



# **NORTHWEST TERRITORIES LEGISLATIVE ASSEMBLY**

**3<sup>rd</sup> Session**

**Day 17**

**16<sup>th</sup> Assembly**

## **HANSARD**

**Tuesday, February 24, 2009**

Pages 2513 - 2558

**The Honourable Paul Delorey, Speaker**

# Legislative Assembly of the Northwest Territories

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(Hay River North)

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(Great Slave)

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(Tu Nedhe)

**Ms. Wendy Bisaro**  
(Frame Lake)

**Mr. Bob Bromley**  
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## TABLE OF CONTENTS

<b>PRAYER .....</b>	<b>2513</b>
<b>MINISTERS' STATEMENTS .....</b>	<b>2513</b>
37-16(3) - Northwest Territories Tourism Marketing Plan (B. McLeod).....	2513
<b>MEMBERS' STATEMENTS .....</b>	<b>2514</b>
Recognition of Fort Simpson Royal Canadian Army Cadets (Menicoche) .....	2514
Proposed Review of NWTPC (Bisaro) .....	2514
Recognition of Yellowknife Association of Concerned Citizens for Seniors (YACCS) Contributions (Abernethy) .....	2515
Cost of Living in the Sahtu (Yakeleya) .....	2515
Environment and Natural Resources "Green Team" (Bromley) .....	2516
Computers in Nunakput Schools (Jacobson).....	2516
Role of BDIC in NWT Economic Development (Ramsay).....	2517
Role of Government in NWT Economic Development (Groenewegen) .....	2517
Youth of Tu Nedhe (Beaulieu) .....	2518
Log Home Building Initiative in Fort McPherson (Krutko).....	2518
Congratulations to Mr. and Mrs. Bohnet on Their 64 <sup>th</sup> Wedding Anniversary (Miltnerberger) .....	2519
<b>ORAL QUESTIONS.....</b>	<b>2519</b>
<b>TABLING OF DOCUMENTS .....</b>	<b>2527</b>
<b>CONSIDERATION IN COMMITTEE OF THE WHOLE OF BILLS AND OTHER MATTERS.....</b>	<b>2527</b>
<b>REPORT OF COMMITTEE OF THE WHOLE .....</b>	<b>2556</b>
<b>ORDERS OF THE DAY .....</b>	<b>2557</b>



**YELLOWKNIFE, NORTHWEST TERRITORIES****Tuesday, February 24, 2009****Members Present**

Mr. Abernethy, Mr. Beaulieu, Ms. Bisaro, Mr. Bromley, Hon. Paul Delorey, Mrs. Groenewegen, Mr. Jacobson, Mr. Krutko, Hon. Sandy Lee, Hon. Bob McLeod, Hon. Michael McLeod, Hon. Robert McLeod, Mr. Menicoche, Hon. Michael Miltenberger, Mr. Ramsay, Hon. Floyd Roland, Mr. Yakeleya

The House met at 1:35 p.m.

**Prayer**

---Prayer

**SPEAKER (Hon. Paul Delorey):** Good afternoon, colleagues. This is a reminder again that there are two interpreters with us; channel two is South Slavey and channel three is North Slavey. Orders of the day. Item 2, Ministers' statements. The honourable Minister of Industry, Tourism and Investment, Mr. McLeod.

**Ministers' Statements**

MINISTER'S STATEMENT 37-16(3):  
NORTHWEST TERRITORIES TOURISM  
MARKETING PLAN

**HON. BOB MCLEOD:** Mr. Speaker, later today I will be tabling the 2009-2010 Tourism Marketing Plan prepared by Northwest Territories Tourism. As Minister responsible for tourism, I approve the annual plan on the recommendation of the Tourism Marketing Advisory Committee.

This committee is made up of 10 members from the tourism industry as well as two government representatives. The Tourism Marketing Advisory Committee provides strategic direction to Northwest Territories Tourism on development of the marketing plan for each year.

The Tourism Marketing Advisory Committee and Northwest Territories Tourism work well together, and through constructive dialogue, the marketing plan has improved each year. The plan for 2009-2010 has benefited not only from guidance from committee, but also from direct advice from our industry sectors.

The plan has a number of highlights, including clear goals and objectives by market, greater investment in our business markets, and recognition of the importance of our high spending competition closer to home in Alberta and British Columbia.

Mr. Speaker, I would also like to report some good news on developments in our tourism industry in light of the challenging stories we have been hearing about the travel industry lately.

While there is no doubt that the current economic downturn is having negative impacts on travel worldwide, I am confident that the tourism industry in the Northwest Territories will be, over the long term, healthy and robust.

In our Tourism 2010 plan, the Legislative Assembly approved initiatives designed to increase tourism spending to \$145 million by March 31, 2011. I am pleased to report that as of March 31, 2008, most recent estimates indicate that visitor spending was just over \$137 million for 2007.

Growth in business travel has driven much of the increase in visitor spending. Our investment of \$1 million annually through Tourism 2010 has helped prepare our tourism operators to take advantage of this opportunity. Research, training and product development initiatives funded through Tourism 2010 has resulted in new partnerships and tourist package products, as well as new products aimed at both business travellers and leisure markets.

While we still have two years left in the Tourism 2010 plan, we are consulting with the tourism industry on Tourism 2015, a new plan to build on the momentum, experiences and successes achieved through Tourism 2010.

I would like to pass on to my colleagues the appreciation that the industry has expressed to me for the support that the Legislative Assembly has provided to our tourism businesses. Your support in providing investment in this sector will benefit our residents and our economy. Thank you, Mr. Speaker.

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

## Members' Statements

### MEMBER'S STATEMENT ON RECOGNITION OF FORT SIMPSON ROYAL CANADIAN ARMY CADETS

**MR. MENICOCHÉ:** Mr. Speaker, I wish today to commend the Royal Canadian Army Cadets of Fort Simpson who have been excelling at cadet skills competitions. On January 18<sup>th</sup> in Whitehorse, they swept the awards ceremony in the Western Arctic Area Skills Competition again. This past weekend in Iqaluit, at the Regional Cadet Skills Competition, they came in first in marksmanship and first in leadership and also achieving team silver in overall competition. In these events, cadets compete in marksmanship, a time leadership task, volleyball and a drill competition. To win the competition, cadets must use a variety of skills and become a cohesive working team for each of the activities. This competition encompasses many of the skills taught both in the Army Cadet and Air Cadet programs. Cadets from Fort Simpson continue to excel and three members of Fort Simpson out of a team of six will represent the Northern Region at the National Cadet Biathlon in Ottawa.

Cadets also had the chance to qualify for their marksmanship qualifications in Whitehorse. Nakita Larter qualified as a first-class marksman. Deirdre Yakineah and Alex Porter qualified as expert marksmen. Katelyn Herald, Alicia Norris, and Brandon Norris qualified as distinguished marksmen. Cadets from Fort Simpson had six of the 14 qualifications awarded.

Cadet Warrant Officer Charlene Deneyoua was also presented with the 2008 President's Award for the Top Army Cadet in the Western Arctic by Mr. David Laxton. Charlene is the first recipient of this award. She was chosen for the award because she continuously demonstrates the values of the Cadet Program, such as loyalty, professionalism, mutual respect, and integrity. She was also presented with a Cadet Service Medal and accompanying bar for her five years as a Royal Canadian Army Cadet.

The Cadet Program is a community-based dynamic youth program which aims to develop citizenship, leadership, and physical fitness in Canada's youth through a set of fun, challenging, well-organized, and safe activities.

I seek unanimous consent to conclude my statement.

---Unanimous consent granted

**MR. MENICOCHÉ:** The success of this program and many others is the dedication and commitment of those that volunteer. In that light I also would like

to at this time commend the commanding officer, Lieutenant Diane Porter, and her staff, Officer Cadet Rhonda Landry, Second Lieutenant Steven Nichol, CI Nathalie Lavoie and CI Brian Herald. Congratulations to you all and keep up the good work.

**MR. SPEAKER:** Thank you, Mr. Menicoche. The honourable Member for Frame Lake, Ms. Bisaro.

### MEMBER'S STATEMENT ON PROPOSED REVIEW OF NWTPC

**MS. BISARO:** Thank you, Mr. Speaker. I want to use my Member's statement today to follow up on the Premier's statement on energy from yesterday. The Premier announced that there will be a review of the structure and efficiency of the Power Corporation. It's great news that he has committed to a formal review of the NWT Power Corporation. As noted by the Premier in his statement, customers, Members, and municipal leaders have long asked for the GNWT to look into how NTPC operates, if it has the organizational structure that it should, if it operates as efficiently as it should, if the management and board are cutting all the corners that they can to keep NWT residents' power costs to a minimum.

In two Member's statements that I made in October 2008 I said we have to look at revamping the corporation itself. NTPC must be renewed and reorganized. That NTPC is arm's length from the government is a good thing, but it has led to a mentality in the organization that they can do whatever they wish without consequences. There seems to be little concern for the consumers, for good business practices on the part of the NTPC leadership, little desire to increase efficiencies and identify savings in order to keep our power rates at a reasonable level. A culture of efficiency and effectiveness must be instilled, with cost savings the number one priority for this company.

There are lots of possibilities where savings can be found. The corporation can eliminate management bonuses, trim administrative fat, and get creative with technology and innovation, for starters. Only after NTPC has clearly demonstrated that all avenues for cost savings have been explored can it be allowed to consider power rate increases for its users. It is the duty of the Power Corporation to do all it can to minimize the impact of power generation costs on the ordinary Joe or Joe the Plumber.

My opinion and my comments from October remain the same today. Now, more than ever, a review of NTPC is necessary. I welcome the announcement by the Premier and I look forward to the results of this review, hopefully by our fall sitting.

**MR. SPEAKER:** Thank you, Ms. Bisaro. The honourable Member for Great Slave, Mr. Abernethy.

MEMBER'S STATEMENT ON  
RECOGNITION OF YELLOWKNIFE  
ASSOCIATION OF CONCERNED  
CITIZENS FOR SENIORS (YACCS)  
CONTRIBUTIONS

**MR. ABERNETHY:** Thank you, Mr. Speaker. This afternoon I'll talk about and highlight the Yellowknife Association of Concerned Citizens for Seniors, YACCS, and their dedication and many contributions to Yellowknife and the NWT. YACCS has been active for 25 years, working with and on behalf of seniors in Yellowknife and the Northwest Territories. YACCS is a recognized leader in the NWT for work with seniors, providing them with high quality community living choices, and advocating for their needs. They also worked to develop a wide range of services that allow seniors to age in their communities, close to families and other support systems. YACCS is committed to the safety and well-being of their clientele and employees, as well as continuous improvement of their organization.

YACCS has achieved great success at providing much needed facilities, programs, and services to seniors of the Northwest Territories. Two thousand and eight marked the 21<sup>st</sup> anniversary of Aven Manor, a long-term care facility where caring and capable staff provide nursing and personal care to seniors 24 hours a day. They also offer a full schedule of activities for all residents to enjoy. Consistently at full capacity, Aven Manor is an asset to our community.

YACCS provides independent housing for seniors at Aven Court and, since December 2007, at Aven Ridge. These conveniently located units offer safe and attractive housing options for people 60 years of age and older.

The Baker Community Centre will celebrate its 11<sup>th</sup> anniversary this year. The Baker Centre is a multi-purpose facility that accommodates many social and recreational activities for seniors and the community-at-large. The Baker Centre project was initiated by a donation made by the late Ed Baker and completed through fundraising and community support. The Baker Centre is operated by the Yellowknife Seniors' Society, which continues to enjoy an excellent partnership with YACCS.

Soon, in late 2009, YACCS will begin operating the NWT's first dementia facility with 28 beds. YACCS has been an advocate and champion for the development of this Territorial Dementia Facility. Without their drive and commitment I believe the Territorial Dementia Facility currently under

construction on YACCS' property would not have seen the light of day.

YACCS is a valuable association made up of people who are deeply committed to the health and well-being of our senior citizens and ultimately the community as a whole. I'd like to take this opportunity to ask Members of this House and the public to join me in applauding all the staff and volunteers of YACCS for their hard work and dedication. Their contribution is appreciated.

**MR. SPEAKER:** Thank you, Mr. Abernethy. The honourable Member for Sahtu, Mr. Yakeleya.

MEMBER'S STATEMENT ON  
COST OF LIVING IN THE SAHTU

**MR. YAKELEYA:** Thank you, Mr. Speaker. In January 2009 the consumer price index for Yellowknife was released. It showed that the overall cost of goods increased by 2.7 percent compared to a year ago. This increase was due primarily to the high price of food, which rose by 9.6 percent from January 2008. These statistics reflect the cost of goods in Yellowknife only and do not measure the increased cost of goods in our smaller and more isolated communities. In 2008, for example, food prices in the Sahtu region were almost double the prices in Yellowknife.

Reducing the cost of living is something that we as Members of the Legislative Assembly have identified as one of our key priorities. The government has established that reducing the cost of living is a strategic initiative and have introduced a number of actions aimed at addressing these high costs. In the long term these actions will help to address the cost of living. Right now people are dealing with the increases of their electricity bills, higher prices for food and other essential items, at a time when the NWT is being impacted by global economy turmoil in which there are fewer job opportunities. People are struggling to make ends meet. They need some relief as soon as possible.

We have talked about these issues for many years. It's time to take some real action. I urge the government to review its approach to reducing the cost of living and bring forward a concrete plan that will address the high cost of food and other essential items for people in smaller and remote communities sooner rather than later.

**MR. SPEAKER:** Thank you, Mr. Yakeleya. The honourable Member for Weledeh, Mr. Bromley.

MEMBER'S STATEMENT ON  
ENVIRONMENT AND NATURAL RESOURCES  
"GREEN TEAM"

**MR. BROMLEY:** Thank you, Mr. Speaker. In times of economic and environmental challenges we can still find ways to reduce costs. I'd like to recognize the efforts of a group of employees in the Department of Environment and Natural Resources known as the Green Team. They have been working to reduce their department's impact on the budget and the environment with a number of small measures adding up to big savings. All the printers in the department are set to print double-sided and one-sided sheets are used again. They have switched the entire department to recycled printer paper. Signs around the department remind staff to switch off lights and computers, and they have set appliances like energy hog coffee makers on timers to shut off at night and on in the morning. Simple and easy measures to take but in the long run they make a big difference.

The Green Team has also been participating in the commuter challenge, which encourages people to walk, bike or carpool to work instead of driving alone in a vehicle. Another measure that my colleague Wendy Bisaro was touting last week is to encourage caterers to not use bottled water and encourage staff to avoid disposable containers.

Mr. Speaker, while seemingly small and to many just common sense, most of the GNWT is still not following these kinds of steps towards a greener and more frugal way of doing business. Here at the Legislative Assembly I am happy to report most briefing binders coming through are printed double sided. Our use of unnecessary lighting is cut back and we are actively investigating other energy efficiencies for implementation. However, while ENR has been doing this for months, we are just now finally investigating the routine use of recycled paper.

Mr. Speaker, this morning I heard a Weledeh constituent interviewed on CBC. Mr. Blake Rasmussen eloquently described all the practical ways he has cut back his costs, reduced fossil fuel consumption and built an increasingly healthy lifestyle for his family and himself. He heats his home with wood that he carefully selects from the Duck Lake area. He keeps water hot on the woodstove for washing and to humidify the air. He gets his meat supply from the moose and caribou of the land. There is nothing to lose here, Mr. Speaker, and much to be gained.

I honour these early adopters and I encourage the entire government, our businesses and our families to take advantage of these practical and simple opportunities. By changing small habits bit by bit, we will move towards a more sustainable way of

doing business which can only bring benefits to us all. Mahsi.

**MR. SPEAKER:** Thank you, Mr. Bromley. The honourable Member for Nunakput, Mr. Jacobson.

MEMBER'S STATEMENT ON  
COMPUTERS IN NUNAKPUT SCHOOLS

**MR. JACOBSON:** Thank you, Mr. Speaker. Today I am speaking in regards to computers in the schools in Nunakput. Speaking to the principal in Ulukhaktok, Nunakput communities, the schools have all outdated, second-hand and broken-down computers. Shame. These computers are often incompatible with modern software such as e-ware or, according to Mr. Bryant, most computers are even incompatible with the satellite link up in Ulukhaktok. Because of their isolated and unique communication challenges, limited access to the southern retailers, our schools should have modern, updated computers.

Mr. Speaker, if we are going to truly educate our youth to be competitive nationally and even internationally, we must commit to supply our schools with adequate resources required for today's technological challenges and needs. Most schools have had the same computers for five to seven years. However, because these computers have been refurbished, they are an additional three to four years older. Mr. Speaker, it adds limitations to all Nunakput communities. Either lack of qualified computer technicians or do they not have enough to meet the needs of the community? Therefore, educators and students need the computers to be properly working and to not have technical problems. One educator in my riding told me that every computer in the community and the school has a serious problem. I believe education for our youth is very important. I believe preparing them for...

**MR. SPEAKER:** Mr. Jacobson, your time for Member's statement has expired.

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

---Unanimous consent granted

**MR. JACOBSON:** Thank you, Mr. Speaker. I believe education for our youth is very important. I believe preparing them for a rapidly advancing world is equally important. I believe the "C" in education in teaching the ABCs is computers. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Jacobson. The honourable Member for Kam Lake, Mr. Ramsay.

MEMBER'S STATEMENT ON  
ROLE OF BDIC IN NWT  
ECONOMIC DEVELOPMENT

**MR. RAMSAY:** Thank you, Mr. Speaker. Governments around the world, including our federal government and provincial governments, realize that they must take action to protect and preserve our economy during these turbulent economic times. Mr. Speaker, our government has been very quiet when it comes to talking about our economy and how we may be able to help businesses stay alive. Obviously, much has been made of the Opportunities Fund and the process that allows the \$34 million to be made, and the Minister of ITI was in the media last week ramping up expectations that the \$60 million left available in the fund would be used to stimulate the economy. However, the process that will allow the \$60 million to flow may take months to work out, Mr. Speaker. I have grave concerns that this money will not help small businesses in need of assistance. We don't have months to wait.

Last fall I asked the Minister a number of questions about the BDIC and its role in economic development in our Territory. Today nothing has changed. The BDIC continues to lose staff. It lacks focus, has little to no direction from the Minister of ITI or Cabinet. They, quite simply, continue to prop up subsidiaries and manage delinquent accounts.

In today's economic environment, we need to look at modifying existing policies and giving some solid direction to the BDIC. We can't allow the corporation to continue to languish in the shadows of ITI. Now, more than ever before, this Territory, our economy and entrepreneurs need a meaningful, comprehensive and coordinated suite of services. The direction has to come from Cabinet and ITI to look at examining options that will foster business development and survival. New loans should not be subject to exorbitant or punitive interest rates; access to financing for existing businesses requires immediate review.

Mr. Speaker, it is my opinion that ITI should get out of the way of the BDIC and let it become all it was supposed to be, especially now when business, our economy and our residents will need the BDIC the most. Mahsi.

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

MEMBER'S STATEMENT ON  
ROLE OF GOVERNMENT IN  
NWT ECONOMIC DEVELOPMENT

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. I have had a chance to be in my constituency this

weekend and talk to several constituents. I was struck by the marked increase in the concern that is being caused by the uncertainty about our future in relationship to our economy, employment opportunities and the cost of living. People are desperately seeking some kind of indication of how far things are going to deteriorate or may deteriorate. The guest speaker at the Chamber of Commerce AGM, Patrick LaForge from the Edmonton Oilers Club, suggested, in his very lively speech, that the global recession is perhaps being fuelled by the Globe and Mail. There is a certain element of that as well, Mr. Speaker, but the reality is that times are changing.

Because people do feel overwhelmed by this barrage of information, mostly bad news, much of which we have very little control over, they are looking to leadership from government, including our government, to bring some perspective and also affect the conditions in any way that we can. We know that many economic trends are cyclical, but in this day and age of unprecedented communication we know of and feel potentially impacted by almost every source of bad economic news. However, we do have a role to play, Mr. Speaker, and to have a hand in the things over which we do have control.

I am very interested in hearing from people in Hay River and across the North about the real and tangible things that we can do to relieve the pressures that they are experiencing in this time of high cost of living and potentially reduced economy. That is what we are here for. Like the famous saying that was attributed to Herbert Hoover at the outset of the Great Depression, he suggested there should be a chicken in every pot and a car in every garage.

Mr. Speaker, maybe we should divert some of the money that we are spending on expensive reports and studies and all kinds of other things which tend to collect dust on a shelf and do something tangible, Mr. Speaker, like a woodstove in every house...

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

**MRS. GROENEWEGEN:** ...to help offset the cost of heating our homes and that can be in every home and installed. Mr. Speaker, why not?

Mr. Speaker, I want to hear from the people. I want to hear what pressures they are experiencing, what they are struggling with right now and how we as a government can help in a tangible way. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. The honourable Member for Tu Nedhe, Mr. Beaulieu.

MEMBER'S STATEMENT ON  
YOUTH OF TU NEDHE

**MR. BEAULIEU:** Mahsi cho, Mr. Speaker. Today I would like to ask and answer some questions in my statement on youth of Tu Nedhe. What are the youth doing? Mr. Speaker, the youth are not doing much, depending on the age they are, as there is only so much to do and in the other school there is even less to do. What do the youth have? Mr. Speaker, as you know, both Lutselk'e and Fort Resolution are small communities so the youth do not have the same opportunities as their counterparts in the larger centres. What do the youth need? Mr. Speaker, the youth need more. They need more in sports, recreation and youth facilities. They need more programming. They need more opportunities no matter what age they are.

What will it take to provide youth needs? Mr. Speaker, the youth know what they want and need and the community has certain resource people that can help facilitate opportunities. What the youth need is more support from this government and the communities need more resources to deliver what's needed.

What are the alternatives for youth? Mr. Speaker, if the youth cannot get what they need, what are the alternatives? It is a well-known fact that when youth have nothing constructive to do or to participate in, it is only a matter of time before undesirable activities start to happen and the youth start to get into trouble and before too long a long cycle of trouble begins.

What is the cost of doing nothing? Mr. Speaker, we cannot afford to sit by and do nothing. Heavy youth social programs have devastated the community of Lutselk'e and youth crime continues to be a real problem in Fort Resolution. Mr. Speaker, we cannot afford to do nothing.

What is the benefit of providing youth with what they need? Mr. Speaker, if our communities are able to provide their youth with what they need, the benefits are tremendous. Mr. Speaker, with effective community-based youth programming, our youth can become positive role models themselves and they can become responsible members of their home community and go on to become healthy, productive citizens of the North.

Mr. Speaker, all too often youth issues are displaced by other seemingly important issues of the day. This must stop. The youth are our most important resource. It is time to focus on what...

**MR. SPEAKER:** Mr. Beaulieu, your time for your Member's statement has expired.

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

**MR. SPEAKER:** Thank you, Mr. Beaulieu. The honourable Member for Mackenzie Delta, Mr. Krutko.

MEMBER'S STATEMENT ON  
LOG HOME BUILDING INITIATIVE IN  
FORT MCPHERSON

**MR. KRUTKO:** Mr. Speaker, the Fort McPherson Indian Band is working with a log builder to develop a proposal to use their own wood products, use their own labour workforce and use the materials around them to construct log homes for their residents. Mr. Speaker, long before 2x4s and plywood was used to build our homes, people built their own homes using logs, from our grandparents to our parents. Yet, Mr. Speaker, for some reason we do not continue that practice and we are losing a very important skill that our grandparents used to have by building their own homes, having the ability to build their own cabins and also have the tools by way of using the resources around them.

Mr. Speaker, by using our own Northwest Territories wood products we can not only save on the transportation of goods and services and dependence on the South, but, more importantly, develop one of our economies that has been overlooked for years.

Mr. Speaker, as a government we have to think outside the box and, more importantly, outside the House. Mr. Speaker, this government has spent millions of dollars on stick-built houses in the Northwest Territories, but yet we're still meeting the different challenges from mould to dealing with frost to dealing with structural challenges. Yet, Mr. Speaker, log homes that were built in the past are still standing in most of our communities and they continue to showcase the workmanship of the people that built them in the past. Yet, Mr. Speaker, we as a government have to take a step back, look at what was done in the past, restore the workforce that was used, give the people the skills and the opportunities to show that the craftsmanship that they have is as their grandparents had.

Mr. Speaker, I think as a government, you have \$50 million coming forward from the feds, this is one of the initiatives that you should seriously consider by using the made-in-the-North attitude by using our wood products, using our skilled labour and, more importantly, using the materials that are really made in the North. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Krutko. The honourable Member for Thebacha, Mr. Miltenberger.

MEMBER'S STATEMENT ON  
CONGRATULATIONS TO MR. AND MRS.  
BOHNET ON THEIR 64<sup>TH</sup>  
WEDDING ANNIVERSARY

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. Mr. Speaker, Albert Bohnet is 92 years old. Febula Bohnet is 82. February 24<sup>th</sup> is a very important day for them. Today they've been married 64 years.

---Applause

Mr. Speaker, as I look around this Chamber, that's far longer than any of us have been on God's green earth. I think it's a testimonial to their lifelong commitment to each other. I'd like to recognize that in this House and I would also like to ask my colleagues to join me in congratulating and recognizing this very special day. Thank you.

---Applause

**MR. SPEAKER:** Thank you, Mr. Miltenberger. Item 4, returns to oral questions. Item 5, recognition of visitors in the gallery. Item 6, acknowledgements. Item 7, oral questions. The honourable Member for Mackenzie Delta, Mr. Krutko.

### Oral Questions

QUESTION 199-16(3):  
LOG HOME BUILDING INITIATIVE IN  
FORT MCPHERSON

**MR. KRUTKO:** Thank you, Mr. Speaker. Mr. Speaker, my question is directed to the Minister responsible for the Northwest Territories Housing Corporation. As I mentioned, the Fort McPherson Band is looking at the possibility of doing a proposal by looking at log builders from the Yukon. The Yukon has shown that they can build log houses by way of prefab construction at a price around \$120,000. I think, at that price, if we can compete in that market...It doesn't have to be something fancy, just something that's simple, has a roof, a couple walls and maybe one or two rooms in it. That's all you need. I'd like to ask the Minister, would he seriously consider a proposal of this type from the band in Fort McPherson to move on this and also consider the use of that \$50 million that we're receiving through the federal housing system?

**MR. SPEAKER:** Thank you, Mr. Krutko. The honourable Minister responsible for the Northwest Territories Housing Corporation, Mr. Michael McLeod.

**HON. MICHAEL MCLEOD:** Mr. Speaker, during the presentation of the NWT Housing Corporation

budget I had indicated that we were looking for new avenues to deliver housing in the communities. We recognize right now that our Housing Choices Program does not have all the designs and the different modes of building and doing construction in our communities that suit some of the smaller communities and we'd be exploring new avenues. Many of the aboriginal leaders in the Territories have contacted us about log house construction and we are working towards the design, and we'd be very much interested in talking to the people from Mr. Krutko's riding about the concept of what he's proposing. Thank you.

**MR. KRUTKO:** Mr. Speaker, also in my statement I made reference to the potential industry happening in the Northwest Territories by developing our wood products. I think it's important that under our manufacturing directive that we expand it to allow for Northwest Territories wood products to be made than simply have a product trucked up from the south, put a stamp on it and say it was made in the North by slapping a few nails into it. I'd like to ask the Minister, would he consider looking at the possibility of prefab houses using wood products in the Northwest Territories?

**HON. MICHAEL MCLEOD:** Mr. Speaker, the idea of prefab units has been around for some time. We're very much interested in that concept. It's not something that most communities are readily accepting. The communities feel that construction in the communities that the houses are going to go to is a mode of economic stimulus, so we have to be very careful how we move forward. I am very keen on looking to see if there's a way we can set up maybe a pilot project to do small units; small units that can be maybe used for emergencies. I'd be, once again, interested to hear the Member's comments on that. Thank you.

**MR. KRUTKO:** I wasn't having deja vu talking about NOVEL housing, I was talking about log housing, being used to use logs in the Northwest Territories, to basically build prefab houses. They build them in the Yukon. If you're able to drive to Whitehorse, if you have a chance, you can see how these units are built in the industrial area. They're basically constructed in Whitehorse and moved into a community. Basically by simply how you design and build the unit, it just comes apart and you move it to another location, put it back together and it's ready to go. I'd like to ask the Minister if he'd seriously consider investigating that with his colleagues from the Yukon to see how they're doing it over there and if we can implement a similar program in the Northwest Territories.

**HON. MICHAEL MCLEOD:** Our preference, of course, is to see if we can look at how to find a relatively cheaper way to put houses on the ground in the communities. When I mean mobile units or

modular built, I'm also talking about stick-built units; something that could be put together in a lot of cases where we can't find carpenters or contractors to go in some of the small communities. We're really struggling to find a way to get a house on the ground in the community. I'm looking at both stick-built and log units. Right now we weren't looking at anywhere outside of the NWT. We were quite curious to see what our own designs would bring and our own staff would bring forward in terms of programs and see what the other communities are proposing. We have a number of communities that want to come forward and have discussions on initiatives they think will work. We have a lot of work ahead of us and our first step would be to bring something in front of the standing committee. I think we're going to be sometime in early March that we'll be bringing something forward for discussion.

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

**MR. KRUTKO:** Thank you, Mr. Speaker. In regard to the training that is required, I know there are certain people in my riding who have been certified in log building. I believe they went all the way to Ontario to get the certification. I think it's important that we do have the dollars available not only to train people but to get them certified in log building in the Northwest Territories. I'd like to ask the Minister to seriously consider looking at the possibility of having certification for log builders in the Northwest Territories and if they could provide training dollars to get people trained and certified in the Northwest Territories.

**HON. MICHAEL MCLEOD:** Before embarking on a log house program we'd have to look at a number of things. We certainly would have to go back and look at why some other programs we had, such as this SHAG program and others that involved log building, went wrong. I certainly would expect that capacity was an issue. To have training dollars put forward, I'd have to have that discussion with my colleague from Education, Culture and Employment. I'd certainly like to explore this further and I think there is a lot of merit to logging and it's certainly an area that can provide employment in the communities. I will commit to following that up.

**MR. SPEAKER:** Thank you, Mr. McLeod. The honourable Member for Kam Lake, Mr. Ramsay.

QUESTION 200-16(3):  
ROLE OF BDIC IN NWT ECONOMIC  
DEVELOPMENT

**MR. RAMSAY:** Thank you, Mr. Speaker. My questions today are for the Minister of ITI. We've had discussions in this House previously about business services here in the Northwest Territories and the role and mandate of the BDIC. I again

stand up here today. We're in really tough economic circumstances. I think businesses and entrepreneurs are looking to the Government of the Northwest Territories to see what we will do, if anything, to help ease especially the credit crunch that many small businesses are going to face. The first question I would have for the Minister is what exactly the Government of the Northwest Territories is doing to ease the credit crunch for small businesses here in the Northwest Territories during these tough economic times.

**MR. SPEAKER:** Thank you, Mr. Ramsay. The honourable Minister responsible for Industry, Tourism and Investment, Mr. Bob McLeod.

**HON. BOB MCLEOD:** Thank you, Mr. Speaker. I'm a bit surprised at the Member's line of questioning. As he knows, the Business Development and Investment Corporation is an independent board that is set up through legislation of this Assembly. As such, I correspond by writing letters to them and meeting periodically with the chair and the president. The last time I met with the board I asked the BDIC to provide some suggestions for how we could work with businesses to lessen the impact of the downturn. They have since done so and I expect to be able to come forward at some point with those suggestions.

**MR. RAMSAY:** In my Member's statement earlier I spoke of the relevancy of the BDIC and how it is that they're lacking focus or direction. That direction has to come from Cabinet and the Minister. I'd like to ask the Minister why we even have a BDIC if ITI continues to be the delivery mechanism for their programs. That doesn't make any sense to me.

**HON. BOB MCLEOD:** The BDIC administers a \$45 million loan fund. They have protocol agreements with ITI, with Community Futures groups and with municipalities that have economic development officers. As such, they administer the loans and they also provide for investment and employment through funding of subsidiary companies in the Northwest Territories.

**MR. RAMSAY:** Again in my Member's statement, I suggested that ITI get out of the way and let the BDIC become all that it can be. When we had these discussions previously, it was supposed to be a comprehensive one-stop shopping for business services in the Northwest Territories. It hasn't become that. It's hidden in the shadows of ITI. I want to ask the Minister what direction he is giving ITI that is not allowing the BDIC to become all that it can be. They're languishing behind here and we need to do something, especially now in these tough times.

**HON. BOB MCLEOD:** I think what the Member is suggesting is to take all of the economic

development outside of the control of the ministry. As such he would suggest that all of the economic development programs be administered by an independent board which would only function by written directives from this government. I think the system is working quite well now where we have a BDIC, we have an Industry, Tourism and Investment department, and we have Community Futures. They're all working together to promote economic development in the Northwest Territories.

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

**MR. RAMSAY:** Thank you, Mr. Speaker. Back in October the Minister said, in a response to a question from me, that "we still feel that a protocol arrangement between ITI and BDIC is the way to go. It gives us the greatest flexibility, the greatest ability to meet the needs of our clients, which are the small businesses of the Northwest Territories." I tend to agree with that statement, but again the BDIC has become irrelevant. All they do is prop up the subsidiaries and manage delinquent accounts. They do some work, yes, but I think they could be doing a heck of a lot more with the direction from this government, especially now in these tough times. Again I'd like to ask the Minister when we can have a discussion about what the role, the mandate and the future of the BDIC is going to be.

**HON. BOB MCLEOD:** I certainly feel that BDIC is fulfilling a very important role. They're managing a \$45 million loan fund. Perhaps the Member should wait until we come forward with what has been proposed by the BDIC in terms of helping small businesses. I look forward to having discussion with him and to hear what suggestions the Member has for helping small business in the Northwest Territories.

**MR. SPEAKER:** Thank you, Mr. McLeod. The honourable Member for Tu Nedhe, Mr. Beaulieu.

QUESTION 201-16(3):  
DEVELOPMENT OF YOUTH STRATEGY  
IN THE NWT

**MR. BEAULIEU:** Thank you, Mr. Speaker. In my Member's statement I spoke about youth needs in Tu Nedhe. I have questions for the Minister responsible for Youth, Mr. Robert C. McLeod. Does the Minister and his department have an inventory of youth, meaning do they know which youth are out there in the communities and what they have to support them in those communities?

**MR. SPEAKER:** Thank you, Mr. Beaulieu. The honourable Minister responsible for Youth, Mr. Robert McLeod.

**HON. ROBERT MCLEOD:** Thank you, Mr. Speaker. I'm not quite sure we have an actual inventory of youth. I think the department is well aware of who's out in the communities and what their needs are. But as far as an actual inventory, I don't think we have one yet.

**MR. BEAULIEU:** My next question for the Minister is, has the Minister worked with other departments or his own department in developing a Youth Strategy, like the very beginnings of a Youth Strategy for the youth of the Northwest Territories?

**HON. ROBERT MCLEOD:** Back in the fall session I did commit to having the department start a Youth Strategy. I am pleased to inform the Member that the Youth Strategy has been started. There's a lot of work being done on it. We're expecting to have it out to the MLAs for some feedback early this year.

**MR. BEAULIEU:** My next question is that in the budget MACA had put some money in the budget for hiring youth workers. Has the Minister and his department started the process of hiring youth workers for this government?

**HON. ROBERT MCLEOD:** There were two youth positions that were on the books and one has been hired for the southern part of the Northwest Territories. They are just working on bringing the one on board in the northern region.

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

**MR. BEAULIEU:** Thank you, Mr. Speaker. That's good news. Earlier in this session I had asked the Minister about budgets that are spread out through the other departments. My question for the Minister is has he begun the process of discussing youth budgets and youth activities with other departments such as Education, Health, Justice and Finance?

**HON. ROBERT MCLEOD:** I have started having discussions informally with the other departments to see what kind of money they have in their budgets as far as youth go. Hopefully we'll be able to follow up with that work and come up with a good figure as to how much money across government is dedicated to youth programs.

**MR. SPEAKER:** Thank you, Mr. McLeod. The honourable Member for Weledeh, Mr. Bromley.

QUESTION 202-16(3):  
ENVIRONMENT AND NATURAL RESOURCES  
"GREEN TEAM"

**MR. BROMLEY:** Thank you, Mr. Speaker. We've heard lots of good ideas about how to save on our budgets and build on our capacity while still being good to the land in our statements here today.

Keeping our own House in order, of course, is a good place to start, and I'm aware there are strong interests in both conservation and lowering costs that exist across disciplines and departments. I'm wondering, and I would direct this perhaps to the Premier or the Deputy Premier, have there been Green Teams or the equivalents established in each department of this government?

**MR. SPEAKER:** Thank you, Mr. Bromley. The honourable Premier, Mr. Roland.

**HON. FLOYD ROLAND:** Thank you, Mr. Speaker. I believe the issue of conservation and efficiencies in offices have been dealt with at a deputy level. Some departments, as identified within the Department of ENR, have a Green Team. Other departments have undertaken it in a different manner.

**MR. BROMLEY:** Thanks for those comments. Of course, it's come to the observation of myself and other constituents and so on that work for the department, that there is quite an extreme range between departments, perhaps because of this lackadaisical approach. So there is an opportunity here for a more structured approach. I wonder if the Premier would commit to taking that on. Could he also tell me if we are measuring the gains that are being made by the Green Team and other department equivalents?

**HON. FLOYD ROLAND:** There is an effort to measure the results of the conservation work that's going on in departments, mainly in ENR. As for coming up with more of a strategic or common approach amongst departments, I'll definitely look at that and see if we can try to come up with an approach that energizes our departments to look more at it; maybe even a bit of a competition as to what we can do in trying to save energy in the Northwest Territories.

**MR. BROMLEY:** Thank you very much for that response. I think this sort of work does indeed energize a bunch of employees, certainly those that are into it. They appreciate the opportunity to contribute. I'm wondering if the Premier could -- and perhaps he already has -- look for opportunities to spread this information or make this widely available. There was a recent article in Bear Facts that was a good example of that sort of thing.

**HON. FLOYD ROLAND:** We will look at opportunities to make this known and try to set up a program and bring this more and more out to all of our employees and the public.

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

**MR. BROMLEY:** Thank you, Mr. Speaker. I think this would be good progress. I think becoming

routine and perhaps an annual way of reporting it, perhaps encouraging a departmental competition would be good. Finally, towards this, I'm wondering if the Premier would consider establishing a Premier's Award or something like that for those employees who go above and beyond and show major ways to capitalize on conservation and at the same time lowering of costs to this government.

**HON. FLOYD ROLAND:** I would be happy to take that into consideration to add that as one of the designations for either teams or people within the government to either suggest or show areas of energy conservation for the departments.

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

QUESTION 203-16(3):  
COST OF LIVING AND FOOD MAIL PROGRAM

**MR. YAKELEYA:** Thank you, Mr. Speaker. I spoke on the high cost of foods in the Sahtu region. I want to ask the Minister of Transportation, in terms of our past discussions, with the issue of the Food Mail Program, with respect to transportation...Has the Minister made any type of contact with the Department of Indian and Northern Affairs or Canada Post in terms of seeing if Norman Wells could be a point of location to distribute the Food Mail Program?

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

**HON. MICHAEL MCLEOD:** Thank you, Mr. Speaker. The department has been in contact with INAC and has provided some suggestions as to how to improve the Food Mail Program. One of the things we did bring forward was to remove the point of origin for shipments and allow them to be consolidated into any southern transportation hub or cargo hub, for that matter. We also suggested that they allow the airlines themselves to administer the Food Mail Program.

**MR. YAKELEYA:** Can the Minister inform the House as to the type of indications from the Department of Indian Affairs as to how soon this Food Mail Program in terms of its original points of departure if they could somehow give an idea as to when they will have this in Norman Wells?

**HON. MICHAEL MCLEOD:** It's quite difficult as to when the federal government will be responding to our suggestions. There is a committee that's been formulated that the department is administering. The federal government, INAC, are doing the review. There is a member from the Northwest Territories on it. Indicators are that they will be

ready to come forward with a public release on their findings sometime this summer.

**MR. YAKELEYA:** I certainly appreciate the comments from the Minister in terms of the Food Mail Program. I hope that's something like the electricity review that we're having in the Northwest Territories so that we can know exactly what the price of food does really cost when they factor in all the costs once it's delivered into our region. I would ask the Minister if he would, through his contacts with this review, if there's any chance of this side of the House in this Assembly having some discussions on the important program the federal government has to offer to the people on the review of the Food Mail Program in the Northwest Territories.

**HON. MICHAEL MCLEOD:** It's been fairly difficult to get information on the review itself. It is a federal review. It is a federal program. We have been asked to provide some input. Outside of that, we don't have a lot of detail. I will and I am in the process, as Member's have requested information prior to this, of writing a letter to Mr. Chuck Strahl voicing some issues and asking for some information. I also will ask some of the committee members that are representing the federal government on this program review to consider maybe making a presentation to the small communities that are being serviced by the Food Mail Program so that will allow them to have some input. I would commit to doing that.

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

**MR. YAKELEYA:** Thank you, Mr. Speaker. I look forward to the Minister's communiqué with Minister Strahl. In Norman Wells two litres of milk is \$7.19 versus in Yellowknife \$2.54. The point I'm trying to get at is our people in the small, isolated communities want to know why the same two litres of milk costs so much in Norman Wells. We're directing and having some say into this government here. I'm asking the Minister if he could work with his colleagues, as the government here, to tell the federal government why this Food Mail Program needs to be improved in our small, isolated communities in the Northwest Territories. Can the Minister give that commitment to us?

**HON. MICHAEL MCLEOD:** The whole idea behind the Food Mail Program was to make nutritious and perishable food more affordable to our communities. We have 17 communities across the Northwest Territories that take part in the program. There is, I think...And I agree with the Member that there is a need for the Regular Members to have direct input. I certainly would make the request to the federal government to allow some of their program people to come and hear the Members

from the small communities that are representing communities that are part of Food Mail to have a say.

**MR. SPEAKER:** Thank you, Mr. McLeod. The honourable Member for Nahendeh, Mr. Menicoche.

QUESTION 204-16(3):  
INCOME SUPPORT AND RENTAL SUBSIDIES

**MR. MENICOCHE:** Thank you very much, Mr. Speaker. I'd just like to ask some questions to the Minister responsible for the NWT Housing Corporation. Much has been said by this side of the House over the last couple years in trying to get some answers on returning the public housing rental subsidy back from ECE over to the Housing Corporation. I would just like to know how much work has been done with respect to that.

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

**HON. MICHAEL MCLEOD:** Thank you, Mr. Speaker. I believe we just passed the motion in Committee of the Whole two or three days ago. We haven't had a lot of time to do work on it. I'll have to say, though, that this is an issue that has been raised many times by the Members of this House over the last while and we certainly agree that we need to take a look at the issue.

The Department of Education, Culture and Employment is the one that's delivering the subsidy and we have to work with them. They have provided me with some of the earlier reports that they have done in terms of research and it's more along the lines of how to review how to make the program more efficient, not to see how well the whole program has been working. I wanted to be able to review that information and I've committed to get back together with Minister Jackson Lafferty from ECE to make the final decision. Now that we have a motion, I'm sure those are the next steps that will be decided on.

**MR. MENICOCHE:** We all know government doesn't work at light speed, so two days is pretty quick, I guess. But our motions have been in effect for a couple years and the whole issue is that the Housing Corporation and ECE are using economic rent. For a simple two-bedroom that would be \$1,600, market rent is estimated in my community at \$1,200. The problem is we are overcharging our people. I really object to that and I'd like to tell this government that is a real issue here. We're overcharging our people, we're creating hardships. We have to act quickly and return the public rental housing subsidy back to the Housing Corporation, because at that time that similar situation was worth about \$600 a month.

**HON. MICHAEL MCLEOD:** I believe the Member is raising two different issues. First of all, the first question was regarding the amalgamation or transfer of responsibilities for the subsidy programs to ECE. Now we're talking about rent scales. That's actually two different issues that more than likely would have to be both addressed and reviewed. We haven't decided to do both. We have a motion in this House to do a review of the effectiveness and how, overall, the separation of responsibilities for social housing has been working. Rent scales is another area that needs to be looked at and we will be looking at how to do that also.

**MR. MENICOCHÉ:** To our residents and constituents it's the same issue. They're being impacted and paying higher costs, they're falling behind in arrears and it's creating hardship. I again ask the Minister of Housing to work with his colleague, the Minister of ECE, to move this thing forward. How long do people have to wait for studies?

**HON. MICHAEL MCLEOD:** I disagree with the Member that they're the same thing. We could put the subsidy program back into the Housing Corporation and the rents will still stay the same. That doesn't have any bearing on actually what the rent scales are. The rent scales are another issue that we have to look at. It's based on income, condition of the house and a number of factors. Lowering or changing the rent scales also has another issue that comes along with it, which is how do we cover the operation of our social housing units when the federal government is reducing their assistance to us. Where do we find that? We'd have to go back to Finance to find new dollars to support the program. It's more complicated than just deciding to lower the rent across the board. We recognize it's an issue. We need to look at it. It's something that we will be talking about to with ECE, because they're the ones who provide the subsidy levels. That's a separate issue. I agree it also needs to be looked at.

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

**MR. MENICOCHÉ:** Thank you very much, Mr. Speaker. I think the key message here is that we have to tell our constituents, and the people of the North in the regions and the communities, that government is acting as quickly as they can and I'd like to get that commitment from the Minister.

**HON. MICHAEL MCLEOD:** There is a whole wide range of issues that the Housing Corporation is looking at right now. There are some as a result of questions in this House, issues being raised in this House. Some are as a result of motions in this House and Committee of the Whole. So we're looking at thresholds. We're looking at the subsidy

amounts. We probably, more than likely, would be looking at rent scales along with ECE. We're also looking at the issue of how well the program has been run since the social subsidy programs have been transferred to ECE. We're looking at incorporating an appeal process. So we have, I would say, roughly eight or nine initiatives, reviews and decisions that will have to come as a result of those reviews that also have to be made. I will and I have committed to meeting with the standing committee to look at all the different areas that we are reviewing and have more detailed discussion with the Members and listen and take the input they provide and try to incorporate it into what we're doing.

**MR. SPEAKER:** Thank you, Mr. McLeod. The honourable Member for Sahtu, Mr. Yakeleya.

QUESTION 205-16(3):  
REDUCING COST OF LIVING  
IN SMALL COMMUNITIES

**MR. YAKELEYA:** Thank you, Mr. Speaker. My questions again are to the government here and to the Minister responsible for Reducing the Cost of Living Initiative. I've read, very carefully, the public document the government has highlighted in terms of the priorities. I wanted to ask the Minister of this strategic initiative to reduce the cost of living if he can tell me what progress has been made in reducing the high consumer costs in our small communities in the short term.

**MR. SPEAKER:** Thank you, Mr. Yakeleya. The honourable lead Minister for reducing the cost of living, the Honourable Sandy Lee.

**HON. SANDY LEE:** Thank you, Mr. Speaker. The work of this committee is strategic in nature. The government looks to make multi-year investments to reducing the cost of living in our communities in the long term by investing in our roads, investing in our airports and investing in our commercial power subsidy. Thank you, Mr. Speaker.

**MR. YAKELEYA:** Mr. Speaker, the Reducing the Cost of Living Strategic Initiative addresses the reality of the high cost of living in the Northwest Territories. The actions of this initiative will aim to help manage the cost of living in the short term and alleviate some of the pressures of the cost of communities in the long term. Again, I ask the Minister, what is she doing in terms of any type of concrete plan? What is she doing to reduce the cost of living in the short term in our small, isolated communities? Where are the concrete plans in the short term?

**HON. SANDY LEE:** I think the work of this committee, the government and the Legislature recognizes that in order to reduce the cost of living

in the communities, we need to reduce the cost of food, cost of bringing goods, cost of fuel, and so the investments in the roads and the commercial power rates and the airport runways are very, very important investments. In the immediate past, the government has -- and I believe the Minister of Public Works has announced that a number of times -- been able to reduce the fuel costs in communities by 16 cents per litre. Thank you.

**MR. YAKELEYA:** Mr. Speaker, certainly the Minister is very correct in terms of the government's response, in terms of the fuel, the gasoline costs and the heating fuel in our small communities to make it manageable. I am asking the Minister is she going to bring forward some concrete plans that would look at ways that they can immediately, in the short term, reduce the cost of living in terms of the pricing of our fuel. Mr. Premier has indicated through his speech yesterday in terms of electricity rates. I am looking at areas where people in our small communities can see the immediate benefit of lowering the cost of living in our small communities. Will the Minister bring some concrete plans forward?

**HON. SANDY LEE:** I would be happy to, once again, come and meet with the committee to... We update the work of committee and where we are going forward with... Mr. Speaker, I think it should be recognized that under these difficult economic times, the budget that has been announced was written in a way that was mindful of the cost of living issues for our residents. We heard loud and clear during the revenue options discussions that our people would like our taxes to not go up, remain the same, and we have done our work to do that. We have reduced the cost of fuel where the fuel is being managed by POL. We will continue to look to make sure that in all that we do that we try to keep in mind that reducing and maintaining our cost of living low is one of the biggest priorities of our residents.

**MR. SPEAKER:** Thank you, Ms. Lee. A final, short supplementary, Mr. Yakeleya.

**MR. YAKELEYA:** Mr. Speaker, again I would ask the Minister in terms of the strategic initiative points that are listed by the government here. They are addressing some of the factors of the impact of the cost of goods in the communities that had some discussions with the Minister of Transportation on the Food Mail Program. This is what I'm looking for in the immediate short term: concrete plans that this committee here can look at. What are some of the things that this Minister can bring forward in this House to reduce the cost of living in the short term that will have an impact on our communities? That is what I'm looking for. She is giving me some...

**HON. SANDY LEE:** Mr. Speaker, the Food Mail Program is a federally run program. I understand that the program is under review by the federal government. The government is discussing that issue. I understand the Member would like to know if we are investing X number of dollars to reduce the cost of goods in the immediate future. What we are saying is the investments in infrastructure are a way, and a sure way, to reduce the cost of living in our communities for the long term. We continue to provide upwards of 160 to 170 million dollars subsidy in various programs to our seniors, in fuel subsidies, in all kinds of ways to keep maintaining a lower cost of living for our residents. There is more to do. We will continue to work on that. Thank you.

**MR. SPEAKER:** Thank you, Ms. Lee. The honourable Member for Frame Lake, Ms. Bisaro.

QUESTION 206-16(3):  
TIMELINES FOR PROPOSED  
REVIEW OF NWTPC

**MS. BISARO:** Thank you, Mr. Speaker. My questions today are addressed to the Premier. I spoke in my statement about the Premier's statement yesterday about energy and the fact that he has committed to establish a review of the NWT Power Corporation. He has also stated that he plans to appoint these people and hopefully he will have the names to us by about the middle of March. Assuming that that schedule remains the same, I would like to know from the Premier when we could expect that this review will get started. Thank you.

**MR. SPEAKER:** Thank you, Ms. Bisaro. The honourable Premier, Mr. Roland.

**HON. FLOYD ROLAND:** Thank you, Mr. Speaker. Once we have the group appointed, a panel appointed for the review, I am hoping that they can get underway and do the work as soon as possible and that we would be able to report to Members how that work is ongoing. Thank you.

**MS. BISARO:** Thanks to the Premier for his response. It may be a little bit early at this point to expect that terms of reference have been determined, but I would like to ask the Premier whether that is in fact the case. If they have been written already, I would like to know from the Premier whether or not they can be shared with Members. Thank you.

**HON. FLOYD ROLAND:** Mr. Speaker, the terms of reference are being worked on. As I have committed, I would be prepared to sit down with Members and go through those as well. Thank you.

**MS. BISARO:** Thank you, Premier. I will look forward to those terms of reference with bated

breath. Hopefully it will be sooner rather than later. I would like to also know, once this review gets underway -- which is hopefully going to be in another month or so -- how long the Premier is looking at this taking and when we can expect results. Thank you.

**HON. FLOYD ROLAND:** With the intention of going to committee with the terms of reference, looking at that and getting some feedback, that will help us and come up with some timelines. I am unable to commit to that at this point, but would work with Members as we firm up the terms of reference and have the appointments made and be able to get back to Members with a timeline. We are hoping to make this happen sooner rather than later. Thank you.

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

**MS. BISARO:** Thank you, Mr. Speaker. Thanks again to the Premier. I am glad we are on the same page with sooner rather than later. That is a good thing. I guess I would be happy to hear a guess from the Premier whether we are talking one month, six months or six years, but I understand we can't do that. Assuming that these results are done and that it is before the end of, say, 2009, will those results be shared with Members and with the general public? Thank you.

**HON. FLOYD ROLAND:** Mr. Speaker, the work we would do through that review and recommendations that would come out of it, definitely we would be working with committee on those and providing that to Members. Thank you.

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

QUESTION 207-16(3):  
SHORT-TERM STRATEGIES FOR REDUCING  
COST OF LIVING IN SMALL COMMUNITIES

**MR. YAKELEYA:** Thank you, Mr. Speaker. I would like to continue on with my question to the Minister of the strategic initiative to reduce the cost of living. Mr. Speaker, what I want is what does it cost to live in Deline compared to live in Yellowknife? The average weekly cost of food for four in Yellowknife is \$235. In Deline the same basket of food costs \$442, almost double. That is what I am asking the Minister in terms of short term, immediate concrete plans. What can we tell the people in the Sahtu that pay almost double for food for the same basket? What immediate plans can we see in terms of looking at the cost of living?

**MR. SPEAKER:** Thank you, Mr. Yakeleya. The honourable Minister for the committee to reduce the cost of living, Minister Sandy Lee.

**HON. SANDY LEE:** Thank you, Mr. Speaker. I understand the Member's concern and that of all Members here. A lot of our communities have a real high cost of living and quite a few talk to Yellowknifers. They compare it to other jurisdictions. We do grapple with the high cost of living because of the high cost of fuel and transportation issues. This is why this committee has been set up to make strategic investments to reduce cost of transporting goods by providing additional funds, making investments into petroleum products, cost of transporting them and the cost of fuel. It has made a difference in the cost of goods in our communities. Thank you.

**MR. YAKELEYA:** Mr. Speaker, again, I go back to the comparison of living in Deline and Yellowknife. Certainly being here in Yellowknife, you certainly realize the price. Sometimes the comparison is being done to Edmonton. Again, we go back into the Sahtu communities. We see the price double and people have come to us and said, why is it that we pay the high cost of the same type of food compared to Yellowknife? That is what I am looking for from the Minister. Can this strategic initiative here clearly outline the reasons why we are paying double the price in the Sahtu communities than in Yellowknife?

**HON. SANDY LEE:** Mr. Speaker, the government recognizes that. That is the reason why we subsidized the power rates for the communities after 750 kilowatts. That is why we made additional investments to reduce the cost of fuel by 16 cents. I understand that. That is a drawback of subsidies, because people don't always see the investment that the government makes because they see the end result and not necessarily how much it costs. So the subsidy for the electricity is up to 700 kilowatts. We will continue to make decisions and make investments where we can to reduce the cost of living. It is an ongoing challenge. Thank you.

**MR. YAKELEYA:** Mr. Speaker, has this strategic initiative looked at other ways that could reduce the cost of living in the Sahtu over the long term in terms of the barging system, in terms of the trucking system that would reduce the cost greatly? I know the government is looking at reducing the cost of electricity, which we appreciated. Deline pays a 30 percent higher electricity rate than Yellowknife. We certainly look forward to seeing their many projects getting off the ground so that would help them with the economic self-sufficiency of their power.

**HON. SANDY LEE:** I believe the Member is familiar with the way the Strategic Initiative committee works. We work where we have Ministers and Members on the committee. We discuss our priorities, but all of the money decisions are made through the departments. So in the

upcoming capital budget and the last capital budget, we have invested to extend the runways in Sahtu. I believe, in all, about three communities in Sahtu we're extending the runways. We have invested on expanding winter roads. I don't have all the capital...I could get back to the Member on that, but it is coming through the appropriate departments, whether it is the Department of Transportation, Department of Public Works or commercial power subsidies. There are lots of specific projects that are coming through line departments; but the discussions, we would have had at that committee. Thank you.

**MR. SPEAKER:** Thank you, Ms. Lee. A short, final supplementary, Mr. Yakeleya

**MR. YAKELEYA:** Thank you, Mr. Speaker. Thank you, Minister Lee, for all of those wonderful things that I hope will happen in the Sahtu in terms of this. I certainly look forward to it. Again, I want to ask the Minister in terms of the initiative that she is directing. In terms of this initiative, in one of the points it says addressing the impacts of the cost of goods to reduce the cost of living. Again, in the short term, we would like to know in terms of what some of the factors you would be addressing that would look at reducing the cost of living in the Sahtu in the short term. There are some long-term solutions that are certainly going to be there...

**MR. SPEAKER:** Thank you, Mr. Yakeleya. I will allow the Minister to answer that one.

**HON. SANDY LEE:** Thank you, Mr. Speaker. I understand his point. I do want to give him a direct answer. Mr. Speaker, I think for many years governments have concentrated on short-term investments to reduce costs by subsidy, but we understand that subsidies are a short-term fix, not a long-term solution. The Strategic Initiative committee is purposely working on long-term investments on extending runways, reducing commercial power rates and working on hydro development, and this committee works with the Ministerial Steering Committee on Energy and other departments to make long-term investments because we want to reduce the cost of living in its foundation and for the long term. Thank you.

**MR. SPEAKER:** Thank you, Ms. Lee. Item 8, written questions. Item 9, returns to written questions. Item 10, replies to opening address. Item 11, petitions. Item 12, reports of standing and special committees. Item 13, reports of committees on the review of bills. Item 14, tabling of documents. The honourable Minister of Industry, Tourism and Investment, Mr. Bob McLeod.

## Tabling of Documents

### TABLED DOCUMENT 16-16(3): NORTHWEST TERRITORIES TOURISM 2009-10 MARKETING PLAN

**HON. BOB MCLEOD:** Mr. Speaker, I wish to table the following document entitled Northwest Territories Tourism 2009-2010 Marketing Plan. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. McLeod. Item 15, notices of motion. Item 16, notices of motion for first reading of bills. Item 17, motions. Item 18, first reading of bills. Item 19, second reading of bills. Item 20, consideration of Committee of the Whole of bills and other matters: Tabled Document 7-16(3), Ministerial Benefits Policy; Committee Report 2-16(3), Standing Committee on Rules and Procedures Report on Matters Referred to the Committee; Tabled Document 11-16(3), Northwest Territories Main Estimates, 2009-2010; Bill 1, An Act to Amend the Historical Resources Act; Bill 3, International Interest in Mobile Aircraft Equipment Act; Bill 4, Public Library Act; Bill 5, Professional Corporations Act; and Bill 7, An Act to amend the Student Financial Assistance Act. By the authority given to me as Speaker by Motion 10-16(2), I hereby authorize the House to sit beyond the daily hour of adjournment to consider the business before the House, with Mr. Krutko in the chair.

### Consideration in Committee of the Whole of Bills and Other Matters

**CHAIRMAN (Mr. Krutko):** I call the Committee of the Whole to order. We are considering Tabled Document 7, Committee Report 2, Tabled Document 11-6(3), Bills 1, 3, 4, 5 and 7. What is the wish of the committee? Mrs. Groenewegen.

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. The wish of the committee today is to consider the budget for the Department of Industry Tourism and Investment and continue with Environment and Natural Resources as time permits. Thank you.

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

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** With that, we will take a short break and begin with Industry, Tourism and Investment.

---SHORT RECESS

**CHAIRMAN (Mr. Krutko):** I'd like to call Committee of the Whole back to order. Before we

took a break we agreed that we'd begin with Industry, Tourism and Investment. At this time I'll ask the Minister for the department if he'll be bringing in witnesses.

**HON. BOB MCLEOD:** Yes, Mr. Chair.

**CHAIRMAN (Mr. Krutko):** Does committee agree that the Minister brings in his witnesses?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Sergeant-at Arms, could you please escort the witnesses in.

For the record, Mr. Minister, can you introduce your witnesses.

**HON. BOB MCLEOD:** Thank you, Mr. Chair. With me, on my left, Mr. Peter Vician, deputy minister, Department of Industry, Tourism and Investment. On my right, Mr. Jeff Dalley, director, shared services, finance division of the Department of Industry, Tourism and Investment and the Department of ENR. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Krutko):** Thank you, Mr. Minister. Prior to concluding the discussions yesterday, we were on general comments. Maybe at this time I will allow the Minister to respond to those general comments. Mr. Minister

**HON. BOB MCLEOD:** Thank you, Mr. Chairman. I would be pleased to respond to the comments that were raised last night.

With regard to polar bear, we are working very closely with the Department of ENR to continue a Polar Bear Strategy and we will certainly work very closely with the MLA from the region which has all of the polar bears in the Northwest Territories. We will also work with him to continue to get ready for the Mackenzie Valley Pipeline.

With regard to caribou and polar bear, with the marketing funding that's been available, that is being proposed, we are working very closely with the Department of ENR who is responsible for wildlife management.

The NWT Fisheries Federation, this is something that we feel is a top priority, is to revive the Great Slave Lake fishery and also the work with what has been called in the past the 'B' licence fisherman to revive the fishery on Great Slave Lake.

On agriculture, I'll continue to work very closely with my colleague from MACA so that we can continue to work with the NWT farmers so that we can promote agriculture and also to finalize and continue the going-forward agreement with the federal government on agriculture.

On the Olympics, we work very closely with the other departments that have responsibilities for sport and recreation and also for involvement in different games. We work very closely with MACA, ECE and ourselves in a committee that's chaired by the executive.

Trapping is something that continues to be a top priority for us. We have a number of programs to assist small business, especially if they want to get involved in a business like firewood, which we think is a very good business to get into.

Market fishing, and we have a number of business programs that can help here. Arts and crafts is always something we've assisted. Moose hide, we do have a program where we try to encourage and provide incentive for hunters to bring moose hides in. The program we had last year only provided for four moose hides to be brought in, but you have to recognize that a lot of the hunters utilize the hides themselves.

With regard to branding of Olympics, it is something we'll continue to use. Ice hockey in Deline, we're currently looking at funding to develop a video to promote tourism in that area. Our SEED program is something that we developed and are geared particularly to level two and three communities, which are the smaller communities outside the regional centres. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Krutko):** Thank you, Mr. Minister. We're on general comments. Mr. Bromley.

**MR. BROMLEY:** Thank you, Mr. Chair. I appreciate this opportunity and I just have a few comments I'd like to put forward. I'm sure the Minister was referring to commercial use of polar bears but, sadly, I have to report Nunakput is no longer the only riding that does have polar bears. We have a record of polar bears in the Sahtu now and, of course, in the Mackenzie Delta. Both rather sad cases but indicative of the sorts of things that we're starting to see more and more as polar bears turn carnivorous and start interbreeding and so on.

There are lots of good things happening in ITI that I'd like to make mention of, but first I have to wonder about the 10 percent increase over the previous year. I can't recall now what last year's budget trend was. I know we were seeking significant reductions in all departments last year, but it strikes me that ITI may not have made that. Perhaps the Minister can clarify that.

I certainly support the four priorities that the Minister mentioned in his remarks: economic development, traditional economy, agriculture and energy initiatives. I think that does, indeed, reflect many of the comments from this side of the House and I appreciate that. The SEED program is a good

program that seems to be well-subscribed and I'm looking forward to learning, as time goes by, how that works out.

The Minister mentioned a number of organizations that contributed to the budget and they're all, of course, business organizations. Business, it's well known by now, I hope, with this particular recession, needs some guidance by civil society in order to stay on the tracks and I don't see anything other than business-oriented agencies on his list here. I'm hoping that he seeks much broader input to what our approach is in developing our economy and the proper way of doing business. I certainly agree that the current economic crisis is typically cyclical in nature and, once again, highlights the extremely important role that our small businesses play. We tend sometimes, I think, to lose sight of that when a big player rolls into town and takes much of the attention. I think a steadier and consistent approach in support of the small business sector would be useful. I think even, I've been told by some in that sector, that we're missing our young entrepreneurs, and perhaps that's something that could be looked at by this department, particularly when large industry pulls away, such as what happened a number of times in the Mackenzie Delta over the decades. This is why you'll often hear me spouting about the need to support small and particularly local business, because those are the ones that are not ever going to run away.

I didn't see a mention in the entire page of remarks to tourism and the...Good aggressive approach there and innovative attempt to get things going. A little more on that front is good to see. But I didn't see anything mentioned on the protected areas and the role of this department. I know there's interest by aboriginal groups in having this department sponsor a protected area or two, so it would be good to see that happening.

On the traditional economy and so on, I was disappointed that there was only very brief mentions of industries that involve our food. To me, individuals operate around their stomach, and communities do, and often whole economies do. I think we cannot underrate the importance of providing our own food for ourselves, both symbolically and, of course, in terms of invigorating our economy and strengthening it in a way that lasts through the ups and downs of the economic financial cycles. I'm hoping that the brief mentions of local wildlife harvesting, of fish and agriculture are not indicative of the amount of effort that's going into those programs, because they are areas where, particularly on the fisheries side of things and the agriculture side of things, I think we've fallen quite a bit behind the times and there are big opportunities.

This department is playing a significant role on the energy front and I know they're contributing greatly to the energy initiatives and so on, which I totally support. Lots of good things happening there. Mr. Chair, I'm going to leave it at that and thank you for this opportunity.

**CHAIRMAN (Mr. Krutko):** At this time I'll allow the Minister to respond to the general comments. Mr. Minister.

**HON. BOB MCLEOD:** Thank you, Mr. Chair. Just to clarify with regard to some of the Member's questions. Over the two years the Department of ITI has provided for budget reductions as per the main estimates, we provided for 8.1 percent decrease in operations over two years for a total decrease of \$3 million. The 10 percent increase that we referred to in opening comments reflects strategic investments in energy and our business support programs. The downturn in the economy is something that is of concern to us and is something that we'll be working closely...We do have a Ministerial Advisory Panel on the Economy which will be meeting tomorrow and we have invited and included, per the Member's recommendation, a representative from Alternatives North.

With regard to young entrepreneurs, this is something that we have tried to develop over the years and we will continue to do it. We have set aside funding for youth as part of the BDIC programs.

On protected areas, we've been approached on a number of occasions this year. We are looking at sponsoring one protected area and we're looking at two proposals that have been put forward and whichever one has the best potential for success, we'll be supporting.

With regard to industries involving food, we do know that the traditional economy and the use of country foods provides for a significant amount of the food that's consumed in the communities, and at one time was estimated as high as \$50 million. I don't know if, with the decrease in the caribou populations, that number would still be as high. But certainly we're working very closely with the Inuvialuit in promoting their muskox harvesting. We're working with ENR who have developed a Bison Strategy and certainly whatever we can do with other species that are consumed, we would want to work with ENR who is the lead department on it.

As well, our budget that's being reviewed now also reflects an increase of \$3.5 million in contribution increases which directly go to businesses and individuals. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Krutko):** Thank you, Mr. Minister. Next on the list I have Mrs. Groenewegen and Ms. Bisaro. Mrs. Groenewegen.

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. This is a department that is a very interesting one and I think has been brought into sharp focus during this time of economic uncertainty. The role of this department and our government, I think, is elevated at a time like this and the expectations are that through the Department of Industry, Tourism and Investment, initiatives will be enhanced or come forward that will instil some confidence in the business community in the Northwest Territories. Certainly those large, mega projects associated with our non-renewable resources are very important in some regions.

I think that an exercise that I have wanted to see happen for a long time, and I'm not really sure if it has ever really been done, was to look at the Northwest Territories. There is economic potential in every region of the Northwest Territories. Not everybody has a pipeline with natural gas flowing through it. Not every community is on the shores of a lake like Great Slave or Great Bear. Not every community is in the backyard of a diamond mine. But every community in the Northwest Territories has some ability for sustainable economic activity. I think it is important that our government recognizes that. I am sure that they do, but I always thought it would be an interesting exercise to try and articulate that more and identify what we can support in every region in every community in the Northwest Territories that is viable for that area to increase economic activity. I think the strength of our economy is the diversity. That is why I think we can't put all of our eggs in one basket.

Speaking of eggs in a basket, people have mentioned agriculture. There was a conference in Hay River this weekend on the production of eggs in the Northwest Territories. I am not really sure where that initiative is going, but I understand and thought maybe to try and take that activity outside of just one region like Hay River and actually spread that around and have some means of creating viable egg production centres in other communities around the Northwest Territories. That will be interesting to see what comes of that.

The folks with the Territorial Farmers Association have been tenacious in their undertaking of promoting the benefits of agriculture in the Northwest Territories and the prospects of agriculture. I feel that, although there is a paragraph in the opening remarks about agriculture, I still think that to some extent it isn't something the government really believes in, that to a certain extent it is just lip service. Because there is this clutch of people that are so tenacious they won't let the idea go away or die, but I sense that the

government goes through the motions with the federal programs and so on. I think that the government really doesn't believe that this is a viable source of economic activity and source of food and substitute for importing of food in the Northwest Territories, but I could be proven wrong yet. But I have been here a long time and I haven't really seen the kind of commitment to that economic activity that I would like.

The commercial fishing is something that has gone down so low now that it is almost unbelievable. It seems like it should be pretty straightforward. Fishing is really hard work. I am not really sure how you encourage young people to be involved in the commercial fishing industry, but when you look at a lake like Great Slave Lake, the renewable, sustainable, available harvest of fish in the range of 1.2 million pounds per year, the quality of fish that can be harvested from that lake and the relatively few people involved in that industry and a really very small dent that we put in that quota in any given year is sad considering the very good quality food fish is, the markets that are hungry for that good nutritious food, and yet we can't seem to figure out a way to create a viable industry out of commercial fishing in the Northwest Territories. I think part of the problem is our alliance with the Freshwater Fish Marketing Corporation. I was saying that for years, but it is up to our government to take the initiative and look at other ways of marketing NWT fish outside of that federally regulated monopoly. We can't sit back and wait for someone else to do that.

I think the fish that we have available, fresh fish in the Northwest Territories, could be marketed to a relatively small geographic, densely populated area. And quite apart from that, I think that even here in the Northwest Territories a lot of people could enjoy more fish if that industry were organized. It is on our doorstep. It is renewable. It's somewhat challenging to find people who want to work that hard to be involved in that industry, but there still are people who want to. There are still people who are willing. I think we have a role to play as a government in helping to organize and encourage that industry. It is one that, in the past, has been very important to the community I represent and hopefully in the future will be again.

I think I will just leave my opening comments at that. Thank you.

**CHAIRMAN (Mr. Krutko):** Thank you, Mrs. Groenewegen. Minister of Industry, Tourism and Investment, Mr. McLeod.

**HON. BOB MCLEOD:** Thank you, Mr. Chairman. I agree with the Member about the economic potential in every region. Certainly we have challenged the department and the BDIC to provide

for development in every community in the Northwest Territories. This is something that we are working towards.

With regards to the diversity in our economy, this is a top priority of our department, is to provide for diversification beyond the non-renewable resource development. We have put a lot of effort and investment into tourism, traditional support in community and local businesses.

On eggs, I don't think the meeting this weekend was premised on trying to expand it elsewhere in the Territories. I think all we are trying to do is get back into the production of eggs in the Northwest Territories. This is something that we want to find a way to do so.

With regard to NWT farmers, I think we are trying to do more than lip service. We have been working with the Territorial Farmers' Association and federal government on going forward. We have been promoting small scale agriculture in every community. I think we are now up to 28 communities are growing their own food. I think what the Member is referring to is the need for access to land for larger scale agricultural production. We have found a way to move forward. We directed the Farmers' Association to approach the municipality of Hay River. The municipality has the power and the authority to designate land as agricultural land. There needs to be a will to do so. I'm not sure what is holding it up, but as far as other lands outside the municipality, it is being held up by land claims negotiations and the land lease-only policies that are in place. Certainly it can be done through the municipality.

On commercial fisheries, it is something that has been a big disappointment to us. We have continued to fund the corporation. We have been looking at a number of different ways to try to go forward. I think a large part of the problem seems to be with the NWT freshwater fisheries organization. We tried to get a winter fishery going this winter. It was held up for very obscure reasons and it would have helped a great deal. Similarly, for the summer fisheries, there are no pick-up points for the fishermen. I think we need to find a way, working with the NWT fishermen, to revive the industry. I know that Freshwater Fish Marketing Corporation advertises for people to take on licences to fish, but I don't think that is met with much success. I think it would be better served to have home-grown industry developed. I think that we will continue to work with the communities, with the Northwest Territories fishermen to find a way to go forward. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Krutko):** Next on the list I have Ms. Bisaro.

**MS. BISARO:** Thank you, Mr. Chairman. Thank you for the opportunity to provide a few comments. I don't really have any questions at this point. I just want to make some comments on the Minister's opening remarks. Like Mr. Bromley, I, too, am a little concerned about the increase in the budget for this department this year over last year. I believe last year's budget was higher than the previous year's budget, so I'm concerned that this department's budget is going up year after year in a climate in which we are supposed to be trying to save money.

I am also a little concerned, and maybe there is a good explanation, but when 46 percent or more than 46 percent of this department's budget is in grants and contributions, it makes me wonder why. Are we really getting the value for money by grants and contributions?

I am very supportive of the program in terms of Tourism 2010 and the money we are putting into tourism. I think it is probably long overdue. For too long a time tourism didn't get the support from this government that it should have. I think that the direction we are going in now is a good one. I think we are starting to see some results within the tourism industry.

I do have difficulties with the amount of money that the government, and this department in particular, is spending on the 2010 Olympics. I believe that we should be at the Olympics, that we should have a presence there, but I think our total expense is something like almost \$3 million or \$2.5 million and that is far too much money, in my estimation. This \$1.4 million from ITI for the 2010 Olympics and Paralympics is hard to know if that is too much money, but I will certainly have questions when we come to that section of the budget. I am pleased to see that it is being done in conjunction with a marketing program. That is a good thing. Kudos to that, but don't spend so much money I guess is where I'm coming from.

I also wonder about the emphasis on the traditional economy, or lack of emphasis. I think that there are some areas in which we are doing well on the traditional economy. I think the fur industry is probably well represented by the department, but I think there are some other areas. Again, I reference fishing and agriculture as two areas where I don't really know whether or not we are doing as much as we could. If the Minister's remarks are correct, we are spending \$250,000 on fishing or on the fisheries in the 2009-10 budget year. That is a pittance, in my estimation. If we are going to try and revive the fishery, I think we need a heck of a lot more investment than that.

I believe that the Community Gardens Initiative is a good thing. I think it is encouraging people within

communities to look at growing their own food, but I also have concerns similar to my colleague, Mrs. Groenewegen, about the help, the incentives or the assistance that has been given to farmers as opposed to gardeners. The farmers, I think, need some more assistance. I hear the Minister saying that they are working on that and that there has been some progress. That is a good thing. I would have hoped that it would go further than that.

The part that the department played in the MOU with the Territory's diamond mines is a good thing. I was pleased to see that that has come to fruition and that the mines are working with the department to try and encourage their people to live here so that we will get some benefit, or more benefit, I should say, out of the diamond mines. That was another positive for me.

I am concerned in general with the investment that this government and this department in particular are putting into the Mackenzie Gas Project. I know that we are coming at some point in the next year, hopefully, to a decision by the Joint Review Panel, but we have spent an awful lot of money up to this date and it seems somewhat premature to me. We have been preparing for this project for probably close to 10 years now. I wonder how much more preparation we can do. The Minister stated the estimates extend the contribution to the Aboriginal Pipeline Group to support their work or an equitable share in the Mackenzie Valley Pipeline. I don't have any problem with that, but I do want to say that I'm a little concerned that we, as a government, are not working for our own equity share in the pipeline and we don't have a policy to do that. We don't have a policy to get an equity stake in other large projects as well. That is something that I think we probably should be considering. If this project is going to be as huge and as beneficial as it is presumed to be, I don't know why this government wouldn't want to have an equity stake in it. We have to try to get our own-source revenues somehow.

I think that is all I have, Mr. Chairman. Thank you.

**CHAIRMAN (Mr. Bromley):** Thank you, Ms. Bisaro. With the support of committee, I would like to continue with the general comments before getting a roll-up response from the Minister, as prior protocol. So we are going to Mr. Krutko.

**MR. KRUTKO:** Thank you, Mr. Chairman. I, too, have concerns in regard to certain areas, realizing that we do have a pretty sensitive economy, especially in the downturn of what we are seeing today and especially if we are putting too much focus in one area such as the mining industry and even, for this case, the oil and gas industry and not realizing that we have to seriously work on the home-grown industries in the Northwest Territories.

One of the areas that I think we really have to focus on is in the area of the crafts industry. I think that we have probably one of the few places left in North America or even in Canada that a lot of our beading work and work that is done, a lot of local women basically still use the old traditional style of sewing. I think that alone is a value by way of the crafts in the Northwest Territories. I had an opportunity to speak to a lady who basically spends most of her time sewing, but she goes to different craft shows in Whitehorse or even in Inuvik and also over in Alaska. The people in Alaska are just amazed at the craftwork that is done on this side of the border. I think that it is something that we should really try to market and promote and, if anything, find a way to support these craftspeople to enhance that industry, because a lot of women in our communities depend on the craftwork to bring income into the family. I think that is something that is still pretty specialized in a lot of our aboriginal communities. A lot of people are still doing that. If anything, we should find ways of promoting that by way of offering bursaries to the craftspeople to attend these craft shows and also to have bursaries there to provide them with the materials that they need to continue on this craft. And yet, there are challenges in that, especially trying to find moose hide and stuff like that. I think also it is important that we look at what is going on in other parts of the... especially in Nunavut in regards to the Eastern Arctic, how they are enhancing their promotion of seal products by way of clothing and by way of hats and coats and even vests that we see people wearing in the House. I think it is that type of promotion of the tradition and the economy of that Territory that really enhances the basic cultural values that we talk so highly about. I think we also have to find ways of how they are able to do it and what are we doing wrong that we are not doing that in the Northwest Territories, yet they are doing that over in Nunavut. I think that is where we have to learn from our partners in the East especially, also looking at dealing with the food products that they are basically marketing.

They do have a pretty firm fishery in Nunavut by way of the char fishery. You look at the muskox products that they are promoting and look at jerky and caribou jerky, muskox jerky. They have developed pretty unique promotional packaging of that industry. I think it is something that this Northwest Territories, if we can learn from our friends from the East and pick up on some of the stuff they are doing there in which basically is helping small Inuit communities in the East. I think they are no different than our aboriginal communities over here in the West. I think we have to do more to promote that industry.

I think it is important that we, as government, also look at the oil and gas industry in regards to the

secondary industry. I am serious when I talk about the Norman Wells refinery, which was an agreement that was made back in the 1940s when they opened up the Norman Wells oilfield. One of the agreements was that they had to establish a refinery in the Northwest Territories and allow for that product to be refined in the North and provided to our communities in the Northwest Territories. Going back some 10 years where they shut down the refinery because we made a decision to purchase our fuel products from Alberta and bring it up by rail and barge it down the valley I think was a mistake. I think if there's any development in the North by way of oil or gas or minerals, if there are any significant discoveries made in the Northwest Territories this government should have some sort of plan in place of how we can force the hands of the federal government on the industry so that they do develop a secondary industry in the Northwest Territories by dealing with the area of refining those products in the Northwest Territories using areas such as Cameron Hills or even that Pointed Mountain in Fort Liard, or looking at that gas potential around Colville Lake or even up around Inuvik. I know for a fact in Eagle Plains they are developing that gas field there in which they're looking to put it into production, a small scale production, and trucking that product down the Dempster Highway down to Whitehorse and processing it there. I think those things can be done in the Northwest Territories and we have to start thinking outside the box when it comes to those programs.

In regard to the SEED program, I'm glad that you've laid it out. I think there are still some hiccups in the program and I think one of the things I'd like to see, if possible, is whether we can allow the economic development officers in our communities to have the ability to approve certain small scale loans, say up to \$5,000 or \$10,000, for things such as the SEED money to get a business started or for a businessperson to get a small piece of equipment so it does not have to go all the way up the ladder and wait. These things could be dealt with on the spot, knowing they have the ability to evaluate rather than having to go to the regional level and having the board of the region sit down and assess the application. I can see a big application, say up to \$20,000 to \$50,000 or \$100,000 go to a regional board and make that decision, but there should be some of those decisions made at the local level where you don't have to go all the way to the top. Again, it's a matter of having the ability to move on some of these applications which aren't really that big and can support small business, without having to go through all the red tape.

The other area I think this government has to seriously consider looking at is that of commercial fishing. I know Mrs. Groenewegen has touched on

it, but I think there are other regions in the Northwest Territories that have for years been trying to develop a commercial industry. In order to sell any products you have to have a commercial licence, regardless if it's caribou meat, muskox, fish. I think we have to find a made-in-the-North solution to this problem like we did with the Fur Marketing Strategy that we have, which is a northern product stamped as a northern product. I think we have to start developing some of our commercial businesses in the North, made in the North, getting the authority to develop that in the North so that we can have other areas in the Northwest Territories developing that industry. I think it's important to realize that those individuals can maintain a small mom-and-pop or Asian business by way of selling fish or caribou meat or dry meat or dry fish or those types of products. But most of those individuals sell it know it more as trade and barter, where you trade something and sell it. Technically you don't have a commercial licence to sell it, but you still do using the trade and barter method where you trade something off for dry meat or dry fish. I think it's something we have to really work on similar to how we've been able to market the Fur Marketing Strategy.

With regard to forest products, that's something I think we do need to seriously look at as a government and look at developing that industry like we do with oil, gas, tourism, whatever. I think that we have to start looking at the potential that is in the Northwest Territories. I know there is no real viable commercial business today, but there's nothing saying there's the potential of small-scale businesses in the Northwest Territories, such as small portable sawmills and whatnot, that could work at a community level versus at a regional or territorial level.

My last comment is in regard to the comments around looking at the oil and gas in regard to the pipeline. I know a lot of people raised again about how the government is out there in front of the final decision of the regulatory boards. I think we should allow the regulatory boards to do their jobs, come back with the report, and whatever their findings are, give them the light of day to say okay, we'll hold off until we see the final report. I think a lot of people in our communities put a lot of faith and trust into these boards and made the presentations to them on issues that we might not think are important. But for our communities, the problems with alcohol and drugs, substance abuse, the effect it could have on our communities with the pipeline is real. I think we've learned that from the previous expansions, especially Norman Wells. I think we have to allow for them to do their work, but we shouldn't be seen to be out in front of everybody else saying get on with it and get going. I think we have to allow that process to take its time.

Also, thank you. That's it for my comments.

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. Krutko. Mr. Ramsay.

**MR. RAMSAY:** Thank you, Mr. Chairman. A lot of ground has been covered there; a number of items under the mandate of the department that one could talk for days and days on. There are a lot of interesting things that have happened inside of the department. I just wanted to touch on a few things.

The first one is -- and I guess it's interesting that we have ITI before us today -- earlier today my Member's statement and line of questioning was for the Minister on the future of the BDIC. The more I think about it, the more I think we really need to make a decision as a government on the BDIC and what its future is going to be. Because if they are not allowed to operate at arm's length from government, then they are part of government. Even though we call it Business Development Investment Corporation, ITI still has the strings attached firmly into the BDIC and delivers the programs there. That's an issue for me and I think we really need to address that.

Some of the other things I was glad to hear another Member talk about the fact that the government needs to look at an investment in the pipeline. I've been saying this for years. We spend close to \$5 million a year as a government on a pipeline that we have no stake in. I 100 percent support our involvement with the APG and I think our support should be there for the APG, but I also believe that the Government of the Northwest Territories shouldn't sit idly by and watch the development of a pipeline and hopefully the construction of a pipeline and not have a stake in it for all residents in the Northwest Territories. I would concur with those sentiments. I think Ms. Bisaro was talking about that earlier.

Of course, I think in tough economic times we need to put more of an emphasis on the diversification of our economy. Many Members have spoken about forestry, the need to establish, perhaps, a wood pellet industry. Fishing, agriculture. I support more work being done in this area. I don't believe a lot of emphasis has been put in these areas and I believe more should be done there.

Tourism, there's been some success stories in tourism and I know the department's done a good deal in trying to come up with some funding for tourism businesses. That's been helpful.

We need to take a look at industrial initiatives and more manufacturing. We need to build our economy here in the Northwest Territories and I don't think the department and the government pay enough attention to those things. We seem focused

on oil, gas, diamonds. Sometimes I don't think we put enough emphasis on the other things that are out there. The Northwest Territories is a perfect location for cold weather testing, a centre for excellence in cold weather testing. There are a number of companies that come north to test their equipment and we should be doing more in working with those folks. Even recently this phenomenon of the Ice Road Truckers. I don't believe the government's taken an initiative. This is an opportunity. That Ice Road Truckers series is huge in the United States and is now going to be available in Canada. That put the Northwest Territories on the map in North America big time. Yellowknife and the ice road. Tourism at ITI and the Northwest Territories Tourism Association should grasp onto something like the Ice Road Truckers, get as much mileage out of that as they possibly can, because it's something that sells. There are people that come to Yellowknife and they want to speak to Mr. Debogorski. He's an icon in the United States because of that TV show. We need to be taking every opportunity to promote ourselves and if it's through vehicles like that, then that needs to happen.

Also, I'm looking forward to the Diamond Policy that's being worked on by the department. I appreciate all their efforts there. That's going to be helpful. It's going to be a difficult time here in the near term because the economy is in such a shaky state right now that we are going to have to look at policies and maybe modifying some policies to fit unique circumstances. That includes diamonds, support to small businesses. In the Minister's opening comments he actually states that our economy is relying on the economic stimulus and diversification that is provided by the small business centre. They are the backbone of our northern economy. I couldn't agree with that statement more. But where is the proof that statement is going to be supported by the government? Look at the SEED program. And I've spoken about this before. The SEED program, although it's a little bit more money and it's the BDF just dressed up a little bit more, but that \$2.5 million can be taken and spread all around. But unless we're going to actually get into communities...And that's where the business start-ups have to happen is in the small communities. We have to get in there and realize that there is a cost of doing business in the small communities. There are utilities and personnel costs that a business in a regional centre here in Yellowknife is not going to experience. Until we can get around trying to find support for small businesses in communities that is going to address those additional costs, I'm not sure how businesses would survive in small communities, to be honest with you.

I think those things have to be met head on and we have to come up with a plan to address the high costs of doing business. We can have all the money in the world and hand it out in every community, but if the businesses that do get the funding can't operate because of the high cost, we're setting them up to not succeed. I think as a government we have a responsibility to the people in the small communities to make sure that we are providing support not only to get businesses up and running, but on an ongoing basis to look at personnel costs, to look at utility costs that are prohibitive to businesses succeeding in small communities. There are going to be a lot of discussions in that area as we go forward. Like I said, things are going to get very interesting here with what's happening with the diamond industry and our resource-based economy. It's really taking a hit. We're going to need to come up with a game plan.

On one thing -- I have a couple minutes left -- on hydro. I think the department and the government is doing a good job in developing the Hydro Strategy. I think we're finally coming to an understanding that we need to have a strategy, we need to have a vision going forward on hydro, and I'm happy to see that. I've always been a big supporter of the Taltson expansion and I remain a supporter of the Taltson expansion. But I've been a Member of the House for five years and we've spent millions of dollars trying to get ready for this Taltson expansion. There is another \$2.5 million here. In five years we've yet to get a power purchase agreement on our investment. So when are we going to get a power purchase agreement? If the economy continues to slump, the mines aren't going to be interested in signing off on a purchase power agreement. Maybe we need to look elsewhere on that Taltson expansion. Maybe we need to look at running lines into communities. Maybe we need to look at selling that power south into Alberta. Something else has to happen here, because right now we're just spending money on a whim. The business case for this is the mines. I'm telling you right now the way things are looking in the immediate future here, maybe it's going to take a year or 18 months, these guys aren't going to be in any position to sign a power purchase agreement with anybody. They're doing the best they can to stay afloat. Times are tough. Should we be spending another \$2.5 million on the Taltson expansion? I think that's a discussion we should be having.

With that, I'll leave some of the other questions until we get to the detail. Thank you for your time.

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. Ramsay. Seeing no other colleagues looking for general comments here, I'll call on Mr. McLeod for a response.

**HON. BOB MCLEOD:** Thank you, Mr. Chairman. I've responded to most of the comments except for the last few speakers. With regard to the grants and contributions, we thought we were doing good by making 46 percent of it available to businesses out in the sector. We think it's a good thing and I'm not sure what the concern would be for that to be happening.

Tourism, we're putting a lot of emphasis on the 2010 Olympics. We think this is a very good opportunity to expose the Northwest Territories and to market the Northwest Territories along with our sister territories. I think it's very good not only to market the North, but also to expose our artists and northern performers to all the people in the world so that they'll see what a great place it is to live and be exposed to our way of life and culture.

With regard to the traditional economy, you've talked about the fishing. The responsibility for fishing is a federal responsibility. Our department becomes involved with the marketing of fish. We would also become involved with marketing of fish at the local level.

Agriculture is something we agree and have put a lot of effort into.

With regard to the diamond mines, I think that the MOU is a good thing as well. The Mackenzie Gas Project, the federal government has seen fit to invest \$32.6 million in getting ready for the pipeline. I think we should be doing the same thing to get ready for it.

On the equities share, I guess the proof is in the pudding. I support equity shares. When I come forward with a proposal, I hope other Members would be supportive. Again, that costs a lot of money and we're a small government. So how much money are we prepared to put into getting an equity share? I guess, I think that's something I agree with and I'll support.

With regard to home grown, I think a home-grown economy, like most of the Members here, is very important. We've been promoting and supporting arts and crafts. We have a brand. We're supporting Buy North. Certainly, Nunavut, we've tried a lot of the things that Nunavut has done, but people in the Northwest Territories have a bit of a different perspective with regard to the commercial use of wildlife and so on.

Oil and gas secondary industry, we've done some studies. We are looking at ways to promote that. We think the best opportunity to do so is to convert natural gas for community use when and if the Mackenzie Valley Pipeline goes ahead.

The SEED program is something that we're focusing a lot on the small communities.

With regard to having local EDOs having the loan authority, well, this is something that I'll approach BDIC. BDIC is the one that sets the loan authorities. BDIC decides who gets a loan authority. So I'll approach them to consider doing so.

Again, commercial fishery. If you need a licence you need to have a quota and Fisheries and Oceans sets quotas. So generally at the community level the quota is based on what you catch. Generally that's been their approach. If we set up the SEED program that would be an excellent opportunity to support small business to sell fish products.

Forestry is the responsibility of ENR, but we're quite prepared to help through our business programs to look at setting up wood pellet development, and I think we have pilot projects that have been set up through the Energy Fund.

Oil and gas, I guess what we're trying to do is to make sure that a framework is in place in that when the regulatory approval comes through, that there will be no reason for the pipeline to be held and that it could go right ahead.

With regards to the BDIC, we've had a discussion earlier. I guess the Member has a different view than I do. I think that BDIC right now is a stand-alone board. They get their authority from the board and they make all their own decisions. The authority I have over them is to appoint members and to give them written direction. Other than that, they make all their own decisions. If all of our programs are handled on that basis, then we would have very little flexibility to provide for dealing with community development.

Investment in the pipeline equity, we talked about that already. Industrial initiatives, manufacturing, cold weather testing, I think that's an excellent area to get into. We haven't done as much as we could there. I think that some of the municipalities have done a lot of work on it, so we'd be willing to work on that.

On Ice Road Truckers, I think that's an opportunity and something we should revisit. We'll approach the diamond mines and oil and gas to see what we can do.

The Diamond Policy, I think the Member is correct; it's something we really have to look at. Tough times call for some innovation and creativity. We'll have to look at what we can do to preserve our secondary industry.

The SEED program, in the small communities it's very different to pick out the winners from the losers, but we try to help as many businesses as we can.

The Hydro Strategy, there are some more briefings that will be set up. I think that it's very important to look at the business case and I think that the diamond mines, with the downturn in the economy, this is probably the best opportunity to promote the hydro to the diamond mines. I think that as we go through our presentations, the numbers will show that. Right now 70 percent of the population is serviced by hydro, but the population has been very static. Were there need for more hydro I guess that would have to be examined more closely. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Bromley):** Thank you, Minister McLeod. That concludes general remarks. Does committee agree that we should go on to detail? Mr. Krutko.

**MR. KRUTKO:** I'd just like to have a few more general comments. I missed something before.

In regard to your subsidiaries, using the Fort McPherson Canvas Shop, I know it's an issue in my community. I meant the canvas shop has been in McPherson over 30 years but there's not one aboriginal person or Gwich'in member on that committee which oversees the canvas shop. I think, as a community, that basically undermines the initiative putting up these types of subsidiaries in the communities and allow for community input.

I know I've, over the years, tried to find a way to either sell a portion of that subsidiary to a community or to a development corporation and allow community ownership, but when even the community aboriginal individuals are not even party to that board and it's all non-aboriginal people, I think it really sends a bad message. I know for a fact that we did have aboriginal people on the board before and for some reason they were a little too long and they got rid of them. For me, it sends a bad message. I think that as a government, if anything, you should be working with communities to take ownership of these subsidiaries than to simply run them as a business venture from Yellowknife. I don't think that's what we should be doing when we start up these subsidiaries. If anything, we should be trying to get community buy-in, community participation and also community know-how of how they're going to eventually take it over.

I think, for me, that issue is still out there. It's an issue that did come up when we had the board up in McPherson and this issue was raised. Again, it was a decision made by...

Also, what really gets me is the way the appointments were made. An individual who already works on the Business Investment and Development Corporation Board went to McPherson and went and picked the people he

wanted to have on that board. To me, that person should not have even done that. If anything, you should have advertised in the local paper or on the local radio station, than have an individual who's already a board member for the Business Development Investment Corporation go into Fort McPherson on his own and pick people that he wanted to have on the board who were non-aboriginal people. I think that it's important that we, as government, find ways to work with community but not have the old attitude, well, sorry, you aboriginal people don't know how to run businesses so we have to depend on everybody else to do it for you. I think those days are gone and they shouldn't even be discussed, but they still are. Again, I'd just like to raise that. I forgot that in my comments earlier.

I just have a question in regard to the mention of the SINED agreement being extended. Also, there was some announcement by way of an Economic Development Diversification Agreement with the northern territories. Maybe I could get clarification on that, and also possibly set up a northern office for this new arm similar to what they have in the Western Diversification Fund and the Atlantic Accord types of frameworks. Maybe you could just elaborate a little bit on that. I know it's been a while since I've heard about it, but I'd just like to know where that is. Thank you.

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. Krutko. Mr. McLeod.

**HON. BOB MCLEOD:** Thank you, Mr. Chair. First of all, with regard to the Fort McPherson Tent and Canvas Shop, I fully agree that board members for the different subsidiaries should be composed of community representatives and I'll communicate that concern to the board of the BDIC; I'll communicate it to the chairperson.

With regard to SINED, this is an extension of the existing program. It's a five-year program for \$90 million split between three territories. That would be an extension. The Northern Economic Development Agency was announced with the federal budget and there will be \$10 million a year associated with the Northern Economic Development Agency for a period of five years. There has been no indication where this agency would be located. There's been some speculation on Nunavut. When the federal Indian Affairs Minister was in Nunavut recently, there was some talk about there would be a satellite office in Ottawa and there would be offices in each territory, Yukon, NWT and Nunavut, but other than that we've been working with our Department of Aboriginal Affairs and Intergovernmental Affairs to try to get more information in that regard. Of course, we'll be pushing for this agency to be located in the Northwest Territories. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Bromley):** Thank you, Minister McLeod. Does committee agree that this concludes general remarks?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bromley):** Does committee agree that we go on to detail?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bromley):** The summary listed on page 12-7, department summary, operations expenditure summary, \$50.870 million, we will defer until the end of our detail. We'll start with page 12-8, information item, infrastructure investment summary. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bromley):** Page 12-9, revenue summary. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bromley):** Page 12-10, information item, active position summary. Mr. Krutko.

**MR. KRUTKO:** I'd just like to ask if there's a possibility that we can get a breakdown in regard to these different positions and the status of the individuals there in regard to P1s, P2s, P3s. Is it possible that there are any people there with disabilities working within this department?

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. Krutko. Mr. McLeod.

**HON. BOB MCLEOD:** Thank you, Mr. Chair. I can read out those numbers if he wants, or would he prefer that we give him a copy?

**CHAIRMAN (Mr. Bromley):** Thank you, Minister McLeod. Mr. Krutko.

**MR. KRUTKO:** If it's possible, you can circulate it around and all the other Members can take a look at it.

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. Krutko. Thank you, Mr. McLeod. We're on page 12-10, active position summary, information item. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bromley):** Page 12-11, information item, active positions, Business Development Investment Corporation. Mr. Krutko.

**MR. KRUTKO:** Same question in regard to can we get a breakdown based on P1s, P2s, P3s and if there's anybody there with disabilities.

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. Krutko. Mr. McLeod.

**HON. BOB MCLEOD:** Thank you, Mr. Chair. P1s, one; P2s, one; P3s, 11, for a total of 13 filled positions. Three positions are vacant. Thank you, Mr. Chair.

**MR. KRUTKO:** Can I have the status of the P1 position? What is it? Is it a manager position or a janitor?

**HON. BOB MCLEOD:** I guess I will leave it to your discretion. This is a private, confidential matter and if we identify one position it could become public information which I don't think is what this House would like to do. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Bromley):** Thank you. The Chair agrees and perhaps that could be discussed in private. Mr. Krutko.

**MR. KRUTKO:** I think it's a question of knowledge. My point is that we have an Affirmative Action Policy that we're supposed to be implementing and working with. If you can't show us that it's working by each department, how can we know if the policy is really being adhered to and that we are meeting the goals we've set to try to ensure that the Affirmative Action Policy is being implemented and people are being seen to be filling positions? For me, by having one person out of 16 positions tells me that the Affirmative Action Policy is not working in this particular department. If he can provide that information, either a written copy or if he doesn't want to answer it here, at least give us an opportunity to see exactly what the status of that position is.

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. Krutko. Perhaps the Minister could respond to the overall intent of the question.

**HON. BOB MCLEOD:** The Affirmative Action Policy works for every department. I did indicate that we would provide the information to the Member. Thank you.

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. McLeod. We're on page 12-11, information item. Does committee agree?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bromley):** Page 12-13, activity summary, corporate management, operations expenditure summary, \$6.608 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bromley):** Moving on. Page 12-14, information item, corporate management, active positions. Mr. Krutko.

**MR. KRUTKO:** Thank you, Mr. Chair. Same question in regard to can we get a list of all the affirmative action candidates from P1s, P2s, P3s and anyone that may have a disability that works in this particular department.

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. Krutko. Minister McLeod.

**HON. BOB MCLEOD:** Thank you, Mr. Chair. I have a breakdown here and I'll provide it to the Member. Thank you.

**CHAIRMAN (Mr. Bromley):** Very good. Thank you, Mr. McLeod. We're on page 12-14, corporate management, active positions.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bromley):** Moving on. Page 12-17, activity summary, minerals and petroleum resources, operations expenditure summary, \$6.456 million. Mr. Krutko.

**MR. KRUTKO:** Thank you, Mr. Chair. I see there's a \$200,000 increase in regard to grants and contributions. Could you point out what the increase of that amount is for?

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. Krutko. Mr. Vician.

**MR. VICIAN:** Thank you, Mr. Chairman. The increase in the grants and contributions that are appropriate to this activity relate to a specific project identified under strategic initiatives of the government. In this particular area, a net increase in the contributions, but the particular project of note is the Environmental Management Opportunities Training Initiative whereby the department will be contributing to the training of environmental monitors in all the regions of the Northwest Territories and will be doing so through a contribution with Aurora College. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. Vician. Moving on. Mr. Ramsay.

**MR. RAMSAY:** Thank you, Mr. Chairman. Just a question under industrial initiatives. I'm just wondering how many people work in that area under industrial initiatives and what exactly do we spend the \$726,000 on. Thank you.

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. Ramsay. Mr. McLeod.

**HON. BOB MCLEOD:** Thank you, Mr. Chair. We presently have four positions in industrial initiatives. Their work is mainly involved with negotiating of socio-economic agreements, monitoring of socio-economic agreements and also handling the grants and contributions that we make to monitoring

agencies such as the Diavik Community Advisory Board. Thank you, Mr. Chair.

**MR. RAMSAY:** How about a breakdown of the \$726,000 that's spent in the program delivery area on industrial initiatives?

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. Ramsay. Mr. Vician.

**MR. VICIAN:** The \$726,000 is made up of \$481,000 for compensation and benefits to fund the four positions that work in the unit; \$180,000, as the Minister has indicated, towards contributions to Diavik Community Advisory Board and supporting agencies that monitor our socio-economic monitoring initiatives. The remaining \$65,000 is other expenses associated with the operation of the office. For the Members' benefit, this is the office that produces the Communities in Diamonds annual report and a number of other reports that are obligatory reports under the socio-economic agreements with Ekati, Diavik and Snap Lake. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. Vician. Mr. Ramsay.

**MR. RAMSAY:** I'm trying to understand what percentage of time or funding does the government currently put into new initiatives. You know, not looking after socio-economic agreements and that, but actually, as I was mentioning earlier, cold weather testing, new manufacturing and new industrial initiatives. What portion of their time is spent on trying to drum up some new business for us? Is there anyone there in that shop that that's their job, Mr. Chairman? Thank you.

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

**HON. BOB MCLEOD:** That would be a different division within the department; that would be our investment division that would be chasing down these opportunities. Thank you, Mr. Chair.

**MR. RAMSAY:** How does the consultant for industrial initiatives, as shown on the org chart on 12-3, fit into the operations of the industrial initiatives shop and what's the reporting function? Does the consultant report right back to the DM or...I'm just wondering who's in charge of that shop, those four people, Mr. Chairman. Thank you.

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. Ramsay. Mr. Vician.

**MR. VICIAN:** The Member identified the position consultant, industrial initiatives. That is the manager that is responsible for the operation of that unit which is constituted with four positions. That position currently reports to the deputy minister in

light of all of the elements that relate to negotiations of socio-economic agreements, monitoring reports and so on. This is part of the overall process of our arrangement. Thank you, Mr. Chairman.

**MR. RAMSAY:** Is that person that is the manager of the four people an actual consultant or is it a member of the public service or management or how does that work? I am just wondering why it is referred to as a consultant? If it is a consultant, why would they be in charge of four people?

**MR. VICIAN:** I apologize. I will clarify. The title of the position is a member of the public service. It is called consultant industrial initiative, is one of the four positions. The three other positions report to that person who is a manager who then reports to the department. There is no external consultant involved. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. Vician. Mr. Krutko.

**MR. KRUTKO:** I just have a question in regards to the other expenses. I see there is a little over \$400,000 increase in that area. Could I get a breakdown of what that \$400,000 increase is for?

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. Krutko. Minister McLeod.

**HON. BOB MCLEOD:** Mr. Chairman, I will ask Mr. Dalley to respond to that.

**CHAIRMAN (Mr. Bromley):** Thank you, Minister McLeod. Mr. Dalley.

**MR. DALLEY:** Thank you, Mr. Chairman. The majority of the increase is due to contract services.

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. Dalley. Mr. Krutko.

**MR. KRUTKO:** Mr. Chairman, I am looking at two items on top of the page. It says other expenses, \$1.963 million, an increase from last year which was \$1.496 million. That is the item I am talking about. My next question is under the other item which is under contracting services. I would like to know under other expenses in regards to the \$400,000 increase under that item.

**MR. DALLEY:** The details of the other expenses for the increase, four consist of \$500,000 under contract services. There is approximately...The number that the Member refers to, it goes from \$1.496 million to \$1.963 million, so the majority of this is due to contract services. There is a decrease in travel of \$100,000, so that is the \$400,000, Mr. Chairman. Thank you.

**MR. KRUTKO:** Mr. Chairman, like I stated under contracting services, there has been an increase of \$500,000. How many contracts are out there for the

extra \$500,000 or basically are we talking about retainer contracts or are we talking about large contracts with consultants? What is the \$500,000 increase? How many contracts are we talking about?

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. Krutko. Mr. Vician.

**MR. VICIAN:** The contracts are associated with the minerals and petroleum resource branch and the contract services align with our National Energy Board work that pertains to the Mackenzie Valley Pipeline initiative. So the increases that are reflected here include the contracts for that purpose, with loss of one of our consultant supports for National Energy Board as well as the work that we are proposing to do with regard to the natural gas conversion studies over the coming year and the investment in that area of \$200,000 as well. So that makes up the \$400,000 net difference. Thank you, Mr. Chairman.

**MR. KRUTKO:** Can I get more information in regards to the natural gas conversion project? Where is it going to take place? To what does that pertain?

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. Krutko. Minister McLeod.

**HON. BOB MCLEOD:** It is associated with the Mackenzie Gas Pipeline and I will ask Mr. Vician to give the details, if it is okay with you, Mr. Chairman.

**CHAIRMAN (Mr. Bromley):** Thank you, Minister McLeod. Mr. Vician.

**MR. VICIAN:** The Natural Gas Conversion Study Initiative emerged through the discussions and negotiations with the proponents in regards to trying to get natural gas access to the pipeline when it is built. The proposal identified a feasible option for a number of communities along the pipeline route that could see conversion to natural gas. The work was done at a very high level or table level to date. We have invested a significant amount. This proposal will take the project to the next level, so in the timing of a pipeline, we would be prepared to proceed with guidance to the proponents that some of the communities would see natural gas takeoff points serving the communities for the purpose of electricity generation, home heating and other energy needs in the community. The project would begin here in the new year and we would ask, through experts, consult experts to identify the kind of engineering work, environmental work and costing work that is necessary to make this project feasible to the point we could take it back to the proponents. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. Vician. Mr. Krutko.

**MR. KRUTKO:** Mr. Chairman, in regards to the consultant that is basically dealing with the NEB application, is he on a retainer? Right now there isn't really much happening. Or is that preparing for the outcome of the decision of the National Energy Board?

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. Krutko. Minister McLeod.

**HON. BOB MCLEOD:** The contract is on a retainer. We are also using the services right now to deal with the Trans-Canada intervention with the governance for the pipelines in Alberta and Transboundary Pipelines. Thank you, Mr. Chairman.

**MR. KRUTKO:** Mr. Chairman, can I get a breakdown of what that contract is, what portion of the \$500,000 is for that contract?

**HON. BOB MCLEOD:** The estimated amount for this coming fiscal year is in the neighbourhood of \$417,000.

**MR. KRUTKO:** Are we talking about one consultant here or are we talking about 10?

**HON. BOB MCLEOD:** (Inaudible)...Mr. Chairman, and they access those individuals and expertise as required. Thank you.

**MR. KRUTKO:** It sounds like a pretty hefty contract. I think we have more questions on it, maybe, if we can get more information on it to give us a better understanding on exactly how long this contract is for and exactly how long it has been in place.

**HON. BOB MCLEOD:** This contract has been in place ever since the Mackenzie Gas Pipeline project started. It helped us get ready for NEB hearings. As well, there is additional work that will be required once we get through the regulatory review. This contract, as well, provides for advice in the whole oil and gas regulatory and pricing and all of those different functions with regards to non-renewable resources. Thank you, Mr. Chairman.

**MR. KRUTKO:** Again, Mr. Chairman, it is a pretty hefty contract for \$417,000 per year, and yet, from what we can get, there is going to be no real decision probably until possibly December in regards to the public hearings that took place. In the meantime, we continue to pay, in that they are not working on any real file because basically everybody is in a waiting mode to see exactly what the decision of the review boards are going to be. Again, why couldn't we just simply have them on a retainer versus having to pay them \$417,000, or is that just a retainer?

**HON. BOB MCLEOD:** This is a fee for service contract. If there is no activity, obviously the amounts will be reduced. But I think it is important to recognize that it is also being used in the Alberta jurisdictional court case with regards to governance on the pipelines, which could have significant impacts in the neighbourhood of billions of dollars with regards to tolling fees. It is important to use the best expertise that we can access in order to represent us and to also provide us with advice. Thank you, Mr. Chairman.

**MR. KRUTKO:** Mr. Chairman, is there a possibility that we can get a list of all of these types of fee for service contracts or who are on retainer contracts in regards to this department to provide these types of specialized services under oil and gas amendments?

**HON. BOB MCLEOD:** We can provide that information to the Member. Thank you.

**CHAIRMAN (Mr. Bromley):** Thank you, Minister. We are moving on. We are on page 12-17. Mr. Yakeleya.

**MR. YAKELEYA:** I have one question for the Mackenzie Valley Pipeline office in terms of the work that is going to, or should be happening, or close to be happening, in terms of the actual construction of the pipeline. I have some information in front of me in terms of the community profiles on the Mackenzie Gas Project. Is there anybody in the regions to start coordinating with the communities with the different various departments in terms of what is going to be needed, the impacts that are going to happen in the communities? There is some very good information as to infrastructure, services and needs. I know the aboriginal governments are also anticipating a final decision to go ahead with the construction and everything will be kicking into place, so it's going to be quite busy in the next two to three years, maybe four, if the pipeline does get the green light to build the pipeline down the valley.

Do we have personnel? I know there is personnel in other areas. Do we have personnel in the region that are going to be helping the communities with the regulatory process and also the infrastructure that is going to be required in the communities in terms of this pipeline here?

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

**HON. BOB MCLEOD:** We do have expertise that is available to assist the communities. We have the Mackenzie Valley Pipeline office in Hay River. Each region along the pipeline route has pipeline officers that can work with the communities, and some of

the other departments such as MACA and so on have people as well. Thank you, Mr. Chairman.

**MR. YAKELEYA:** Mr. Chairman, the Minister is indicating that there are other people, pipeline officers in the communities, these are people who have some experience and expertise in terms of dealing with the potential impacts. What I am getting at is just on the impacts on the different departments, do we have the resources right now in 2009-10? We get a green light to say, yes, the pipeline is going to be constructed on a certain start date. Do we have enough people or resources in our communities to give them quality jobs other than just pick and shovel; give them quality jobs in terms of making a livelihood in a short period of the months of the construction?

From my standpoint in my region, I don't see that happening in the education and training department in terms of welders or other equipment that is going to be needed in the region. That is only one aspect of the impacts of the pipeline. I am not very comfortable right now with the resources we have in terms of are we ready for the pipeline in terms of the multiple impacts that are going to happen down the Mackenzie Valley especially for our region. Mr. Chairman, I guess I am looking for some reassurance there maybe from the department and the Minister.

Things right now are pretty quiet because we really don't know what the federal government is going to say. We are hoping that they would give us a favourable response. People are hoping that they don't give us a response at all. For us to be involved with the oil and gas, I think we need to have some type of assurance that once they come around to a final decision, if that decision is to go, we have the resources in place to say, pull the plug or let's get going on training and everything else. I guess that is what I am asking in terms of the usefulness of this Mackenzie Valley Pipeline office. It has to put together some...

I believe it is MACA that put together some of this information on the infrastructure on the profile. That is some good work. I think we need to see this carry on to a level where we feel confident that, yes, we can pull out 20 welders to say, yes, you are going to go to work. I am asking for some assurance from the Minister. I am not too sure how much he can give me for the region that things are in place to go once we know that a decision has been made to construct this pipeline. Thank you, Mr. Chairman.

**HON. BOB MCLEOD:** There are a number of initiatives that are underway; some of them are predicated on the pipeline going ahead. But, first of all, I will start with the socio-economic agreement that we signed with the Mackenzie Valley Pipeline proponents which provides for the negotiation of a

socio-economic agreement on training. That process is ongoing.

My colleague, the Minister of Education, Culture and Employment, has the mandate and responsibility for training. He has the aboriginal oil and gas training initiatives. He has the PITS program, which is Petroleum Institute of Technology Services, which provides for training of people for work in the oil and gas field. I think it will be an opportune time to start training people in anticipation of the pipeline going ahead. Of course, there is the federal socio-economic fund, which is \$500 million identified by the federal government spread out over 10 years, that will start flowing as soon as there is an indication that the pipeline will be going forward. Thank you, Mr. Chairman.

**MR. YAKELEYA:** Thank you. I certainly was aware of the other initiatives, as the Minister has said, about what is happening with the other funding that is available for...In case the pipeline goes ahead, there is certainly some work that needs to be developed and implemented. I guess I am looking in terms of the Mackenzie Valley Pipeline office in terms of giving some assurance in our region. Number one, has the office visited our region along with our expertise in Norman Wells and who is looking at all the Sahtu communities? We understand this is your concern in Tulita, Deline, Colville, Good Hope. This is what we are looking to address along with the aboriginal governments. Has that office gone to that level to actually come into the Sahtu communities to have a discussion on the pipeline and other areas that funding could be available should construction go ahead? That is what I am looking for. Thank you.

**HON. BOB MCLEOD:** Thank you, Mr. Chairman. The Mackenzie Valley Pipeline office works with every region along the pipeline route and also provides support to the regional oil and gas officers. As well, in this budget for ITI we are proposing to fund the Aboriginal Pipeline Group in the amount of \$300,000 as well as providing funding for aboriginal government capacity in the amount of \$360,000, community support in the amount of \$55,000 and to help secondary industry, \$50,000. Thank you Mr. Chairman.

**MR. YAKELEYA:** Thank you. My last question, Mr. Chair. The Minister has indicated the amounts going out to the various aboriginal groups. Again, I am going to ask, has the pipeline office, with the various funding going out to the groups, gone into Fort Good Hope, sat down with people in Tulita, Deline, Norman Wells and Colville Lake and said here are some of the things we want to be cognizant of, we want to be aware of? What are your concerns with the aboriginal groups, with the communities, with the bands in regards to if a pipeline goes ahead? There is expertise in the

region, as the Minister has indicated. Have we had a real good community meeting in terms of the construction of the pipeline, if it goes?

**HON. BOB MCLEOD:** Thank you, Mr. Chairman. We rely quite a lot on our regional oil and gas officer to deal with the communities in the Sahtu. But subject to our budget being approved, we will be initiating a Community Engagement Initiative whereby we will have some of our officers from the Mackenzie Valley Pipeline office engaging all of the communities on the pipeline right-of-way. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. McLeod. I don't have any others on the list here. We are on page 12-17, activity summary.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bromley):** Folks, I'll just read this through. Activity summary, minerals and petroleum resources, operations expenditure summary, for the record, \$6.456 million. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bromley):** Thank you. Page 12-18, activity summary, minerals and petroleum resources, grants and contributions, contributions, \$1.245 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bromley):** Mr. Yakeleya.

**MR. YAKELEYA:** Mr. Chair, can I ask the Minister in terms of I know I spoke earlier in the House here in terms of the projects going forward in the Northwest Territories and I spoke on the planned initiatives. The Minister has responded to me with some of the answers; however, I would ask in terms of the energy planning through the various committees, through the various decisions, what type of factors go into planning for energy use?

**CHAIRMAN (Mr. Bromley):** Excuse me, Mr. Yakeleya, for interrupting. We are on 12-18 and energy planning is 12-20. We'll get there shortly. Committee, we're on page 12-18, activity summary, minerals and petroleum resources, grants and contributions, contributions, \$1.245. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bromley):** Thank you. Page 12-19, information item, minerals and petroleum resources, active positions. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bromley):** We are now on page 12-21, energy, activity summary, energy,

operations expenditure summary, \$7.229 million.  
Mr. Yakeleya.

**MR. YAKELEYA:** Thank you, Mr. Chair. Again I would want to ask the Minister in terms of the energy planning in terms of their intelligence, in terms of their scoping, their reasoning and decision-making in terms of allocating dollars to certain areas where energy is used for community projects. It seems that from the community of Deline at least, they've been in the area investing. I don't know how long you can stay in a feasibility study for the mini-hydro. They claimed they had at least 16 years into that business. There are certain areas that I can't say right now in terms of the work that they're doing right now with the mini-hydro project, because I want to leave that for them to work out. But seeing when the energy plans or papers are released, certainly some of the smaller isolated communities with the high costs of energy has been of a long-term planning, and there are other areas that planning went into facilities that have the low costs of energy.

So I'm somewhat perplexed in terms of some of the dollars that are going into the energy planning.

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

**HON. BOB MCLEOD:** Thank you, Mr. Chair. We worked quite closely with the Standing Committee on EDI and we had feedback, and part of the feedback was that we should be more representative in every region, although perhaps there would be some projects that had better opportunity for success. We tried to accommodate that and we tried to provide for projects in every region for territorial programs that would be application-based.

Specifically with regards to Deline, the delay with regard to mini-hydro is that it felt there wasn't a project put forward that had proven technology. The hydro connectic proposal was for power generation that was significantly more than any actual hydro connectic project that was producing energy. So I guess it wasn't clear that it was proven technology that worked. Thank you, Mr. Chair.

**MR. YAKELEYA:** The initiatives that have come forward so far in the books certainly doesn't seem that there's proportional representation in terms of the amount of infrastructure going into different energy projects, and you can see it in the budget here. So that's my bone of contention here in terms of the areas that are seeing where there's energy that is very high, that there aren't many projects going in to reduce the costs of energy in those communities or regions.

Mr. Chair, the community of Deline wasn't aware of this proven mainstream hydro technology. They have contracted with the various consultants to look at it. They were told many times in meetings from the Energy Corp that this is something that they wanted to investigate and get into. The community of Deline has been very patient. For 16 years they've been trying to get a mini-hydro facility into their community. They have contacted Deline has two places, one in B.C. and one in Mississippi that has proven that this technology is viable. We seem to be getting stonewalled by the Energy Corp in terms of going ahead with it, so they are getting somewhat frustrated with the Energy Corp and the attitude that they know what is best for our community.

I spoke to the community of Deline and they wanted to work out some of the issues. You know, they don't want to get into a cat and dog fight with our government. They want to know what is best for the community and they can go ahead with it. There are lots of things that I shouldn't be saying here, that I am not going to say here because that is from the community of Deline. I am hearing from the Minister of this government here. So they want to move ahead with it, and they feel that there needs to be some very open communication with this government in terms of moving ahead with this project. There are a number of factors that Deline has been up against and I think with this here, I think there should have been some consideration.

I do appreciate what the Minister has said in the budget, the Minister of Finance, in terms of their area of feasibility and other areas we are looking at. Those are long-term projects to do some work, but I think Deline is passed that stage and they actually should be having a mini-hydro project in this year or at least last year in Bear River. This hydro project should have been on the ground and running already, so that is why I am getting somewhat perturbed as to the energy planning in the Northwest Territories.

Mr. Chairman, I would like to ask the Minister, in terms of the Deline mini-hydro project as one example, in our region there are four other communities that are looking for help also. But this one here, because they have been in the books for awhile and it has been on the table with the two organizations, could we see something like that in terms of this budget? Thank you.

**HON. BOB MCLEOD:** Thank you, Mr. Chairman. We are committed, and feel like the Member, that small communities, we feel wherever possible, if we can generate mini-hydro, we would be very supportive. We have already committed to going to the community and meeting with the principals and also to go and check out these sites that have been indicated by the community, and certainly if it

works, then we will support it. Thank you, Mr. Chairman.

**MR. CHAIRMAN (Mr. Bromley):** Thank you, Minister McLeod. Moving on, Mr. Krutko.

**MR. KRUTKO:** Thank you, Mr. Chairman. Mr. Chairman, my questions are in regards to grants and contributions. I note in the grants and contributions you have different sections. Before we used to have a line item called mini-hydro for communities. I see we have moved away from that. Now we are basically talking about energy contributions. But again, I noted in there, I can see the Fort Providence Transmission Line Project is in there, but there is also \$2.5 million dollars for the Taltson River Hydro Electricity Expansion, and I think that, for me, I think it would probably be more appropriate for the Fort Providence transmission line to be in the Taltson electric review stuff, because part of the review they are doing the feasibility study and also environmental baseline work that is needed for that expansion. I think that the Taltson project right now, my understanding was it had something like 10 megawatts of surplus power, but a lot of that power is now being used to electrify heat in buildings in Fort Smith and also potential mining activity around the old Pine Point site. I am just wondering is there enough electricity that is going to be there and also how much are we going to lose by extending the line from Enterprise or Hay River to Fort Providence by way of line loss because of the 150 kilometres. We are talking about extending the line that far. I am wondering, why was that not considered as part of the Taltson review process, because the power is going to come from Taltson. The line you are talking about is part of the Taltson hydro line that is already in place. You are going to have to extend that and I think that they have more expertise in that area than having to try to bring experts in from under the energy contribution dollars. I am wondering, is that something that has been considered in light of the review of the Taltson project and what happens if the Taltson expansion doesn't go forward because we cannot find power purchase agreements? What happens to the surplus power that is presently there and that is presently being used in Hay River to heat buildings and also the potential in case there is an expansion in Hay River for more power, what happens then?

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. Krutko. Minister McLeod.

**HON. BOB MCLEOD:** Thank you, Mr. Chairman. I think it is important to realize that the Fort Providence Expansion Project is independent of the Taltson Hydro Expansion Project. It will be predicated on using existing surplus power from the Taltson Dam. In work that we are undertaking, planning work with Northland Utilities, and what the

government is looking at contributing to if the project goes ahead, would be the incremental costs of replacing the diesel generating plants in Fort Providence, Dory Point and Kakisa. So it would not be part of the Taltson Expansion Project. Thank you, Mr. Chairman.

**MR. KRUTKO:** Mr. Chairman, I had to chuckle to myself; I mean, I don't see you replacing the power generations in Fort Providence and Kakisa. You are going to need a backup system in those communities regardless if you have hydro or not. What happens when the hydro goes down? You are still going to need a residual power source in those communities, so you will still need those diesel turbines to be on standby in case the power goes down, like you do here in Yellowknife and other communities in the Northwest Territories. So, again, I find it kind of odd that we would replace the existing turbines. If anything, you would keep the turbines and replace them with electric turbines, which basically in this case you would have to have a residual power source.

For example, what would happen in regards to the problem we ran into in Behchoko, in which they were out of power for quite some time because there were downed power lines and they couldn't get their system to run. So I think you do have to have a contingency plan in most cases. But again, this is all dependent on the construction of the bridge across the Mackenzie for this to take place.

I would just like to know, is there going to be a toll or charge to the residents for having the power crossing the bridge, and will there be a charge to tie onto that bridge and what is the cost of that?

**HON. BOB MCLEOD:** Obviously we need backup power in every community and what is being proposed here is we would have hydro-powered electricity which would replace diesel-generated electricity which would result in a decrease in greenhouse gas emissions and hopefully result in much cheaper power. As far as whether there is going to be tolls to go over the Mackenzie River bridge, I think it is too preliminary at this stage. I don't think there has been any of those discussions. We are in the planning stages. Thank you, Mr. Chairman.

**MR. KRUTKO:** If we haven't even planned this out yet and we don't even know if we are going to get charged, why are we going forward with this proposal until we know what all the cost factors are going to be for this initiative? I mean, you are talking about a major expansion in regards to a transmission line, then crossing a bridge, then basically you have to ensure that you have enough power, which will come from the Taltson system, to be able to ensure that you have power that will meet the demands of people in Hay River, Fort

Smith and other communities in regards to future needs. I think that, if anything, you have to have a contingency plan in place to ensure that all those questions are being asked before we go forward with this project, so that is why I am asking, why couldn't that have been part of the Taltson review. Again that is all based on power purchase agreements. Do we have an agreement in regards to a transmission line? Do we have enough power there that can basically fill the void in regards to the surplus power that is already there?

I know there is an issue in regards to...there is talk about Hay River looking at some kind of a pipe plant in regards to that being expanded. But the question was, is there even enough power using the surplus power from the Taltson to basically provide that industry with the power that is going to be needed to develop a pipe coating plant in Hay River? These things all have to be answered before you can make a decision on how much power is there. But, more importantly, is there really enough power in regards to future needs with the Taltson project that is there now, without going forward in regards to the mines shutting down and not signing on to power purchase agreements? So I think there are too many if's in this equation to make that decision.

**HON. BOB MCLEOD:** Thank you, Mr. Chairman. That is exactly why we are only proposing to spend \$200,000 this year, because we are going to be using that money for planning purposes. Thank you, Mr. Chairman.

**MR. KRUTKO:** Could the Minister give me breakdown on that \$2.5 million in regards to the energy contributions? I know you have Lutselk'e mini-hydro, Whati mini-hydro, Fort Providence transmission line, Bear feasibility, in-stream hydro projects and the expanded residual heat. So could you give us a breakdown of all those projects and where they go and what are those projects?

**HON. BOB MCLEOD:** Thank you, Mr. Chairman. I believe we are on 12-22.

**CHAIRMAN (Mr. Bromley):** Thank you, Minister McLeod. The details are on 12-22, the dollars are also represented on 12-21. Would Mr. Krutko agree that we complete this page and address it on the next page?

**MR. KRUTKO:** Six million five hundred fifty-five thousand dollars. Give me a breakdown on that.

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. Krutko. Minister McLeod.

**HON. BOB MCLEOD:** Yes, it is the second number in line under grants and contributions on page 12-21. I am sorry, I thought he said \$2.555 million. So, to Lutselk'e mini-hydro, \$250,000;

Whati mini-hydro transmission line, \$250,000; Fort Providence transmission line, \$200,000; Bear River feasibility, \$100,000, in-stream hydro project, \$250,000; expansion of residual heat, \$1.5 million; for a total of \$2.550 million.

**CHAIRMAN (Mr. Bromley):** Thank you, Minister McLeod. We will be moving on now to Mr. Beaulieu.

**MR. BEAULIEU:** Thank you, Mr. Chairman. I just have a question on the Lutselk'e mini-hydro. I thought that there was going to be \$5 million allocated to this project this year. I see that it is \$250,000. I am wondering if there are budgets elsewhere for this, or if I am mistaken and there is \$5 million next year.

**CHAIRMAN (Mr. Krutko):** Thank you, Mr. Beaulieu. Minister of ITI. Mr. Vician.

**MR. VICIAN:** Thank you, Mr. Chairman. The proposed budget for the mini-hydro work in Lutselk'e is proposed at \$250,000 to continue with the studies associated with developing this project. The project has a need at this point because of the lifecycle of the existing power generation facility and to coincide with the decision on whether to replace the power facility or to bring mini-hydro in as a solution. Over the next two years work would continue, \$250,000, leading to a decision to construct a new facility, which is currently estimated at approximately \$12 million. In that context, a decision would be made as to supplementing the cost of a traditional conversion from diesel to mini-hydro versus just maintaining the diesel generating plant. So it is still a couple of years out before that final decision is made. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Krutko):** Thank you, Mr. Vician. Mr. Beaulieu.

**MR. BEAULIEU:** It seems slow for me, but, anyway, I have another question on the...I am not sure this question was actually answered, but I wasn't really answered to what I wanted to hear anyway, so I am going to ask the question. Two and a half million dollars, I am assuming that that is a contribution for the assessment, environmental baseline assessment for one of the routes, all of the routes, or what exactly are they spending \$2.5 million on?

**CHAIRMAN (Mr. Krutko):** Thank you, Mr. Beaulieu. Minister McLeod.

**HON. BOB MCLEOD:** Thank you, Mr. Chairman. That is for all of the work that is required to go forward, so that includes some of the regulatory work, some of the engineering, and all of these costs will be cost recoverable when the project goes ahead. Thank you, Mr. Chairman.

**MR. BEAULIEU:** I guess my question was, are we doing that work on all of the routes or one of the routes?

**HON. BOB MCLEOD:** As part of the environmental assessment process, the proponent, as a corporation, was asked to do a desktop analysis of four routes. Thank you.

**MR. BEAULIEU:** Mr. Chairman, although I don't have the information to oppose anything that is being proposed by the government, however, it seems to me like that in 2007-2008 we spent \$1.8 million. Last year we planned to spend \$3 million. I don't know what we spent, but we planned on spending \$3 million. This year we are planning on spending \$2.5 million. We are spending, so far...Our objective, I guess, by the end of the next fiscal year is to spend \$9.3 million dollars on environmental baseline work that is actually a desktop type of work. I am wondering about the value, really thinking about the value of that takes us three good years, which is, you know, a good solid 36 months and \$9.3 million dollars and we are not really certain, are we, if we are going to proceed. I am assuming the reason that it is a desktop study is so that we don't get too far into the expenditures of this government to find out at the end of the day that we are not going to do the project, because it is not feasible, that we are not able to sell the hydro to the mines. I guess I am asking the Minister if this is real. Is this really \$9.3 million dollars over 36 months to see, to check if it is feasible? Thank you.

**HON. BOB MCLEOD:** I can assure the Member that this is real. A significant amount of prefeasibility and engineering work and environmental work was done on the transmission line and the business case that was put forward was for the line to go to the diamond mines. What the environmental process required us to do was a desktop of three additional routes, one of them being the Simpson Island route, another one being a submarine cable and a third one being a west arm route. So those three were desktop reviews to get some very preliminary costs with those routes. But as far as the east arm route and the transmission route, there was significant work undertaken, and that money, as I indicated, would be recoverable once the project goes ahead.

I think that to spend \$9.3 million on prefeasibility work on meeting the requirements of the regulatory process and to do preconstruction activities for what is ostensibly a \$500 million project I think would be reasonable expenditures, especially since those costs would be recoverable once that project goes ahead. Thank you, Mr. Chair.

**MR. BEAULIEU:** Just changing gears for a second here, I am wondering why you changed the line

item from mini-hydro for communities to energy contributions for the two mini-hydro projects. It's not that it's that significant to me. I am just curious, because under the mini-hydro, again we have expenditures of \$2.7 million. Pardon me, sorry, I am counting the revised amount, so \$1.6 million roughly under mini-hydro for communities. Then we don't put anything else into that section and then we put both the Lutselk'e mini-hydro and the Whati mini-hydro down under energy contributions. I am just wondering if the Minister could tell me why that change was made, although again I think you answered that for a previous question. However, I just didn't really understand, so I will ask the question again. Thank you, Mr. Chairman.

**HON. BOB MCLEOD:** I guess what we were trying to do was to simplify the process and to show exactly how much we were making in energy contributions. So we felt this way we could combine all of the projects on one line item which would simplify the information provided. Thank you.

**CHAIRMAN (Mr. Krutko):** Next on the list I have Mr. Bromley.

**MR. BROMLEY:** Thank you, Mr. Chair. I just want to say all my questions have been answered except for a bunch on the next page. However, maybe I will just ask for clarification. I see that the department is the coordinator of energy planning for GNWT for non-renewable, non-conventional and renewable energy sources in the NWT. I am wondering if that's a recent clarification. I am wondering where Environmental and Natural Resources sits in the renewable energy side of things. Who will be the lead on things like wind and other forms of renewable energy? Thank you.

**CHAIRMAN (Mr. Krutko):** Thank you, Mr. Bromley. Minister of Industry, Tourism and Investment, Mr. Bob McLeod.

**HON. BOB MCLEOD:** Thank you, Mr. Chair. I guess we are all in this together. We are working closely with the Department of ENR and also the Department of Transportation and the Premier's office with his responsibility for the Power Corporation. So under the Ministerial Energy Coordinating Committee, we work very closely. For the most part, the departments continue to exercise their primary responsibilities. So with regard to energy conservation, wind, biomass, those types of projects, the Department of ENR would continue to exercise the lead responsibility. Thank you, Mr. Chair.

**MR. BROMLEY:** Thanks for those comments from the Minister. Just by way of a brief comment courtesy of this Minister, I was able to visit Manitoba on a hydro tour and learned quite a bit on that tour. Certainly one of the things that was

impressed on us was the long, long time frames and the significant dollars that go into developing any kind of hydro. Of course, it's a different scale than much of our hydro, but I have also had personal experience with the Whati project and can testify at least as much patience is required as dollars for prefeasibility studies, et cetera. Just a side note to my colleagues there, Mr. Chair. Thank you.

**HON. BOB MCLEOD:** I think we appreciated the participation of the Members of the standing committee and I think we all learned a lot from the trip. I think it brought home that we have to prepare well in advance and that we have to have a Hydro Strategy developed to make sure that we take advantage of hydro opportunities as they come forward. Thank you.

**CHAIRMAN (Mr. Krutko):** I just want to bring it to the attention of Members that we're not allowed to have any food or beverages in the House. So whoever is chewing gum, if they could chuck it. Okay, we're on page 12-21, activity summary, operations expenditure summary, energy, \$7.229 million.

**SOME HON. MEMBERS:** Agreed.

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

**MR. BROMLEY:** Thank you, Mr. Chair. I see \$1.5 million on page 12-22 for Hydro Strategy and specifically for economic engineering and environmental work on emerging opportunities is required. I wonder if we could get a head's up on what those emerging opportunities are.

**CHAIRMAN (Mr. Krutko):** Minister of Industry, Tourism and Investment, Mr. McLeod.

**HON. BOB MCLEOD:** Thank you, Mr. Chair. I will ask the engineer to respond to that. Thank you.

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

**MR. VICIAN:** Thank you, Mr. Chairman. The investment in the NWT Hydro Strategy is a multi-year investment and, as the Member indicated earlier, one that is needed to assess the feasibility and the engineering and environmental elements of such a project and there are a number of projects we are looking at. This contribution proposal would be directed to the Northwest Territories Energy Corporation which houses the expertise in the NWT for energy initiatives of this scale. Work proposed for 2009-10 will continue to identify, compile, prioritize locations in the Northwest Territories that are best first for hydro development in the Northwest Territories.

Much work has been done previously and all of that work would be considered and utilized, but the

intent is to look again at the work done in the past. It would also assist and supplement any additional works that would be necessary for projects like Lutselk'e or Whati, the Taltson projects that are ancillary to possible main business case for supply to the mines, line option issue that could supplement hydro to some of the other communities.

But overall what it's looking at is energy supply for the NWT from hydro solutions in the Northwest Territories. This begins the multi-year process of investment in that area. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Krutko):** Thank you, Mr. Vician. Mr. Bromley.

**MR. BROMLEY:** Thank you. I appreciate those remarks. Also, I am wondering where the Minister would categorize where we are at with each of the projects under the energy contributions category here in terms of the prefeasibility, feasibility, ready to develop and so on. If I could take advantage of this and just ask him to repeat the amounts to be allocated for each of those. Those were read off pretty quickly and I didn't quite capture them earlier. Thank you.

**CHAIRMAN (Mr. Krutko):** Okay. Thank you, Mr. Bromley. Maybe it's possible if we could get a printout of that to circulate around and everybody can see what those projects are, if that's okay with Mr. Bromley. Mr. Bromley.

**MR. BROMLEY:** Thanks, Mr. Chair. Yes, you are thinking the amounts there and I was also asking for what the status is, where we are for each of those projects.

**CHAIRMAN (Mr. Krutko):** Thank you, Mr. Bromley. Minister of ITI.

**HON. BOB MCLEOD:** Thank you, Mr. Chair. Lutselk'e mini-hydro, \$250,000. We expect some of the work will take place this year. It will probably take a couple of years. Whati mini-hydro transmission line, \$250,000. We see that we need to have some clarification between the community and the Tlicho Government on whether there is a meeting of the minds on that. Fort Providence transmission line, the planning work, \$200,000. We expect that will take place this coming fiscal year. Similarly, Bear River feasibility, \$100,000. That will take place this coming year. In-stream hydro project, \$250,000. We expect some preliminary planning work will take place this year in a test site. The expansion of residual heat, \$1.5 million. That one we expect to begin work in communities that have been previously identified: Holman, Fort Liard, Fort Simpson, Inuvik. I guess those are potentially communities that could fall under that. Thank you, Mr. Chair.

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

**MR. YAKELEYA:** I would like to ask the Minister, Mr. Chair, how much is going to be allocated to the Deline project.

**CHAIRMAN (Mr. Krutko):** Minister of ITI.

**HON. BOB MCLEOD:** Thank you, Mr. Chair. We have for the first year about \$100,000 and potentially \$1.6 million over the three years. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Krutko):** Thank you, Mr. Minister. Mr. Minister, is it possible to get copies of that? I think it's good that all Members have the same copy you are reading off of.

**HON. BOB MCLEOD:** Thank you, Mr. Chair. We will provide information to the Members.

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

**MR. YAKELEYA:** So just for clarification, you say the Deline project, you said \$100,000 and \$1.6 million over the next three years. Is this the Bear River? That's other projects that could be identified by...I know the community of Tulita has initially looked at one area where they think they could produce some energy at a reasonable mini-hydro project. I am asking specifically for the Deline project as it's been in the books for the last...Is this something that the Minister is saying to me that...I am not too sure if it's in line with what I read before in terms of the Bear River feasibility. Is that something like that? Deline is a separate project like Whati or Lutselk'e. Deline has somehow dropped off the books here. Now I don't know if they are mish-mashed with the other projects that are supposed to be considered for the Sahtu.

**CHAIRMAN (Mr. Krutko):** Minister McLeod.

**HON. BOB MCLEOD:** Thank you, Mr. Chair. The Member is correct. We are looking at the Bear River Project, but under the Hydro Strategy there is potential of \$1.5 million a year and that's where if the Deline project comes forward with a project with proven technology, that's where we would see us funding it from. Thank you, Mr. Chair.

**MR. YAKELEYA:** I certainly appreciate the Minister's clarification. I guess the next big task would be to agree on what is proven technology in terms of different variations of what proven technology is. I hope that through the Energy Strategy and the Deline mini-hydro project, that they get some blessing in terms of implementing the mini-hydro project. I am very disappointed in the books that it doesn't identify itself. It identifies Whati and Lutselk'e with their hard work and those two communities are similar to Deline and somehow it got mixed up in terms of the funding here.

Mr. Chair, I want to ask on other initiatives in terms of other regions here. I know there are some good ideas out there. Is there a fund there that other regions could look at with small projects? Again, I don't know if the definition from the department is small in terms of small projects on hydro initiatives that they could implement in their communities and produce cheap energy for the communities.

**HON. BOB MCLEOD:** As we indicated, we will work very closely with the community to flesh out their project and to move it forward and identify the funding for it. Thank you.

**CHAIRMAN (Mr. Krutko):** Thank you, Mr. Minister. With that, we will take a short break. Thank you.

---SHORT RECESS

**Chairman (Mr. Bromley):** Committee, I'd like to call Committee of the Whole to order and we will continue with the detail on Industry, Tourism and Investment. We are on page 12-22. Mr. Krutko.

**MR. KRUTKO:** Thank you, Mr. Chair. Mr. Chair, I would just like to read something with regard to the budget address on page 8. It says the budget proposed an increase in funding for energy conservation and efficiency in government buildings and public housing for \$2.5 million. Included in this fund is \$1.5 million to develop and expand residual heat systems in Kugluktuk, Fort Liard, Fort McPherson, Fort Simpson and Inuvik by capturing ways to heat through heat exchangers and technology in those communities will reduce heating fuel consumption and greenhouse gas emissions. I would just like to note that you didn't mention Fort Simpson, Fort Liard, Kugluktuk and also Inuvik. Is that the same \$1.5 million that you mentioned for other communities? I would just like clarification, because that's what is in the budget address but it's different on this page.

**Chairman (Mr. Bromley):** Thank you, Mr. Krutko. Minister McLeod.

**HON. BOB MCLEOD:** Thank you, Mr. Chair. I stand corrected. The Member is correct. The list should have included Ulukhaktok, Fort Liard, Fort McPherson, Fort Simpson, Inuvik, Holman Island and it's to develop or expand residual heat. I stand corrected. Thank you.

**Chairman (Mr. Bromley):** Thank you, Minister McLeod. Anything further, Mr. Krutko?

**MR. KRUTKO:** Thank you, Mr. Chair. That's good.

**Chairman (Mr. Bromley):** Thank you. I have no further people on my list. We are on page 12-22, activity summary, energy, grants and contributions, contributions \$6.550 million.

**SOME HON. MEMBERS:** Agreed.

**Chairman (Mr. Bromley):** Thank you. Page 12-23, information item, energy, active positions.

**SOME HON. MEMBERS:** Agreed.

**Chairman (Mr. Bromley):** Page 12-25, activity summary, tourism and parks, operations expenditure summary, \$12.753 million. Agreed? Mr. Krutko.

**MR. KRUTKO:** Thank you, Mr. Chair. Mr. Chair, I asked questions in the House earlier this week with regard to tourism and parks. We do have parks that are established under land claims agreements, which are classified as protected areas but they're just like any other territorial park. In those agreements, there are certain plans being developed. There is a park management plan to identify how the park is going to be managed and also there is a committee that is established as a park committee to oversee the management of those parks. One of the main components of those agreements is to promote the culture and history of those regions as part of the promotion of their parks with the information centres and the tourism promotion items in the different territorial parks and land claim areas. Where in this do we see the establishment of territorial parks under the protected areas such as the Gwich'in Territorial Park and the Dodo Canyon Park with regard to how they are being implemented by way of these agreements that have been negotiated and worked on between the Government of the Northwest Territories and those aboriginal organizations?

**Chairman (Mr. Bromley):** Thank you, Mr. Krutko. Minister McLeod.

**HON. BOB MCLEOD:** Thank you, Mr. Chair. My understanding is that through the creation of a territorial park, it is a protected area and the current operations and maintenance contract for the Gwich'in Territorial Park is held by Chii Construction Services of Inuvik until the fall of 2009. This was awarded to them through an agreement with the Gwich'in Tribal Council in 2007. Thank you, Mr. Chair.

**MR. KRUTKO:** Again, I think it's important for the government to read the protected areas of those land claim agreements because it specifically states more than just a simple contract. It talks about managing the park. It talks about training. It talks about job opportunities. I think that those agreements mean something to the groups that have negotiated them. I would just like to know how you guys follow those land claim agreements and implement those sections of the agreements in light of your responsibility for tourism and parks. There is that agreement that is in place which identifies how

that relationship is going to be worked on going forward. So I would like to know exactly how closely do you ensure the implementation of those land claim agreements.

**HON. BOB MCLEOD:** There is a memorandum of agreement between the Gwich'in Tribal Council and the Government of the Northwest Territories on the development, operation and maintenance of the Gwich'in Territorial Park. There was a Parks Management Committee that was established to oversee the development of the park master plan and to recommend the plan to the Minister of the day. The committee did meet on an ad hoc basis following the 1995 approval. Our understanding is its mandate ended with the completion of the plan. The park was overseen, managed, by Chii Construction and more recently they went to contract tender for a registered Gwich'in business. This was for snow removal contract that the Member raised questions about. Thank you, Mr. Chair.

**MR. KRUTKO:** Again, I would just like to point out that there are these agreements, these plans, and I think it's important that you continue to work on the basis of how those things came about and that you don't just lose sight of it and just figure everything is over because you have a couple of contracts. I think this is a long-term goal. The land claim groups took it on their own to designate lands and took them out of circulation from the federal government to the Government of the Northwest Territories and for the aboriginal groups to establish parks so that they can be enjoyed by everyone. I think we can't simply undermine those agreements. It's important to realize that there was a lot of goodwill on all sides to establish these parks, because we do have areas designated to be protected because of the establishment of these parks.

I would just like to ask the Minister are there any plans to do a review with regard to the implementation of the park management plans and ensure that they're working as they were supposed to?

**HON. BOB MCLEOD:** We fully subscribe to the Member's comments and we have requested our regional superintendent to begin discussions with the chief to determine if additional work is required, if we are remiss in any way. We are prepared to elevate it to discussions with the president to make sure that we meet all of our requirements and commitments. Thank you.

**Chairman (Mr. Bromley):** Mr. Krutko, anything further?

**MR. KRUTKO:** No, that's it, thanks.

**Chairman (Mr. Bromley):** Thank you. Moving on, Ms. Bisaro.

**MR. BISARO:** Thank you, Mr. Chair. I have a question on page 12-25. I hope that's where we are. It's with regard to the contract services. There is a rather large increase from last year to this year and, as well, over '07-08. It's almost a \$2 million increase in contract services. If I could get an explanation of why the large increase, please. Thank you.

**Chairman (Mr. Bromley):** Thank you, Ms. Bisaro. Minister McLeod.

**HON. BOB MCLEOD:** Thank you, Mr. Chair. The two most significant increases are with regard to promoting the Olympics where we have an identified budget of \$1.39 million and our national marketing campaign to advertise the North of \$400,000. I will ask Mr. Vician to identify any other increases, Mr. Chair.

**Chairman (Mr. Bromley):** Thank you, Minister McLeod. Mr. Vician.

**MR. VICIAN:** Thank you, Mr. Chair. Of course, under the tourism and parks area, this constitutes the areas where we maintain our park systems. So park maintenance and upkeep, contracting, adds up to \$309,000 in the South Slave region; \$362,000 in the North Slave region; \$318,000 in the northern region, the Inuvik region; \$63,000 in the Sahtu region; and an additional general account to support the ongoing O and M upgrades of the various parks across the system in the range of \$220,000. Thank you, Mr. Chairman.

**Chairman (Mr. Bromley):** Thank you, Mr. Vician. Ms. Bisaro.

**MR. BISARO:** Thank you. Now I am really confused. I thought the Minister said we had \$1.4 million for the Olympics and 0.4 for the national marketing campaign, and then Mr. Vician gave us another whole bunch of numbers which took me well beyond the \$1.8 million which I see is the difference between these two numbers. I am talking about contract services. Is everybody on the same page or not? Thank you.

**Chairman (Mr. Bromley):** Thank you, Ms. Bisaro. Mr. McLeod.

**HON. BOB MCLEOD:** Sorry, Mr. Chair. What we gave her was the total list totaling \$3.75 million. Thank you.

**MS. BISARO:** Okay. Now I understand. So the increase is caused by 2010 and the marketing campaign. Is that correct? Thank you.

**HON. BOB MCLEOD:** That's correct, Mr. Chair.

**MS. BISARO:** I would like to now know why it's under contract services. Have we contracted for the marketing campaign? I guess I could probably understand that, but have we contracted with people outside this government for \$1.4 million for the Olympics? Thank you.

**HON. BOB MCLEOD:** We have not entered into any contracts at this time because anything we do is subject to budget approval. Thank you, Mr. Chair.

**MS. BISARO:** This goes to why I have such difficulty with this budget. Perhaps unassigned money could go to some other place besides contract services. It seems that different departments put unassigned money in different places. Maybe we even need a new category that says not yet assigned or something. It seems strange to me that we'd put \$1.8 million in contract services when it doesn't really belong there. Thank you. No question, just a comment.

**HON. BOB MCLEOD:** Maybe Mr. Vician will clarify, Mr. Chair.

**CHAIRMAN (Mr. Bromley):** Mr. Vician.

**MR. VICIAN:** Upon approval of the budget and effective April 1<sup>st</sup>, the department would be in a position to proceed with contracts necessary to proceed with the Olympic initiative, which would involve a series of contracts that deal with the promotion and the presence at 2010, and in addition the marketing campaign that would involve a great deal of promotional contracting work that would be done through and in partnership with Northwest Territories Tourism. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. Vician. We're on page 12-25, activity summary, tourism and parks, operations expenditure summary, \$12.753 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bromley):** Moving to page 12-26, activity summary, tourism and parks, grants and contributions, contributions, \$4.386 million. Mr. Krutko.

**MR. KRUTKO:** Thank you, Mr. Chair. Mr. Chair, I have a question in regards to the sport hunting outfitters marketing support. I'd just like to ask the Minister, are there any support systems in place for First Nations organizations to buy out these outfitter licences? I'll use an example: The Arctic Red River Outfitters, which is in the Gwich'in settlement area, under the land claim agreements the Gwich'in have first right of refusal. The same thing applies to the Sahtu agreements. I think it's important that this government, if they're supporting outfitters, have to realize that there's also other groups who may want

to get into the market, but...I'm just wondering if you do also have supports in place for aboriginal groups to get into the outfitting business by way of taking over some of these licences.

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. Krutko. Minister McLeod.

**HON. BOB MCLEOD:** Thank you, Mr. Chair. There is no specific program. Anybody that would want to see buying an outfitter business would have to access it through our normal business funding loans programs. Thank you, Mr. Chair.

**MR. KRUTKO:** Could the Minister elaborate in regard to the outfitter loans programs? Is that a new program? I'm talking about purchasing one licence off of another outfitter who basically wants to sell.

**HON. BOB MCLEOD:** We don't have an outfitter loans program. We have sports outfitter marketing support programs so we would assist those outfitters that are out marketing their hunts. We would assist in that regard. We wouldn't see this as being used to support the purchase of an outfit business. Thank you, Mr. Chair.

**MR. KRUTKO:** I was talking to something totally unrelated to this item. I was talking about the actual licences of these outfitters and what's the process to dispose of them by way of selling them off. Do they have to get permission from the government or is there a way that you can assist by way of evaluating the value of those licences?

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. Krutko. Just a reminder that questions like that are legitimate under economic diversification and business support coming up. This page is about the contributions listed here. I will allow the Minister to answer that question.

**HON. BOB MCLEOD:** Normally what happens in the situation as the Member outlined is the business assistance would have to stand on its merit and it would likely be based on ability to repay and the security that would be available to support a loan. Thank you, Mr. Chair.

**MR. KRUTKO:** Okay. I'll ask another question to this line item then. In regard to the \$300,000 for these sports outfitter businesses, a lot of these outfitters are from the United States, southern Canada. Is that the group that basically will get this \$300,000? How is it going to be distributed? How fair is it to the northern outfitters versus outfitters that operate out of the United States?

**HON. BOB MCLEOD:** It's our intention to consult with the different outfitter associations and community groups to determine how this money can be best expended. We had identified funding through the Tourism Diversification and Marketing

Program, which was essentially to provide existing businesses with opportunities to establish new opportunities through the eco-tourism and adventure tourism market. We were prevailed upon by the consumptive outfitters to promote caribou and polar bear hunting and that's what we're doing here. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. McLeod. Mr. Jacobson.

**MR. JACOBSON:** Thank you, Mr. Chair. Mr. Krutko took almost half my questions there. Thank you to the Minister, again for...The U.S. market, pretty diminished. If we could get the hides across the border, if we could get that reopened with fish and game over in the United States...The European market, I don't know, I think that's pretty well on the list already. Southern Canada, flying up last week to Inuvik I was flying up with a sport hunter heading into Tuk from Edmonton, Alberta. Is any of this money for the marketing going into the trades shows down in southern Canada? Thank you.

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. Jacobson. Minister McLeod.

**HON. BOB MCLEOD:** Thank you, Mr. Chair. I expect that this is likely where the focus would be on for polar bear. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Bromley):** We're on page 12-26, activity summary, tourism and parks, grants and contributions, contributions, \$4.386 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bromley):** Moving on to page 12-27, information item, tourism and parks, active positions. Mr. Krutko.

**MR. KRUTKO:** Again, I'd like, if it's possible, to get from the Minister a breakdown by way of P1s, P2s, P3s and anyone that may be working with the tourism and parks with a disability.

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. Krutko. Minister McLeod.

**HON. BOB MCLEOD:** Thank you. We have that information and we will provide it to the Member.

**CHAIRMAN (Mr. Bromley):** Page 12-27, information item, tourism and parks.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bromley):** Page 12-29, economic diversification and business support, activity summary, operations expenditure summary, \$17.824 million. Mr. Ramsay.

**MR. RAMSAY:** Thank you, Mr. Chair. I just wonder if I could get a breakdown of the \$3.5 million earmarked for the NWT Business Development Investment Corporation. Thank you.

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

**HON. BOB MCLEOD:** Thank you, Mr. Chair. That is the amount of the contribution that the government makes available to the Business Development Investment Corporation budget. Thank you, Mr. Chair.

**MR. RAMSAY:** Does the Minister have a breakdown of what that \$3.5 million is used for?

**HON. BOB MCLEOD:** The BDIC prepares a corporate plan that we table in the Legislative Assembly on an annual basis. We don't have their corporate plan yet for 2009-10. Thank you, Mr. Chair.

**MR. RAMSAY:** What percentage or an estimate of that \$3.5 million, how much of that would go to salaries and benefits for employees? How many employees are currently with the BDIC?

**HON. BOB MCLEOD:** There are presently 15 employees with the BDIC. Thank you.

**MR. RAMSAY:** That would mean probably about \$1.5 million on salaries and benefits or is it a little bit more than that? It's probably closer to \$2 million, but could I get that verified by the Minister. Thank you.

**HON. BOB MCLEOD:** We can make the 2008-2009 corporate plan available to the Member. Thank you, Mr. Chair.

**MR. RAMSAY:** Does the Minister know when the new corporate plan is going to be available? Thank you.

**HON. BOB MCLEOD:** I expect it to be available for the June session. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. McLeod. Mr. Krutko.

**MR. KRUTKO:** Mr. Chair, I'd like to ask the Minister questions about the potential for outfitter business licences to be relinquished to aboriginal First Nations. There are agreements in place with the outfitters in the Mackenzie Mountains and also in the Arctic Red River Outfitters that if they're going to basically sell off any of their licences they have to give first right of refusal to the Gwich'in or Sahtu claim organizations. Presently they are looking at the potential of buying out the licences, especially for the Arctic Red River Outfitters. I'd just like to ask, does the government have any resources or support dollars so that organizations

such as the First Nations groups can purchase out these licences or work to develop a business case in regard to the value of that asset and, more importantly, just to be able to have the resources to take over such a thriving business opportunity?

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. Krutko. Minister McLeod.

**HON. BOB MCLEOD:** Thank you, Mr. Chair. We don't have a business program specifically identified to assist aboriginal governments to take over outfitter businesses. We do have business loan programs. The BDIC lends up to \$2 million and we have business officers, economic development officers, available to work with the organizations or business that would be interested in taking over these outfitter licences. Thank you, Mr. Chair.

**MR. KRUTKO:** I'd just like to ask the Minister if he's aware of any grants being used by existing outfitter business in regard to having outfitters licences.

**HON. BOB MCLEOD:** I'm not aware of any grants or contributions being made available for anybody to buy any outfitter licences. Thank you, Mr. Chair.

**MR. KRUTKO:** Mr. Chair, I'm not asking this question for the sake of asking a question. I'm asking because I'm serious. There is an offer on the table for the Gwich'in to buy out the Arctic Red River Outfitters. That arrangement is because of the land claim where they have the first right of refusal. This government is responsible for assisting businesses in regard to getting into tourism, getting into commercially viable businesses. I'd like to ask again, what does an aboriginal organization have to do to get this government to assist them by way of taking over a company such as an outfitter by way of purchasing that business for taking over that licence?

**HON. BOB MCLEOD:** We're not aware of any ongoing efforts by anybody to purchase an outfitting business. I think if we're requested to provide assistance, we would be there to assist. Thank you, Mr. Chair.

**MR. KRUTKO:** I don't know how I'm going to rephrase this, but I'm asking what programs and services are there to assist an organization to purchase an outfitter's licence.

**HON. BOB MCLEOD:** I'm not sure what kind of assistance the Member wants. If he wants a loan, we have the BDIC loan program available where you can borrow up to \$2 million. If he wants assistance to prepare a business plan, we have contribution funding programs under the SEED program where we can assist up to a fixed amount, which I think is \$25,000, to prepare a business plan program. I guess he'd have to be a little more

specific as to what kind of assistance he would be seeking. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Bromley):** No further comments on this page? We're at page 12-29, activity summary, economic diversification and business support, operations expenditure summary, \$17.824 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bromley):** Page 12-30, activity summary, economic diversification and business support, grants and contributions, grants, \$847,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Bromley):** Page 12-31, economic activity summary, economic diversification and business support, grants and contributions, contributions. Mr. Krutko.

**MR. KRUTKO:** I noticed there's a decrease in regard to the amount of funds we're getting out of the Western Harvester Support Program. I believe last year the revised estimates were \$687,000 and this year it's \$132,000. Is there a reason for the drop in regard to the estimates?

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. Krutko. Minister McLeod.

**HON. BOB MCLEOD:** Thank you, Mr. Chair. We're coming to the end of dispersing \$15 million of the Western Harvester Support Program funding that was committed to I think in the 11<sup>th</sup> Assembly, in 1995. It's application-based and it has to be matched funding program. I think every aboriginal government and every community in the Northwest Territories has accessed this program. I think we're down to the last few communities to access it. It's application-based, so I expect this will be the last year. There may be one or two other applications in future years. Thank you, Mr. Chair.

**MR. KRUTKO:** Are there any plans to replace this program or reinstate a different program that can assist harvesters without using a grant program, but more in regards to a supplementary support program for harvesters to receive different types of equipment? I know under the old EDA programs that we used to have, we used to have a lot of support programs for harvesters like grant programs when we used to have tons of money under economic development. Are there any plans to either change this program or reinstate a different program than what we have here today?

**HON. BOB MCLEOD:** We have plans to continue with the local wildlife committees funding and the Community Harvesters Assistance Program funding. Maybe a little bit of history about how the Western Harvester Support Program came about, I

think the Member is aware that it came out as a result of division when the outgoing government agreed to provide \$15 million for harvesters support to Nunavut and it was felt that the western harvesters should be afforded the same opportunities. So the government or Assembly agreed to institute the Western Harvester Support Program, and at this stage we are not looking at seeing the program resurrected other than to pay out all of the money that had been allocated to all of the communities in the Western Arctic. Thank you.

**Chairman (Mr. Bromley):** We are on page 12-31, activity summary, economic diversification and business support, grants and contributions, contributions.

**SOME HON. MEMBERS:** Agreed.

**Chairman (Mr. Bromley):** Page 12-32, activity summary, economic diversification and business support, grants and contributions. Mr. Krutko.

**MR. KRUTKO:** Mr. Chair, with regard to the \$100,000 for the broadband infrastructure in the Northwest Territories, there was a call for proposals looking at possibly having cell phone service in all communities in the Northwest Territories like what they have in the Yukon. Where is that proposal in light of the \$100,000? We were looking for requests for such a proposal and I am wondering if that has been considered by this government to see if we can move on that. Most people do have cell phones these days, but a lot of services aren't activated in a lot of our communities. Is that something that has been considered with regard to not only this program but the potential that we have of expanding cell phone service in the Northwest Territories like they've done in the Yukon?

**Chairman (Mr. Bromley):** Thank you, Mr. Krutko. Minister McLeod.

**HON. BOB MCLEOD:** Thank you, Mr. Chair. The \$100,000 identified here is to support Falcon Communications. This is O and M for one year and this is to assist with a broadband network. The federal government is providing something in the neighbourhood of \$14.8 million.

As far as cell phone coverage, that's not my area of responsibility. I think that is something that is under Public Works and Services, so I am not familiar with it other than I know the government received an unsolicited proposal. That's the extent of my knowledge. Thank you, Mr. Chair.

**MR. KRUTKO:** Again, Mr. Chair, I think we should have a strategy not only looking at broadband, but also looking at technology advances in our communities. With the broadband infrastructure that is there with the Falcon Communications, we do have it in our communities but it is still pretty slow.

We do have to try to either expand the broadband that's in the communities, but, more importantly, expand our systems throughout the Northwest Territories. I would just like to ask the Minister, working with the Minister of Public Works, if we could maybe expand that program to include cell phone service and see if there are dollars there to put into that.

**HON. BOB MCLEOD:** I guess we see this broadband initiative improving the speed of broadband services. As far as wireless services, I think there is an issue of how to make sure everybody had a fair opportunity to expand the service. I will discuss it with my colleagues. Thank you, Mr. Chair.

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

**MR. BROMLEY:** Thank you, Mr. Chair. I seek consent to go back to page 12-31.

**CHAIRMAN (Mr. Krutko):** Does committee agree that we go back to page 12-31?

**SOME HON. MEMBERS:** Agreed.

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

**MR. BROMLEY:** Thank you, Mr. Chair. I just had a quick question on commercial fisheries. I think it's well established that there is an underutilized resource here and some potential for some development. There are some obvious challenges, but so far I don't have the feeling that there's been a comprehensive strategy developed, sort of a comprehensive approach. We've got some long-standing walls or barriers that we are dealing with such as the Freshwater Fish Marketing Board and so on. Here we sit with the Great Slave Lake alone at 15 percent of the quota available. I don't get a sense that we are developing even the expertise and the most fundamental expertise I think of as providing food for the NWT. I know there are lots of potentials throughout the North, certainly some in many places in the North. So I am wondering if there is a plan to develop a comprehensive strategy and really try to tackle this in the manner that we are going after tourism, a new approach to tourism and so on. Thank you.

**CHAIRMAN (Mr. Krutko):** Minister of Industry, Tourism and Investment, Mr. McLeod .

**HON. BOB MCLEOD:** Thank you, Mr. Chair. I guess the best way to answer the Member's questions is that the fishery is the responsibility of the federal government and the fishery on Great Slave Lake is the responsibility of the Freshwater Fish Marketing Corporation. It's very difficult for us to just step into their jurisdiction, although we have received correspondence in the past from the Freshwater Fish Marketing Corporation that laid out

a number of options for us including one that they would have the Government of the Northwest Territories just cover off the losses and/or they would shut it down completely.

Our preferred approach has been to work with the NWT Fishermen's Federation and the Freshwater Fish Marketing Corporation to try to work together to come up with a reasonable solution in order to revive the fishery. So we've been funding the NWT Fishermen's Federation and we've undertaken a number of initiatives. I don't know how many different planning documents we've funded. We tried to work with the Freshwater Fish Marketing Corporation to have a winter fisher. This didn't come to pass and so we are still working with the NWT Fishermen's Federation to see this fishery revived. Thank you, Mr. Chair.

**MR. BROMLEY:** Thank you, Mr. Chairman. I appreciate those comments. One specific question I have is does the Freshwater Fish Marketing Board have to be involved for fish captured and sold in the Northwest Territories?

**HON. BOB MCLEOD:** No they have to be involved with Great Slave Lake Fishery because they have a monopoly, is my understanding.

**MR. BROMLEY:** I think there might be room for clarification there. I don't know this, but my understanding has been that they regulate the export of fish from the Northwest Territories and where it goes. Basically it disappears into a pile of fish and just as with the Genuine Mackenzie Valley Fur campaign, it loses its value when it disappears in that big pile of fish from Canada, and therein lies both our barrier and our opportunity, I suspect. At any rate, the Minister's comment that the winter fisheries encountered a number of obscure reasons that caused it to be held up does not give me confidence that we are developing a solid and strategic plan here to address those points. No pick-up point for the summer fishery seems like a resolvable issue to me. I think we need to be more aggressive to try and deal with this situation with the Freshwater Fish Marketing Board, so I would welcome any thoughts and some near future focus on this opportunity. I think it is an important one for Northerners. Thank you.

**HON. BOB MCLEOD:** Thank you, Mr. Chairman. I guess we can be as aggressive as we want to be, I am not sure if the Member is suggesting we should take over the whole fishery with its costs and so on, but it is a question of how much money the Assembly would be prepared to make available for us to develop fishery. We can do that if that is the direction we get, but we would prefer to work closely with the Fishermen's Federation and the Freshwater Fish Marketing Corporation this time.

As far as my previous answer, I was talking about export of fish. I think maybe I misunderstood the Member if he was talking about just fish for local markets. We don't have to go through the Freshwater Fish Marketing Corporation for that. Thank you.

**MR. BROMLEY:** Thank you, Mr. Chairman. I seek consent to go to page 12-29.

**CHAIRMAN (Mr. Krutko):** The Member is seeking consent to go back to page 12-29.

**SOME HON. MEMBERS:** Agreed.

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

**MR. BROMLEY:** Thank you, Mr. Chairman. Just in the order of comprehensive strategies, I am wondering, does the GNWT have a comprehensive agricultural policy in place. Thank you.

**CHAIRMAN (Mr. Krutko):** Minister of Industry, Tourism and Investment.

**HON. BOB MCLEOD:** Thank you, Mr. Chairman. We presently don't have a comprehensive agricultural policy and we have committed to developing one as part of the going forward funding arrangement with the federal government. Thank you.

**MR. BROMLEY:** Thank you, Mr. Chairman. I am happy to hear that, and I know that there is a renewal of a federal-territorial program that is being contemplated, so I am hoping we are actually going to develop a territorial agricultural policy. Again this is an area that a number of MLAs, representatives, have raised the need for more focus on. So I hope we have our own territorial policy, not just a federal one.

I know also that the Minister has mentioned the land problem. He has raised this a number of times and I am wondering what we are doing to resolve that land problem. Are we working to clarify exactly what that is? He says he doesn't know what is holding it up and it can be done by a municipality, but somehow it is not being done in a sort of let's get it done approach. What can we do and what is this department doing to get the federal government to free up some land to the territorial government if such a thing is possible? It probably is not possible in areas where land claims have not been resolved yet, but if that is a big issue, what are we doing to resolve it and make things happen within the context of a comprehensive strategy on agriculture in the Northwest Territories?

**HON. BOB MCLEOD:** Thank you, Mr. Chairman. I guess over the years we have identified what would be required to be done in order to access land for agriculture and certainly there are different kinds of

land. We have identified that what was being requested at the local level could be done through the municipality and that they could make application for land to be taxed at a much lower rate. I don't know; the delay probably could be it means less revenue for the municipality.

With regard to Crown lands that are outside the jurisdiction of the community or municipality, this is something that would have to be negotiated through the land claims agreements. That would, I guess, have to be done through our land claims negotiators. Generally the land claims negotiations are for the benefit of the aboriginal governments and I don't know if it would be appropriate for us to go in there and start asking for land as part of the negotiations. But if it is appropriate, then I suppose we could do that. Thank you, Mr. Chairman.

**MR. BROMLEY:** I appreciate those remarks. These are things that I would like to see pursued by this department within the context of the Territorial Agricultural Policy. I would think there would be other benefits, obviously to communities, to make an agricultural business viable within their boundaries and so on. Not just economic, of course, but perhaps there are opportunities with aboriginal governments to get going on this front. I am sure there are many aspects to that and I don't want to over simplify it, but we do want to be moving on this area. Again, this has been raised by quite a number of people quite a number of times and so it would be nice to have a good, innovative and can-do approach here, to try to work on some of these barriers and actually get some things happening. Of course, we have an immediate partner out there that we are working a bit with. There might be other partners that are ready to work on something with us on this, just by way of a comment. Thank you.

**CHAIRMAN (Mr. Krutko):** Thank you. We are on page 12-29. People agree that we conclude that?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** We will move all the way back to page 12-32, business support, grants and contributions, \$10.474 million, Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Total \$11.321 million. Agreed?

**SOME HON. MEMBERS:** Agreed.

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

**MR. BROMLEY:** Thank you, Mr. Chairman. I am just wondering about the support for entrepreneurs and economic development, the SEED program, just for clarification, I believe it is also meant now to

provide support to businesses for energy efficiency and renewable energy generation for the business and so on. If I can get that confirmed and also are we making that widely known to businesses throughout the Northwest Territories. I get a lot of inquiries and conclusions, even by people on the Arctic Energy Alliance, that we don't seem to be supporting our small businesses with this opportunity. I'm just looking for clarification there. Thank you.

**CHAIRMAN (Mr. Krutko):** Minister of Industry, Tourism and Investment, Mr. McLeod.

**HON. BOB MCLEOD:** Thank you, Mr. Chair. The Member is correct. We're promoting it at the regions and there's a little bit of differences with regards to the level 1 communities as to how it would apply, but we are promoting it for those projects that the Member has raised.

**MR. BROMLEY:** Thank you, Mr. Chair. Just one last question. Do we know about what proportion of the grants that are being made through this program are going to energy efficiency, renewable energy, alternative energy-related projects, building renovations and so on? Thank you.

**HON. BOB MCLEOD:** At this point it's a little too early to tell, because this program has only been on place for a couple of months. But my expectation is there will be quite an uptake of it. As soon as people become aware of the possibility, I think there will be quite a draw on it and we expect to have our first contribution report as early as June of this year. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Krutko):** Okay. We're on page 12-32, economic diversification and business support, grants and contributions, total contributions, \$10.474 million. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Total grants and contributions, \$11.321 million. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Moving on to page 12-33, activity summary, economic diversification and business support, active positions. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Information item, lease commitments - infrastructure. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Another information item, Fur Marketing Service Revolving Fund. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Moving on to page 12-36, information item, work performed on behalf of others. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Page 12-37, information item, work performed on behalf of others, continued. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Page 12-38, information item, work performed on behalf of others, continued. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Information item, 12-39, work performed on behalf of others, continued, \$315,000. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** With that, we can go back to page 12-7, department summary, Industry, Tourism and Investment, operations expenditure summary, \$50.870 million. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** Does the committee agree that we've concluded the Department of Industry, Tourism and Investment?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Krutko):** With that, I'd like to thank the Minister and his witnesses. Sergeant-at-Arms, could you escort the witnesses out.

Mrs. Groenewegen.

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. Mr. Chairman, I move that we report progress.

---Carried

**CHAIRMAN (Mr. Krutko):** I will rise and report progress.

### Report of Committee of the Whole

**MR. SPEAKER:** Could I have the report of Committee of the Whole, please, Mr. Krutko.

**MR. KRUTKO:** Mr. Speaker, your committee has been considering Tabled Document 11-16(3), NWT Main Estimates 2009-2010, and would like to report progress. Mr. Speaker, I move that the report of Committee of the Whole be concurred with.

**MR. SPEAKER:** Thank you, Mr. Krutko. Motion is on the floor. Do we have a seconder? The honourable Member for Tu Nedhe, Mr. Beaulieu.

---Carried

Item 22, third reading of bills. Madam Clerk, item 23, orders of the day.

### Orders of the Day

**PRINCIPAL CLERK OF COMMITTEES (Ms. Knowlan):** Thank you, Mr. Speaker. Orders of the day for Wednesday, February 25, 2009, at 1:30 p.m.:

1. Prayer
2. Ministers' Statements
3. Members' Statements
4. Returns to Oral Questions
5. Recognition of Visitors in the Gallery
6. Acknowledgements
7. Oral Questions
8. Written Questions
9. Returns to Written Questions
10. Replies to Opening Address
11. Petitions
12. Reports of Standing and Special Committees
13. Reports of Committees on the Review of Bills
14. Tabling of Documents
15. Notices of Motion
16. Notices of Motion for First Reading of Bills
17. Motions
18. First Reading of Bills
19. Second Reading of Bills

20. Consideration in Committee of the Whole of Bills and Other Matters

- Tabled Document 7-16(3), Ministerial Benefits Policy
- Tabled Document 11-16(3), Northwest Territories Main Estimates 2009-2010
- Committee Report 2-16(3), Standing Committee on Rules and Procedures Report on Matters Referred to the Committee
- Bill 1, An Act to Amend the Historical Resources Act
- Bill 3, International Interest in Mobile Aircraft Equipment Act
- Bill 4, Public Library Act
- Bill 5, Professional Corporations Act
- Bill 7, An Act to Amend the Student Financial Assistance Act

21. Report of Committee of the Whole

22. Third Reading of Bills

23. Orders of the Day

**MR. SPEAKER:** Thank you, Madam Clerk. Accordingly, this House stands adjourned until Wednesday, February 25, 2009, at 1:30 p.m.

---ADJOURNMENT

The House adjourned at 7:28 p.m.

