and Oversight Report on 2006-2007 Pre-Budget Review Process

- Committee Report 6-15(4), Standing Committee on Governance and Economic Development Report on 2006-2007 Pre-Budget Review Process

- Committee Report 7-15(4), Standing Committee on Social Programs Report on 2006-2007 Pre-Budget Review Process

- Bill 18, Appropriation Act, 2006-2007

1. Report of Committee of the Whole
2. Third Reading of Bills

- Bill 13, An Act to Amend the Financial Administration Act

- Bill 14, Public Airports Act

1. Orders of the Day

**MR. SPEAKER:** Thank you, Mr. Clerk. Accordingly, this House stands adjourned until Monday, February 6, 2006, at 11:00 p.m.

---ADJOURNMENT

The House adjourned at 13:35 p.m.