



# **NORTHWEST TERRITORIES LEGISLATIVE ASSEMBLY**

**5<sup>th</sup> Session**

**Day 32**

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

## **HANSARD**

**Thursday, February 3, 2011**

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**The Honourable Paul Delorey, Speaker**

# Legislative Assembly of the Northwest Territories

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(Hay River North)

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(Tu Nedhe)

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(Frame Lake)

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**YELLOWKNIFE, NORTHWEST TERRITORIES****Thursday, February 3, 2011****Members Present**

Mr. Abernethy, Mr. Beaulieu, Ms. Bisaro, Mr. Bromley, Hon. Paul Delorey, Mrs. Groenewegen, Mr. Hawkins, Mr. Krutko, Hon. Jackson Lafferty, 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 1:44 p.m.

**Prayer**

---Prayer

**SPEAKER (Hon. Paul Delorey):** Good afternoon, colleagues. Welcome back to the Chamber. Before we go to the orders of the day, a special welcome to all our guests in the Chamber today. I'd like to especially recognize a former Member of the House, the Senator for the Western Arctic, Nick Sibbeston, with us in the House today.

---Applause

I'd also like to recognize our Commissioner of the Northwest Territories, George Tuccaro, who is in the Chamber as well.

---Applause

The first order of business today, item 2, budget address. Without further ado, the honourable Minister of Finance, Mr. Miltenberger.

**Budget Address****Introduction**

**HON. MICHAEL MILTENBERGER:** Mr. Speaker, I would like to take this opportunity to thank all Members of the Legislative Assembly who worked individually and collectively through the Cabinet and standing committee process to contribute to the formation of this, the final budget of the 16<sup>th</sup> Assembly.

Three years ago this government's first budget set a goal of fiscal sustainability of living within our means. To do this we realigned spending with priorities, made some cuts and changed some of the ways the government does business to foster good financial planning and produce long-term fiscal savings. We did this in order to invest the millions of dollars needed to secure our Territory's future.

Since then we have committed close to \$200 million in strategic and energy investments in the NWT's future. Over the long term these investments will improve the lives of Northerners, foster economic development, and unlock the tremendous opportunities our Territory holds. Now, in the final year of our mandate, this budget looks to

consolidate the gains we have made, and finish and deliver what we have begun.

As a government, not only have we managed our way through the most serious economic downturn since the Great Depression while continuing to provide quality programs and services to the residents of the NWT, we have made investments and initiated policy changes in key areas that will benefit the NWT for years to come.

The global economic upheaval required governments everywhere to take dramatic action. The GNWT was no different. Even when times were better, this government was thinking ahead and planning for more turbulent times. When the recession hit we had the fiscal room to respond. We implemented fiscal policies that maintained spending levels, deferred major tax increases, and injected over \$865 million in infrastructure investment into the NWT economy over two years. We adopted a fiscal plan in 2009 that would see our economy through the downturn and return us to the path of fiscal sustainability.

That plan continues to guide us as we make the transition necessary to put us on that path. Staying on that path will require difficult decisions and creative solutions, but I am confident that NWT residents will be up to the challenge.

**The Economy**

The world's economy is recovering from the global upheaval of just over two years ago but that recovery remains fragile. The risks are clear: energy prices, particularly oil prices, are rising and many governments have high levels of debt and fiscal situations that are not sustainable.

The NWT's economy has picked up some energy since 2008 and 2009. While economic activity declined in both those years, the real GDP is projected to grow by 2.8 percent in 2010 and 1.2 percent this year.

Although the employment rate is still lower than 2007, it is estimated to have increased 1.4 percent in 2010, providing a modest sign of labour market improvement.

The decline in our population appears to have stabilized. However, there has been little population growth overall since 2004 and net migration out of the Territory remains a concern.

The NWT's three producing diamond mines are a vital part of our economy. Diamond output was up 7.5 percent at the two biggest mines for the first three quarters of 2010 and Snap Lake is continuing its planned ramp-up in production. In December 2010 the proponents of Gahcho Kue mine submitted the project's environmental impact statement for review.

Mineral exploration is starting to rebound. An estimated \$99 million was spent in 2010 on NWT mineral exploration, up 125 percent from the trough year of 2009, although there is a way to go to reach the \$194 million spent in 2007. We are also keenly aware that the NWT's share of Canada-wide mineral exploration expenditures has fallen considerably.

The GNWT's aggressive two-year strategy of capital investment has helped to stabilize the economy, in particular during 2009 when increased public investment offset the reduction in private investment.

Looking forward, there are a number of potential developments that can bring jobs and prosperity to business. The National Energy Board recently approved the Mackenzie Gas Project. The proponents have until December 31, 2013, to report on their decision to build the pipeline. When this \$16 billion project proceeds, it and subsequent developments will contribute billions of dollars to the NWT and Canadian economies.

In 2010 oil and gas companies committed to a total of \$111 million in work to be conducted over the next nine years to secure rights to develop petroleum in the NWT's offshore and onshore.

There are also a number of mining projects in the wings, such as Avalon's rare earth elements mine, Canadian Zinc's Prairie Creek lead-zinc-silver mine, Tyhee's Yellowknife gold project, Fortune Minerals' NICO cobalt-gold-bismuth project and Seabridge's Courageous Lake gold project.

The signing of the devolution agreement-in-principle last week brings us one step closer to putting the people of the NWT in charge of decisions about how our resources are developed and providing a share in the revenues from that development.

### **Fiscal Strategy**

Two years ago economic conditions dictated fiscal policies that supported business activity and employment in the NWT. The prudent approach we had already adopted allowed us room to implement these policies. This included maintaining spending levels, deferring tax changes and investing aggressively in infrastructure.

We recognized, however, that these policies were not sustainable over the long term. While we were, and are, prepared to incur some debt to address

the downturn, we do not want to mortgage our future. We must also be mindful that our authority to borrow is limited. This means implementing policies that will allow us to repay that debt.

In 2009 we adopted a fiscal strategy that would put us on a sustainable path:

- From 2011-2012 onward, expenditure growth would be capped at 3 percent, net of compensation increases.
- Once we complete the projects included in our current infrastructure plan, capital investment will be reduced to \$75 million per year, starting with 2012-2013.

Meeting these targets will generate the cash surpluses we need to pay down the debt incurred to address the economic slowdown. We acknowledge that achieving these targets will be challenging. It will mean setting clear priorities, focussing on finding efficiencies and putting our dollars where they will be the most effective. It will mean continuing to seek creative ways of doing things, being open to new ideas and being willing to challenge the status quo.

Our task has been made more challenging by the fact that the effects of the downturn in 2009 will mean a drop of \$41 million in forecast corporate income tax revenues in 2011-2012. But by adhering to our fiscal strategy and maintaining discipline over our spending, we have achieved a balanced budget and have preserved a fiscal "cushion" against unexpected events.

But balanced budgets are not good enough in the longer term. We have borrowed to take advantage of the economic downturn to make vital investments in infrastructure. This debt will bring us close to the federal limit on our borrowing authority by the end of the coming budget year. However, by maintaining strict control of our expenditures and returning to lower levels of capital investment, our debt levels will be reduced over time. The accommodation provided by Canada on our borrowing limit last April provides us with the room we need to implement this strategy. We will be exercising heightened diligence in monitoring cash flows to ensure we minimize borrowing levels and stay well within the federal limit. We are working with Finance Canada to review the borrowing limit. This work will be concluded by April.

I want to emphasize the effort that will be needed to keep expenditure growth under control in the years ahead. It will be significant.

The needs and demands for investment in critical areas are large and growing. Expectations from residents for improvements to programs and infrastructure are great. Meeting these needs and expectations within our fiscal targets will require difficult decisions.

However, work that has begun over the last three years will start to yield results, if acted on:

- The Program Review Office created in 2008 has completed reviews of a number of government programs. Their results have identified areas that could generate significant savings. Some, such as the construction of an office building in Yellowknife, are already being implemented.
- We need to assess the savings that have been achieved as a result of investments in energy reduction and other areas so these savings can be redeployed.
- The GNWT has opportunities for revenue growth, including changes to our tax regime. The Department of Finance has undertaken substantial research and consultation over the last three years on these options.

We need to look at key areas of spending growth, such as health care, education, housing and the cost and size of government. The GNWT delivers a wide variety of programs and services to a diverse population located over a large geographical area. We need to begin a discussion about the role and size of government. What does the public expect of government? Do we have the resources to do it and, if not, how do we obtain those resources or what do we stop doing?

We are not alone in the fiscal approach we are taking. Governments in Canada are expecting a period of tight fiscal control as they seek to return to balanced budgets. Restraint measures are being applied to all areas of government operations, including labour costs. The GNWT will be mindful of what is affordable as we prepare to renew collective agreements in 2012.

Federal health and social transfers, as well as our territorial formula financing arrangements, will be up for renewal in 2014. Federal, provincial, and territorial Finance Ministers have already directed our officials to start work on renewal. Given the current federal fiscal outlook, provincial and territorial efforts will need to focus on the adequacy of funding levels. The uncertainty around federal transfers, however, only reinforces the importance of ensuring that our fiscal house is in order.

#### **Budget Highlights**

I am pleased to inform Members that our fiscal strategy is on track. Total 2011-2012 expenditures are budgeted at \$1.34 billion; an increase of 3.4 percent from current year. Excluding compensation increases, we are budgeting spending growth of 2 percent; well within our 3 percent cap.

Although the GNWT recorded an operating deficit of \$48 million in 2009-2010, we are projecting small operating surpluses of \$7 million in 2010-2011 and \$17 million in 2011-2012.

Total revenues are projected to increase 2.9 percent in 2011-2012, to a total of \$1.36 billion.

We expect to borrow \$64 million at the end of 2010-2011 and \$155 million by the end of 2011-2012 to cover the short-term cash shortfalls needed to finance our investment in infrastructure. This short-term debt will be paid off early in the following fiscal year.

After accounting for the Deh Cho Bridge debt, and that of the NWT Power Corporation and the NWT Housing Corporation, total GNWT debt is forecast to reach a high of \$515 million at March 31, 2012, but will decrease after that as the fiscal strategy is implemented.

The GNWT continues to be guided by our Fiscal Responsibility Policy which requires that we borrow only for infrastructure investments, self-financing investments or repayable loan programs. Fully \$344 million, or 67 percent of our projected debt at the end of the coming fiscal year will largely be self-financing; that is the costs of servicing the debt are financed by a dedicated stream of revenues from tolls and customers and not by other government revenues.

#### **Expenditures**

Mr. Speaker, this budget focuses on consolidating the investments and achievements that have been made toward realizing the goals and priorities of the 16<sup>th</sup> Legislative Assembly.

In 2008-2009 we outlined five strategic areas as the focus of our government's investments. In the 2009-2010 budget, we announced a further priority: that of achieving our energy goals. We committed \$60 million over four years to advance an energy investment plan to reduce the NWT's reliance on diesel fuel and lower the cost of living. By the end of 2010-2011 we will have invested close to \$200 million in these strategic and energy initiatives. This budget includes over \$85 million to continue investments already underway and proposes an additional \$16.9 million in new investments toward realizing this Assembly's vision for the NWT.

#### **Supporting the Economy**

We continue to pursue the goal of a balanced, diversified and sustainable NWT economy. Maximizing the long-term benefits of economic development for Northerners continues to be our priority. Our previous budgets have invested a total of \$47 million in economic initiatives that supported diversification of our economy, gave the NWT residents opportunities for training and skill development, and promoted the NWT as a great place to visit and live.

This budget includes \$15.3 million to continue initiatives started in the past three years to support the NWT economy and proposes \$3.2 million in additional investments.

Our Support to Entrepreneurs and Economic Development (SEED) program is a cornerstone of our efforts to diversify the NWT economy. Because there are more worthwhile applications for SEED contributions than the \$3.5 million currently budgeted, this budget proposes a further \$350,000 in 2011-2012.

The new funding will build on the additional \$4.8 million invested in SEED over the last three years to help individuals start and build successful businesses that will expand local economies.

Since 2008-2009 our government has added almost \$9 million in new investments to promote the NWT as a great tourism destination. This includes \$2.5 million to successfully showcase the NWT to Canadians and to the rest of the world at the 2010 Olympics.

In 2006 the GNWT outlined Tourism 2010, a five-year plan to guide the GNWT's investment in this key sector of our economy. Tourism 2010 was set to expire at the end of 2010-2011, but this budget commits \$1 million to extend this annual support for the tourism industry to 2015.

We want visitors to come and enjoy what the NWT has to offer, but we also want people to move to our Territory and call it home. Reversing the general decline in our population since the mid-1990s is important if we want to expand the customer base for NWT businesses, lower the cost of living through increased economies of scale, grow our tax base and secure our transfer payments from Canada.

Attracting and retaining workers is a major challenge for our business community. Over 2009-10 and the current year, we will have invested \$1.4 million in a national marketing campaign to raise awareness in southern Canada of the job and lifestyle opportunities the NWT has to offer. This budget continues to support this important work, with a proposed allocation of \$760,000 for 2011-12. The budget also builds on work completed under the NWT Growth Strategy to stimulate growth in the NWT population through an additional investment of \$145,000. Finally, ensuring that all our residents are counted has important implications for the government's fiscal situation and therefore this budget includes funding to assist with the 2011 Census.

We must also ensure that NWT residents have the skills and training they need to take advantage of job opportunities. Over the first three years of this Assembly we have invested almost \$14 million in initiatives targeted at this priority. On the recommendation of the Committee on the Sustainability of Rural and Remote Communities, this budget proposes to invest \$925,000 in a Small Community Employment Program to support job creation in communities where incomes are among the lowest and the employment opportunities are

the most limited. This program is expected to provide critical work experience through support for short-term job creation and skill development.

### **Reducing the Cost of Living**

Mr. Speaker, reducing the high cost of living in the Northwest Territories is fundamental to developing our economy, improving the quality of life for our residents and encouraging people to live here. Our first three budgets have invested \$39 million in initiatives to reduce our cost of living, especially for those in our smallest and most remote communities.

Of the \$39 million spent to date, \$13 million was provided for energy investments aimed at reducing the cost of energy in communities, including energy conservation initiatives and lowering the cost of electricity.

The cost of energy is a huge driver of the high cost of living in our Territory. The establishment of new electricity rates last December as a result of the GNWT's electricity review is a major achievement for this government. The Honourable Bob McLeod, Minister of Industry, Tourism and Investment, will be updating Members on this initiative later this session. These new rates will make electricity costs more equitable across the NWT and will significantly reduce the cost of living in many of our communities. They will also enable those communities to be more competitive and encourage economic growth. This is an achievement that came about through close collaboration with all Members of the 16th Legislative Assembly and is one that we can all be proud of. What we have accomplished here will benefit NWT residents for years to come.

The high cost of food is a key component in our high cost of living. We have been working to increase the availability of locally produced food, in an effort to replace expensive imported products. This budget supports increasing the amount of affordable, nutritious food available in our communities by proposing an additional \$475,000 in the Community Harvesters Assistance Program, bringing our total investment to over \$1 million in 2011-12. This investment will provide assistance for renewable resource harvesters across the Territory, reduce the cost of living and reduce economic disparities between large and small communities. This budget also provides an additional \$150,000 to improve agriculture infrastructure and support for commercial harvesting of wild foods.

In addition, Mr. Speaker, the commercial power rates in communities that rely on diesel or natural gas for electricity will be reduced by as much as \$1.70 per kilowatt hour. This will contribute to a significant reduction in grocery prices. This budget continues funding for the Bureau of Statistics to monitor prices in communities, a key tool we are



using to evaluate the effect of the power rate reductions.

Long-term solutions to reduce the cost of living in all NWT communities require investments in many areas. Better transportation systems can lower the cost of transporting goods. We are continuing the work on our investments of the last three years with an additional \$490,000 to build ice crossings faster on the Mackenzie Valley winter road, to extend the ferry operating season on the Dempster Highway and to operate airport runways that have been extended in some communities.

In fact, this government will have invested over \$455 million in capital in roads, bridges and airports since 2008-09, a record in the history of the NWT.

Housing pressures also contribute to the high cost of living. They can also contribute to other social and economic problems that can hold people back from achieving their potential.

Mr. Speaker, including this budget, this government, through the efforts of the NWT Housing Corporation, will have invested almost \$195 million since 2008-09 in renovating public housing and building new housing.

We continue to work with stakeholders to improve the delivery of housing programs and services to Northerners. As an important step in this process, last year we moved the responsibility for income assessments for the Public Housing Rental Subsidy program back to the local housing organizations. Since June 1, 2010, public housing tenants apply for rental subsidies and pay their rent at their local housing organization office. The Honourable Robert C. McLeod, Minister responsible for the NWT Housing Corporation, will be updating Members later this session on the progress that has been made on the assessment of public housing rents.

We will be directing \$300,000 in this budget to perform a full review of the GNWT's policies for the provision of adequate, suitable and affordable housing in the Northwest Territories. This review will need to address a number of challenging issues related to housing in the Northwest Territories, including declining federal funding for social housing and the ongoing housing issues apparent in our communities.

We recognize that the economic downturn has reduced employment opportunities in the NWT. Over the past three years we have added over \$6 million in base funding for income support to individuals and families, and over \$760,000 in investments in income security reform. This budget includes a further increase of \$1.4 million to respond to higher income support needs across the NWT.

We are also turning our attention to the needs of students in this budget by providing \$150,000 in one-time funding to review the NWT Student

Financial Assistance benefits program to ensure that our students can make ends meet while focusing on their studies.

### **Investing in Our People**

Mr. Speaker, the future success of the Northwest Territories will depend on developing the skills, talents and abilities of our residents. In the first three years of this Legislative Assembly we have invested \$29 million in programs and services to create an environment where Northerners are able to develop their full potential.

Fully, 40 percent of this funding was used to expand educational opportunities for youth and children. We place a priority on education and training to ensure our children have the tools to lead productive, quality lives.

We recognize the direct connection between student success and a stable teaching workforce that is representative of the population. Since 2008-09 we have allocated funds and built on existing programs to deliver teacher education on campuses and in communities.

In this budget we are increasing access to Aurora College School of Education programs in communities through an additional \$300,000 investment to train more Aboriginal teachers and language and cultural instructors.

We also recognize that action is required to improve high school graduation rates of our Aboriginal students, which are 25 percentage points below those of non-Aboriginal students. This government has been working with Aboriginal governments and organizations, educators and industry partners to increase the number of successful Aboriginal students in the Northwest Territories. This work continues in this budget, with an additional \$500,000 to further implement measures under our Aboriginal Student Achievement programs. Later this session the Honourable Jackson Lafferty, Minister of Education, Culture and Employment, will be updating Members on the achievements of these programs.

We have stepped out of the classroom to provide youth from communities with volunteer opportunities that include activities such as public speaking, project management, and event organizing through our Youth Ambassador Pilot Program. This budget builds on the success of this program, proposing \$150,000 to create a permanent Youth Ambassador Program that provides NWT youth with volunteer leadership development opportunities.

It would be a tragedy if our efforts to educate our children and youth are hampered by the neglect of their physical health. To date we have supported the Healthy Choices Framework with \$2.6 million in investments aimed at improving the health of our children and families, focusing on prevention

through healthy choices and lifestyles. In addition to the \$1.8 million already committed to this program in 2011-12, we are investing a further \$500,000 in the Healthy Choices Framework to provide extra funding to fill in the gaps in early childhood initiatives at the community level aimed at promoting healthy living.

By the end of this fiscal year we will have invested \$2.8 million to implement phase II of the Framework on Action on Family Violence. We are including funding in this budget to evaluate the success of our investments to date in enhancing community programs to reduce family violence.

We want to help Northwest Territories residents who need outside care to stay in their homes as long as possible. This not only improves the quality of life of these individuals, it also reduces the cost to government of expensive facility living and care. This budget includes \$650,000 in ongoing funding to increase the hours and availability of home care for seniors and other patients. We are also providing \$75,000 for a pilot program to expand territorial respite services and enhance caregiver support and training for families of children and youth with special needs.

Our government's investments help people working with the justice system achieve better solutions to real problems. We look to further assist children who are the subject of custody and access disputes, by providing \$150,000 to establish an Office of the Children's lawyer.

This office will provide legal services and representation for children in matters where a judge determines that a child needs independent legal representation. This service will give the child a voice in matters that affect them. As well, this budget includes \$118,000 to fund a position to help individuals affected by Fetal Alcohol Spectrum Disorder and other cognitive disabilities who come into contact with the justice system.

### **Sustainable Communities**

We remain committed to the goal of achieving sustainable, vibrant and safe communities in the Northwest Territories. From 2008-09 to 2010-11 our government has provided \$182 million in operating contributions to community governments and \$164 million for community infrastructure. In 2011-12 we will provide communities with a further \$65 million in operating contributions and \$28 million for infrastructure. This funding provides communities with reliable financial resources, enabling them to make their own choices. From 2008-09 to 2010-11 we have invested over \$20 million in strategic new territory-wide initiatives to increase safety and security, strengthen government program service delivery in our communities and improve small community employment opportunities. This includes \$6.5 million to date to enhance police services and \$1.5 million in other crime prevention and

emergency rescue initiatives to make our communities safer. This also includes \$5 million to strengthen government service delivery through the creation of single-window service centres, improvements in community access roads and reinforcement of our relationships with non-government organizations. A further \$5 million has been invested to increase employment opportunities in small communities, particularly in the trades.

We continue to invest in increased public safety in this budget with \$300,000 in ongoing funding to provide all communities with firefighting and emergency management training.

We have taken a proactive approach that not only responds to community safety issues but identifies and addresses these issues before the justice system becomes heavily involved. During 2011-12 a Community Safety Strategy that identifies the most critical community safety issues and the options available in legislation, community programs and risk assessment tools to address these issues will be completed. This budget provides \$100,000 in additional funding to implement the strategy.

The GNWT helped all 33 Northwest Territories communities meet the requirement in the Federal Gas Tax Agreement for individual integrated community sustainability plans by March 31, 2010. This budget proposes \$150,000 in 2011-12 to help community governments implement these plans.

### **Protecting the Environment**

Mr. Speaker, we depend on our water, land and natural resources for our wealth and our livelihood and, therefore, it is vital that we take a balanced approach to development.

To date, from the start of this Assembly, we have made almost \$26 million in new direct investments in protecting the environment and are committing \$12 million in this budget for 2011-12 to continue these initiatives. These strategic investments include developing governance, protecting territorial waters, improving environmental monitoring efforts and establishing programs to mitigate and adapt to climate change.

In addition to funding for continuing investments, the budget proposes \$4.7 million in new initiatives to protect our most precious resource: our environment.

Through the NWT Water Stewardship Strategy, and in partnership with the federal and Aboriginal governments, land and water boards and universities, we have been working to ensure that NWT waters remain clean, abundant and productive for all time. In the upcoming year we propose to advance our efforts through a \$343,000 investment to implement the NWT Water Stewardship Strategy.

This budget proposes \$100,000 to implement the new Wildlife Act. If approved, this new legislation will better enable us to protect and manage wildlife in the Northwest Territories.

Mr. Speaker, our barren-ground caribou are important to the culture, health and well-being of NWT residents. While some herds remain at low numbers, others such as the Porcupine and Bluenose-East herds appear to be stabilizing, thanks in part to previous investments in management actions and hard decisions made by harvesters. Management plans are critical for the recovery and ongoing conservation of these herds. This budget proposes \$1 million to carry out the action plans under the new five-year Caribou Management Strategy.

Sustainable economic development means we must be prepared to directly address conservation and environmental issues as they arise. This includes meaningful consultation with Aboriginal governments. This budget proposes \$350,000 to create an Aboriginal consultation unit to provide policy advice and legal support to ensure that our consultation practices remain effective and current.

Last year the multi-party Protected Areas Strategy Steering Committee completed its 2010-2015 Establishment Action Plan. In 2011-12 we are proposing an additional \$200,000 in ongoing funding to complete site assessments for critical wildlife areas sponsored by the GNWT and to consult with Aboriginal governments as the areas move closer to being established.

By the end of this fiscal year \$8.4 million in hydro and alternative energy investments will have been made towards mitigating our contribution to greenhouse gas emissions. We are proposing \$2.7 million in new energy initiatives in this budget to continue work on mini-hydro facilities, further the Biomass Strategy and explore possible geothermal projects.

### **Refocusing Government**

Mr. Speaker, at the start of the 16<sup>th</sup> Legislative Assembly we committed to living within our means to allow us the flexibility to put our limited resources into the programs, services and infrastructure of highest priority and benefit to Northerners.

To this end, we have invested in work that will improve the way we manage our resources -- whether human, financial or physical -- to ensure that we are getting the best value for the dollars we spend.

To date we have invested \$33 million to improve the efficiency and effectiveness of government operations, including \$9.7 million in investments to extend the life of government buildings and almost \$10 million in energy saving projects.

The changes we have made to our capital planning process since 2008 have improved the way we plan for, acquire and deliver the infrastructure needed to deliver GNWT programs and services. Projects established through the new capital planning process are being delivered within budget. Through our Deferred Maintenance Program, we are better addressing maintenance requirements to improve the useful life of our existing government buildings. With an investment of \$34 million in capital and operating funding, including \$8 million budgeted for 2011-12, the GNWT will have reduced its deferred maintenance needs from \$470 million to approximately \$325 million by the end of 2011-12.

Successful completion of biomass heating and energy retrofit projects under our Capital Asset Retrofit Program, introduced to upgrade the energy efficiency in existing government buildings, are realizing savings that are up to \$775,000 in 2010-11.

In 2008 we established the Program Review Office. Working closely with departments, the office undertakes targeted reviews that provide information on the efficiency, effectiveness and value of current government operations. In addition to the review of Yellowknife office space requirements, recent program reviews have examined processes related to: medical travel; results associated with past investments to lower the pupil-teacher ratio and increase inclusive school funding; and approaches to managing communications equipment, printers and faxes within the GNWT. An evaluation of travel administration for casual nurses is being completed and an inventory has been undertaken of harvester support programs. These reviews will provide critical information for the 17<sup>th</sup> Assembly as it considers the choices that lie ahead.

This budget continues the work in progress to streamline government operations and improve effectiveness and efficiencies within the GNWT to better serve NWT residents by investing:

- \$1 million to implement strategies to attract and retain employees under the NWT Public Service Strategic Plan;
- \$300,000 for implementation of the Financial Shared Services Model, which will consolidate government financial processing activities;
- \$1.15 million to improve government communications and service delivery to the public in French;
- \$300,000 to expand the number of courses in the Aboriginal Language Summer Institute to allow more participants in the program.

Our 2011-12 Capital Budget included investments in information technology that will either promote more efficient use of resources or enhance our ability to deliver programs particularly in more

remote communities. Work currently underway on a renewed Knowledge Management Strategy for the GNWT will help us ensure that our investments in technology align with our goals and priorities and provide a payback in terms of increased efficiency and savings.

### Capital Investment

The GNWT responded to the economic slowdown by aggressively increasing our investment in infrastructure. This not only helped stabilize the NWT economy, but without as much competition from private sector investment, it allowed the government to accomplish more with the dollars available. The 2011-2012 capital budget approved last October plans to invest \$155 million in territorial and federal funding in public infrastructure, and a further \$16 million for housing infrastructure is included in the budget tabled today. Together with investments of \$480 million in 2009-2010 and \$443 million in 2010-2011, this represents a record three-year \$1.1 billion investment in roads, bridges, schools, health centres, houses and other critical infrastructure.

Highlights of the 2011-2012 Capital Budget include:

- \$27.7 million for school replacements, renovations and additions;
- \$50.5 million for highways and roads;
- \$15.8 million for health infrastructure;
- \$15.5 million for upgrades and renovations to GNWT buildings;
- \$11.9 million for airport infrastructure improvements; and
- \$5 million for information system technology upgrades and replacements.

The Deh Cho Bridge, the GNWT's largest infrastructure project to date, is scheduled to be completed in the coming fiscal year. The bridge will provide a safe, reliable, all-weather link from the south to the North Slave region, providing uninterrupted access for travellers on Highway No. 3 and economic benefits for all NWT residents. The Honourable Michael McLeod, Minister of Transportation, will be updating Members on the Deh Cho Bridge later this session.

### Revenues

Mr. Speaker, there are no new taxes in this budget.

We recognize the need to maintain a stable and competitive tax regime, both to encourage investment and to attract residents to our Territory. This became even more important during these uncertain economic times. Therefore, there have been only modest tax increases during the term of the 16<sup>th</sup> Assembly. Tobacco taxes, property taxes and liquor mark-ups have been adjusted for inflation and will be again on April 1<sup>st</sup>. As

announced in last year's budget, we are extending this policy to apply to other fees charged for government services. As of April 1, 2011, a number of fees will be adjusted to reflect increases in the cost of providing services since the last time they were increased. We expect to raise \$1.8 million from these initiatives in 2011-2012.

Last October the Department of Finance held its third consultation with NWT residents and businesses on the GNWT's long-term tax, economic and fiscal policies. This year's discussion focused on two specific tax options: a carbon tax option was put forward following the interest expressed during the first two revenue consultations, and a hotel tax option was presented in response to a motion by the Northwest Territories Association of Communities supporting territorial legislation to allow for a municipal hotel room levy that would fund tourism marketing and development initiatives. These potential new taxes would align with the government's priorities to protect the environment and promote the NWT as a place to visit and live.

A carbon tax requires considerably more research and analysis before any changes could be brought forward or implemented. A hotel tax, while perhaps more straightforward to understand or implement, would require further consultation with communities and the tourism industry. However, these are two concrete options that can be considered by the 17<sup>th</sup> Legislative Assembly.

Although our own-source revenues represent a relatively small portion of our overall spending, we must also be prepared to look at the revenue side of our budget as we continue to manage our way through these uncertain economic and fiscal times. Knowing that higher taxes may act as a drag on our recovering economy, we will need to balance our fiscal requirements against the economic impacts of any changes to our tax regime.

### Looking Forward

As I have noted, this budget is focussed on consolidating the work and achievements of the 16<sup>th</sup> Assembly. But the world is not divided into neat four-year parcels and there are a number of initiatives and priorities that will need more time to complete. In fact, many of these have been priorities for previous Assemblies which we have continued to pursue and advance, and which further Assemblies will, we trust, bring to completion.

Last week Premier Roland signed the devolution agreement-in-principle to transfer authority over Crown lands from Canada to the GNWT. Signing this historic agreement-in-principle was a critical step in ensuring Northerners will be making the decisions here in the NWT about our lands and resources, decisions that will affect the lives of our children and grandchildren.

However, important as it is, the agreement-in-principle is only a first step. We now need to turn our attention to completing a final agreement, including reaching a resource revenue-sharing agreement with regional Aboriginal governments, developing an agreement with Canada on post-devolution resource development cooperation, completing a government-to-government agreement with regional Aboriginal governments on post-devolution resource management, and completing the transitional activities described in the agreement-in-principle related to the transfer of program responsibilities from Canada to the GNWT.

The Taltson Hydroelectric Expansion Project continues to be a priority of this government, but additional work will be needed to confirm the financial viability of this project. This includes work to address the concerns raised by the federal government in response to the report issued by the Mackenzie Valley Environmental Impact Review Board and concluding discussions with potential customers. Based on this, project assumptions will be updated and next steps identified. Premier Roland will be updating Members on this project later this session.

Last year at this time I committed, should there be a consensus on the value of a Heritage Fund, to introduce legislation to create such a fund before the term of this Assembly is up. We have consulted with NWT residents, who have expressed support. I am confirming my intention to introduce legislation during the current session for the Assembly's consideration. We recognize that we are unlikely to be contributing to a fund until we are in a surplus cash position. However, we will be prepared, when that day comes, to start saving a legacy for future generations of Northerners.

This government continues to make the planning for the Mackenzie Valley Highway from Wrigley to Tuktoyaktuk a priority. The unanimous support of the 16<sup>th</sup> Assembly has enabled considerable progress to be made. We have completed a project description report for the Inuvik to Tuktoyaktuk section of this road and have made an application for regulatory approval. We are now doing similar work for the section of highway between Wrigley and the Dempster Highway.

This work is being done in partnership with land claims groups and organizations throughout the valley and is being cost shared with Canada. This work will help the GNWT engage the federal government in discussions on how to fund and construct this road. It will also allow the 17<sup>th</sup> Legislative Assembly to consider a construction application to regulators. All Northerners and all Canadians will benefit from a Canada connected from coast to coast to coast.

As I noted earlier, health care costs represent a major cost driver for this government and will continue to pose a significant risk to fiscal sustainability. Across Canada and internationally, leaders are being faced with difficult choices around the sustainability and accessibility of health care. We know that we need to make changes to our health and social services system so our children can access the same quality care that exists in the NWT today. In A Foundation for Change, the Honourable Sandy Lee, Minister of Health and Social Services, has outlined a plan for making changes to our system now, to ensure we have affordable, quality health care and social services in the future.

The first step must be starting a discussion about the choices we all need to make around health and wellness. Changes must start at an individual level. Many of these changes are around making healthier choices, but others are about valuing the health and social services resources we have. For example, attending our appointments so that operating rooms are not left empty when there are others waiting.

The health and social services system must also continue to respond to the needs of residents through quality care and supports. This will continue to be challenging, given the system pressures, the increasing costs of delivering health care, and public expectations. A Foundation for Change is about forming a base that future governments can build upon.

Despite the serious fiscal challenges caused by the global economic crisis, as a government we have continued to provide quality programs and services to the residents of the NWT. We have made investments and initiated policy changes in key areas that will benefit the NWT for years to come. We have made some tough fiscal choices over the past four years to allow us to make these investments. We know there will be more difficult decisions ahead.

### **Conclusion**

Three years ago the Members of the 16<sup>th</sup> Assembly identified a vision of strong individuals, families and communities sharing the benefits and responsibilities of a unified, environmentally sustainable and prosperous Northwest Territories. All Members of this Assembly should be proud of the work we have done toward achieving this vision. This budget focuses on consolidating work underway and finishing what we have begun, but we know that there is much more work to do.

The years ahead will be exciting and challenging ones. Achieving the goals Northerners have set for ourselves within the fiscal constraints facing us will be a significant challenge and one that will require difficult choices. NWT residents must be ready to engage in debate about priorities and their

expectations about what government should and can do.

We need to think on a territorial-wide basis and make choices that are in the best interests of the NWT as a whole. We must all be prepared to make compromises if we are to achieve benefits that are in the long-term interests of the whole NWT. Northerners have never shrunk from a challenge and I have no doubt that we are up to this one. Mahsi.

**MR. SPEAKER:** Thank you, Mr. Miltenberger. Before I go on, I'd like to acknowledge in the gallery the presence of former Commissioner Glenna Hansen, who is with us.

---Applause

Now the Chair is going to call a short break and invite everybody into the Great Hall to have some refreshments and dialogue with the Finance Minister.

---SHORT RECESS

**MR. SPEAKER:** Item 3, Ministers' statements. Item 4, Members' statements. The honourable Member for Mackenzie Delta, Mr. Krutko.

### Members' Statements

#### MEMBER'S STATEMENT ON CLOSURE OF JOE GREENLAND CENTRE IN AKLAVIK

**MR. KRUTKO:** Thank you, Mr. Speaker. It's hard to stand up in this House time and time again and raise the issues on behalf of my constituents. But here I am again, Mr. Speaker, today, expressing my very many concerns about the Joe Greenland Centre in Aklavik.

Mr. Speaker, it has been open since 1978. Mr. Speaker, 32 years the Joe Greenland Centre has served people in the northern region...(inaudible)...communities throughout the Sahtu, Mackenzie Delta, Beaufort Sea. This is a great example of how local people can take care of the elders in the North and also in our northern communities and keeping them in their communities for as long as possible.

But now, Mr. Speaker, the Department of Health and Social Services wants to remove the elders in long-term care to Inuvik or someplace else. They have no problem telling our elders, oh, you'll have to move out to Inuvik in the next two weeks. No problem moving the elders in regard to the affect it's going to have on their husbands, wives and, more importantly, their family, their children and the community. This is what's happening right now in Aklavik.

While it's really nice to hear the statements by the government in their budget, this government is moving our elders away from the people that they

most care about and most love, and moving them away from our communities such as from the Joe Greenland Centre, understanding that under the Tenant's Act of the Northwest Territories you have to give 90 days' notice in regard to the moving of someone from their occupancy. Given that they gave two weeks' notice to the elders in the Joe Greenland Centre -- one is 90 years old and the other is 80 -- basically they have to vacate the premises by February 16<sup>th</sup>.

The population of Aklavik, again, is aging. They have some 76 elders over the age of 60 and of that, half are over 70 or more. Sure, I know that we don't all need long-term care in our communities, but at some point we will, and we have to ensure that we have the capability, such as the capacity that the Joe Greenland Centre has provided.

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

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

---Unanimous consent granted

**MR. KRUTKO:** Mr. Speaker, again, this leaves the Joe Greenland Centre out of the picture, where we already have trained staff running the facility and in the community of Aklavik.

Mr. Speaker, the loss of 14 full-time jobs in Aklavik is a big problem here. That is 10 percent of the jobs in Aklavik. I'd like to remind Cabinet of its priorities we set at the start of the 16<sup>th</sup> Assembly. I did not think that included the unemployment dropping, or rising in our communities because of the layoffs of 14 people in Aklavik. Mr. Speaker, I was totally appalled at finding out that they were going to basically shut down the long-term care facility in Aklavik.

Again, Mr. Speaker, the average income in Aklavik is \$8,000 per year. Mr. Speaker, \$8,000 a year. That's pathetic. What happens is that the Joe Greenland Centre is just another example of this government neglecting small communities and their needs. Mr. Speaker, I will be making a motion asking the Members to support the continued long-term care in the Joe Greenland Centre, and maybe a few Cabinet Members should think about this and, more importantly, do the right thing.

Mr. Speaker, at the appropriate time I will be asking questions to the Minister of Health and Social Services on this matter.

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

#### MEMBER'S STATEMENT ON REFLECTIONS ON THE 2011-2012 BUDGET ADDRESS

**MR. BROMLEY:** Thank you, Mr. Speaker. We've heard the Minister of Finance's priorities stated in

his budget address today. Today I will take my two minutes and add some of my priorities, review some of my priorities that I will pursue in the upcoming budget debate.

At the top of the list is implementation of the recommendations of the Child and Family Services Act review. We heard more evidence of this urgent need on this morning's news with the extremely sad report of a teen suicide and the coroner specifically urging action on the committee's recommendations.

Action on housing. We urgently need a comprehensive, cross-departmental strategy for sustainable housing as a social program and an engine of local economies and to build our housing stock on sustainable, energy-efficient practices. Sunsetting of federal funds makes this even more pressing.

We must move now to achieve science-based greenhouse gas reduction targets supported again by cross-government action including new renewable energy projects and progressive work towards a smartly designed carbon tax. A listen to any news report will confirm the urgency of this action. I suggest that creation of a climate change mitigation and adaptation department be forwarded to the 17<sup>th</sup> Assembly for consideration.

We need a position in the Executive to support the capacity and vital work of the volunteer sector.

I look forward to the establishment of our Heritage Fund. Let's kick-start that fund with a progressive resource tax to get full value from resource extraction until devolution six to eight years hence.

Extension of supplementary health benefits to those now lacking coverage. Cutting pharmaceutical costs through joint buying is a priority and can help recover these extra costs.

Further, critical investments in child care and early childhood development. Actions on the recommendations on the No Place for Poverty workshop. The grassroots workshop gave us a program of priorities and actions. Let's get going on that wisdom with actions to usher this work into the 17<sup>th</sup> Assembly.

Mr. Speaker, we've heard the Minister mention some of these items and I'll be bringing up the rest during debate.

Mr. Speaker, money is tight and we are flirting dangerously with our debt limit. We need a Program Review Office that actually produces a much more effective prevention and comprehensive, coordinated, cross-government action than we have...

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

**MR. BROMLEY:** Mahsi.

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

#### MEMBER'S STATEMENT ON REFLECTIONS ON THE 2011-2012 BUDGET ADDRESS

**MR. MENICOCHÉ:** Thank you very much, Mr. Speaker. This budget and past budgets have been concentrating on super projects like the Deh Cho Bridge and super schools like the one in Inuvik. I believe it is time to start concentrating on the needs of our small and remote communities, Mr. Speaker. They have infrastructure needs of which I've been speaking for some time, like a new school in Trout Lake and reviewing the need for a new school in Nahanni Butte, increased funding for health and wellness program dollars for the smaller communities. As well, as I travelled, there were two other important issues that came up. They are housing and roads.

While I am pleased with the level of investment in housing, constituents continue to raise the issue of their arrears and have no recourse to appeal those old debts. I wasn't very pleased that there was no mention of the appeal system that I've been asking for, for some time in this House, in the budget. I look forward to a resolution on that matter in this coming year.

Secondly, roads, roads, roads. This is always brought to my attention. The level of expenditures in the budget may be adequate. However, the O and M dollars must be spent and stay away from carry-overs, Mr. Speaker. We do have lots of time to plan and the government does, and I ask the government to carry out those expenditures. Highway No. 7 and Highway No. 1 to Wrigley are much travelled roads for the constituents and they often tell me that is their lifeline. That is how they make their money, and those roads are notorious because they break down so easily and I believe that the O and M has to be expended, Mr. Speaker, on a timely basis and not let our roads deteriorate. Thank you very much, Mr. Speaker.

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

#### MEMBER'S STATEMENT ON SUSTAINABILITY OF GNWT'S STRATEGIES

**MR. YAKELEYA:** Thank you, Mr. Speaker. February is Heart Month across Canada. People are raising awareness about our health, Mr. Speaker. I think our government is on the brink of a massive heart attack. Mr. Speaker, there are warning signs that a heart attack is coming, like chest pains, discomfort in other parts of the upper body, shortness of breath and other signs that I can compare to what I see going on right here.

I will explain, Mr. Speaker. Let's start with chest pains. People are leaving the Northwest Territories. There are a lot of heavy hearts. This means less funding from the federal government. People are leaving small communities. To get between regions is getting bigger. Do you really think that devolution is going to solve all of these problems?

First things first, Mr. Speaker. People of the Northwest Territories are not united on this issue, Mr. Speaker. These things go right to the heart of it. There are other warning signs we need to pay attention to, discomfort in other areas.

Mr. Speaker, another warning sign of a heart attack is pain in other parts of the upper body. We see this in our education system. Students are graduating with diplomas that only means that they have to upgrade later on.

Mr. Speaker, houses are unaffordable and sit empty for months. Homes are falling in disrepair before thousands of dollars building and yet we haven't been able to come ahead with the elusive dream of homeownership. We haven't yet come out of our tents. We are actually going back into them.

Shortness of breath, or should I say shortness of cash, Mr. Speaker. Our financial forecast does not look bright. Revenue from corporate tax has dropped. The health care system is at a tipping point. We can't sustain our costs.

We have a huge loan to build a bridge across the Mackenzie River. My and your grandchildren will be grown adults before this bridge is paid back.

Mr. Speaker, our GNWT workforce is aging. Not only will we be short on cash, we will be short on staff. Where are the qualified young people who are willing to take on the job when the senior staff retires? Who will gain the knowledge of our experienced staff before they go?

Mr. Speaker, it is possible to come back from the brink of a heart attack when people pay attention to the warning signs. They can get to the hospital on time, Mr. Speaker. Canadian Heart and Stroke Foundation say that denial is cutting people's lives short. Let's face these challenges and work together to get our health back on track. Let's give our people hope. Let's give them something to live for. Thank you, Mr. Speaker.

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

MEMBER'S STATEMENT ON  
REFLECTIONS ON THE  
2011-2012 BUDGET ADDRESS

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. It is budget day in the Northwest Territories and I was interviewed by the media after the budget

address and I said that, overall, I am pleased with the budget.

This budget will not see the same volume of investment in things like capital infrastructure that we have realized extraordinarily in the last few years, but I think the 16<sup>th</sup> Assembly will be remembered for carrying this Territory through a recession at the same time using those stimulus dollars and extraordinary capital investments to help ease the impact of the recession here in the Northwest Territories. I'm putting this on the record today, but I hope that this government will be remembered for that, the 16<sup>th</sup> Assembly, for managing us through that.

Otherwise, the budget is not throwing excessive amounts of money around and, as it should be for the last budget in a government that is in a situation where their outgoing is kind of a steady-as-you-go, continuing to recognize the priorities and investing some money, but I believe it is, overall, a good budget.

Mr. Speaker, to the issue of the community that I represent in Hay River, I am very pleased and thankful that we have seen the capital projects that we have in the last while in Hay River, starting with the assisted living facility which is now fully completed and operational. The trade school which has been built onto the high school is something that, when I was first elected, I made a list of 10 things I would like to see happen during my 10 years in office. I didn't think I was going to be here 16 years. I didn't think it would take this long. However, the trade school is there in Hay River and it is a tribute to the people who worked on it and who had the vision to see something like this, and to the fact that there are opportunities for many great trades opportunities for young people here in the North and in Hay River.

Mr. Speaker, we are in a difficult time in Hay River right now, though, and certainly the construction that is taking place on the retrofit on the high school is going to help offset that; also, the plans that will be underway and the tenders that will be let for the construction of our new hospital. Mr. Speaker, we see things that are on the horizon, though, that just a little bit of help could bring them to fruition and we could realize the benefits of things such as Tamerlane Ventures with their mining operation at Pine Point. The Finance Minister did not mention Tamerlane today in his address. I will take that as just an oversight, but we need to get behind that company, which would see a real marked economic activity in Hay River. That is the end of my time. Thank you, Mr. Speaker.

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



MEMBER'S STATEMENT ON  
STANDARD OF LIVING  
IN SMALL COMMUNITIES

**MR. BEAULIEU:** Mahsi cho, Mr. Speaker. I will be talking to the budget. I noticed three years of drawing comparisons between large communities and small communities that there would be some shift of government resources on larger communities to small communities. Mr. Speaker, in reality, I am convinced that this government cannot or will not make that shift, at least not in a significant way. Mr. Speaker, three years ago I noticed a huge deficit in government infrastructure in and around small communities. This government responded, but compared to the big money being spent in large centres, there is still a lot needed in the small communities.

Mr. Speaker, I noticed small communities lack government staff and programs and services that they deliver. Mr. Speaker, there is a book called *Where the Pavement Ends*. This book, the writer writes about the plight of Aboriginal people in Canada, about the standard of living of Aboriginal people and how it compares to the rest of Canada. As I mentioned in this House in the past, Aboriginal people's standard of living in Canada is about 70<sup>th</sup> in the world, while the rest of Canada has the fifth best standard of living in the world.

Mr. Speaker, the situation in the NWT is no different. In the small communities we have dusty roads, poor highways, low employment rates, poor health, poor housing and high addictions. Mr. Speaker, this government has, as all other governments, failed the Aboriginal people in small communities. This has, as all other governments, failed to see that in order for the situation to improve across the entire NWT, they must first strengthen the weakest links. By that I mean putting greater emphasis on helping small communities to prosper and start contributing to the overall economic health of the NWT.

Mr. Speaker, the Committee on the Sustainability of Rural and Remote Communities is a step in the right direction, but it is not enough. The results of spending are yet to have a positive impact on the small communities.

Mr. Speaker...

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

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

---Unanimous consent granted

**MR. BEAULIEU:** Mr. Speaker, the employment program, trade spending, child funding, reduced power rates are all good, but we need environmental cleanups, infrastructure and housing

projects in all of the small communities to make the situation better. Thank you, Mr. Speaker.

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

MEMBER'S STATEMENT ON  
REFLECTIONS ON THE  
2011-2012 BUDGET ADDRESS

**MR. ABERNETHY:** Thank you, Mr. Speaker. I would like to thank the Minister of Finance for the budget address there today. There is certainly a lot that can and will be discussed from both within the budget itself and from within the budget address. I am looking forward to those discussions.

I would like to start off right now with just a couple of points. First, I am happy to see that the budget is consistent with our fiscal strategy and that the growth is less than 3 percent minus the net compensation. I think that's important for the future of this government, both the 16<sup>th</sup> and future governments.

I also agree with the Minister's statement that we need to focus on finding efficiencies and put dollars where they truly will be most effective. I think that is also critical for the future of this and future governments.

I agree that we must seek some creative new ways of doing things that may be outside the box, but I also think it's important to look within. We have a great number of employees within the Northwest Territories who are highly educated, highly motivated, highly competent and skilled employees who have a lot of these solutions. We need to engage our employees. We need to empower them.

One example of how this government could increase efficiencies would be to actually work with these employees and have them do the work that they were hired to do. I think we spend a lot of time with our employees acting as contract managers where we contract out program design, program evaluation, program implementation. We have employees who can get down into the nitty-gritty and design our programs. We don't need to keep hiring contractors. I think it's time to work with our employees and empower them to do this work.

Right now, if you look throughout the government, you can go find bookshelves pretty much everywhere you go. They are full of reports and studies that contractors have done for us. I don't think many of our employees have ownership or a sense of belonging to those reports because they weren't involved in the actual design and development. I think if we were to empower our employees, they would have a sense of ownership and a sense of commitment to these policies. We could actually get past planning and get into action.

We can put our action in process and start actually implementing some of these things that need to be implemented.

To the Minister moving forward, work with our employees. Seek out their input. Seek their advice. Get them to do the work. Let's stop contracting. Let's spend our money efficiently and effectively.

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

MEMBER'S STATEMENT ON  
REFLECTIONS ON THE  
2011-2012 BUDGET ADDRESS

**MS. BISARO:** Thank you, Mr. Speaker. In preparation for today, budget day, I've taken a look back at comments I've made at various times during this Assembly in regard to previous budgets. I was struck by the similarity of my concerns then until now.

On May 26, 2008, in my Member's statement, I said, "I am disappointed in three aspects of this budget: that there's no new revenue source; that budget reductions seem to target jobs first; that there is no coordinated approach from the government for the consideration of saving the environment, energy planning, and minimizing climate change through all of our programs and services." Regrettably, two of these three items remain a concern today, almost three years later. Today's budget has no new revenue source and we still do not have a coordinated or comprehensive approach to energy planning, conservation and climate change. Despite continued pleas from Members on this side of the House, it is yet to become a number one priority for this government.

On February 5, 2009, I stated, "The budget continues to use the term 'strategic initiative' to define costs which are actually forced growth." To be honest, this has gotten somewhat better, but all of our budgets continue to identify certain expenditures as strategic initiatives when they're really just a regular cost of doing business, nothing special.

On January 28, 2010, I spoke of two things: the need for the GNWT to develop an anti-poverty strategy and the need to increase actions which address homelessness. We have yet to see either of these things.

Just last October 29<sup>th</sup> my Member's statement included these words: "On another note, during the departmental reviews it was again evident that GNWT departments plan in isolation. It was all too apparent in our review of business plans last month. It was another case of the right hand not knowing what the left hand is doing." Again I have to say, regrettably, I must admit, that the situation in this regard has not changed.

In summary, I believe that as a government and as a Territory we need to make fundamental systemic changes to the way we deliver programs and services and to the way we think about government. Without it we will never achieve parity and an acceptable quality of life for our residents.

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

MEMBER'S STATEMENT ON  
REFLECTIONS ON THE  
2011-2012 BUDGET ADDRESS

**MR. RAMSAY:** Thank you, Mr. Speaker. I'd like to speak today about the 2011-2012 budget. What is clear is that this government does not have a problem when it comes to spending money. I must say that some of the spending was necessary. The \$865 million on infrastructure projects around the Territory has helped our economy through turbulent economic times. However, we have not begun to address what streamlining government operations and improving effectiveness and efficiencies within the government actually means.

The Program Review Office, which was started two and a half years ago, was supposed to deliver information to this House that would lead to decisions being made. The problem is that we have not been given adequate information to make decisions, with the exception of the office space requirement work that was completed. This is not acceptable. I have to ask why more decision points haven't been brought to Members of this House.

It is convention that the Finance Minister wears footwear indicative of the budget the government is presenting on budget day and I was anxious to see if Mr. Miltenberger was going to don some skates today, as I believe that is exactly the type of footwear that he should be putting on today. As a Territory we are skating on thin ice when it comes to our borrowing limit. We've missed the net when it comes to forecasting corporate tax revenue and we should be put in the penalty box for leaving the next government in such a precarious financial state.

While I have a few more moments, I also wanted to mention the Strategic Initiatives committees that I still believe have been a complete waste of time, energy and resources of this government. Really, how many deputy ministers do you need in a room? They all have their own departments to run and I don't see what the advantages of having these Strategic Initiatives committees really were.

Then there's the health care spending where once again the government recognizes the need to change how our system works. This is nothing new. The issues go back to a time when the Finance Minister was the Health Minister and the Premier was the Health Minister. These decisions just have not been made. You'll hear me speak again about

this to the current Minister of Health during this session.

We have much to look forward to as a Territory. I know I have highlighted some of the issues that I see with the budget. Optimistically, I think the future is very bright for this Territory. I think what the public wants and deserves are people here who are going to make some decisions.

**MR. SPEAKER:** Thank you, Mr. Ramsay. The honourable Member for Yellowknife Centre, Mr. Hawkins.

MEMBER'S STATEMENT ON  
REFLECTIONS ON THE  
2011-2012 BUDGET ADDRESS

**MR. HAWKINS:** Thank you, Mr. Speaker. In reading the Finance Minister's budget speech I think he has a lot to be proud of, but I fear, like several other of my colleagues, there are many issues that have been miss-highlighted or completely skipped over.

The concern I want to highlight in a similar manner is the fiscal management; quite simply, the cost of government. Under the Minister of Finance's Fiscal Strategy section, the Minister was very fiscally prudent when coming to his words when talking about the cost of government and how to bring the cost of government down. Perhaps he was too little on the descriptive side as to the details of what we are doing to reduce the cost in government or even controlling it, reining it in, or eliminating it through programs that do not work anymore. He was very clear, to his credit, of exercising the expenditure cap at 3 percent but very unclear as to where else he's managing government budgets to ensure that every stone is turned when it comes to saving our money.

It is true that the Finance Minister does provide a blushing drive-by and mentions the Program Review Office, but in all fairness we've heard very little, as my colleagues have mentioned, from that group. Everything that they have proposed has been so high level or so divisive that it has been difficult to get behind in this House.

In essence, what have we done as a government to really control the cost of government? In the budget on page 4 the Finance Minister clearly states in writing: "It will mean continuing to seek creative new ways of doing things, being open to new ideas and being willing to challenge the status quo." Well, here is certainly one: what about hiring an efficiency expert? Large industries such as diamond mines or other corporate giants all do the same thing. They look at every dollar and ask themselves if they really need to do this. This would be very effective on our programming as well as just day-to-day business operations. Yes, government is a

business, and we tend to forget about that sometimes.

There are other ways. What about value audits for programs? Again, asking ourselves if certain programs exist simply because they exist, or if we ask ourselves why they exist. I don't think we do that, either.

Red-tape review I've raised, as well as other colleagues here. What about the paperwork and regulations that we needlessly put on our taxpayer businesses?

We can give credit where credit is due. On page 11 the Finance Minister talked about the biomass heating energy efficiency that will reduce the cost of heating at \$775,000 of our \$1.3 billion budget.

I seek unanimous consent to conclude my statement.

---Unanimous consent granted

**MR. HAWKINS:** Thank you, Mr. Speaker. Thank you, colleagues. Thank you, Finance Minister. I was expecting at least a heckle over there.

As I was trying to say, the biomass heating energy retrofit will save \$775,000 on our \$1.3 billion budget, but in all fairness, we have to keep in mind that's 0.0005 percent of savings. I think it's the right track and the right type of thinking, but we need to see more of those types of initiatives.

The legendary military man General Patton always believed in providing the direction and allowing the right people, the skilled people to find a way to get us through.

In closing to wrap this all up, the 2009 drop of \$41 million in our forecasted corporate taxes requires a cushion, as highlighted by the Minister of Finance. As I've said many times, we need a revenue stabilization stream to protect us. This is just one of the problems on two fronts that we can be tackling as we need to pursue good fiscal, sound management of our books.

I'll have questions later today for the Finance Minister.

**MR. SPEAKER:** Thank you, Mr. Hawkins. Item 5, reports of standing and special committees. Item 6, returns to oral questions. Item 7, recognition of visitors in the gallery. The honourable Member for Thebacha, Mr. Miltenberger.

### Recognition of Visitors in the Gallery

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. It gives me great pleasure to be able to stand in this House and recognize a very fine artisan who crafted this vest and has the fortitude and endurance to live with me for the last 35 years.

---Laughter

My wife, Jeri Miltenberger.

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

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. It's a pleasure to rise in the House today and recognize a constituent of Hay River South, His Worship Mayor Kelly Schofield. Mayor Schofield and Deputy Mayor Mike Maher both arrived in Yellowknife this morning on the Buffalo flight, Mr. Schofield for the delivery of the budget statement and Mr. Maher for a different type of delivery: we congratulate him on the arrival of his daughter Brooke this morning.

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. The honourable Member for Inuvik Twin Lakes, Mr. Robert McLeod.

**HON. ROBERT MCLEOD:** I'd like to take this opportunity to welcome a constituent from Inuvik Twin Lakes, Ms. Val Robertson. Welcome.

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

**MR. BROMLEY:** Thank you, Mr. Speaker. I'd like to welcome my constituents Dick and Loretta Abernethy. I'd also like to recognize representatives from the labour unions, certainly Mary Lou Cherwaty.

**MR. SPEAKER:** Thank you, Mr. Bromley. The honourable Member for Yellowknife South, Mr. Bob McLeod.

**HON. BOB MCLEOD:** Thank you, Mr. Speaker. I'm pleased to recognize a constituent of mine from Yellowknife South: Gayla Thunstrom, first vice-president with the Union of Northern Workers, and also I wish her a happy birthday as it is her birthday today. And also Barb Wyness, the public relations and research officer for the Union of Northern Workers.

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

**MS. BISARO:** Thank you, Mr. Speaker. My colleague has taken away my recognition of Barb Wyness, a constituent from Frame Lake. Barb is the public relations and communications officer for the Union of Northern Workers.

**MR. SPEAKER:** Thank you, Ms. Bisaro. I'd also like to welcome Jody Raymond, the new assistant for the Members, who is in the gallery today. If we've missed anyone in the gallery today, welcome to the Chamber. I hope you're enjoying the proceedings.

Item 8, acknowledgements. Item 9, oral questions. The honourable Member for Great Slave, Mr. Abernethy.

## Oral Questions

### QUESTION 360-16(5): UTILIZING THE EXPERTISE OF GNWT EMPLOYEES

**MR. ABERNETHY:** Thank you, Mr. Speaker. In my Member's statement I talked about our employees. Our employees are our most valuable resource. In the budget address, the Minister talked about finding efficiencies and, quite frankly, I think one of the greatest ways to find some efficiencies is to work with our employees. Right now, as I indicated in my Member's statement, you can go and find bookshelves throughout the government full of reports and analyses that were done by contractors that were managed by our employees. Our employees are smart, intelligent, hardworking, competent people who can do this work. I mean, how often do we see ex-employees of the GNWT getting contracts to do something that they could have done when they were an employee? So to the Minister: we've got an opportunity here to work with our employees, to empower them to create some of these efficiencies and get them to do the work. Could the Minister tell me what actions are being done to engage our employees, and move away from heaving so many darn contracts and empower our employees, who are quite competent, to do the work and allow them to do the work? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Abernethy. The honourable Minister of Finance, Mr. Miltenberger.

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. There is a number of things being done. For example, I know in some of the buildings, there are green teams being set up across the departments bringing together employees to look at ways to be more efficient, more environmentally friendly and look at savings just from the basic way we do business.

As well, I mean all of the departments, and I would not necessarily agree that we don't take advantage of the skills and creativity of our employees. We also, I believe, do have some encouragement for that. We have money in the budget to look at trying to find ways to retain employees to make sure employees come back, if they go get trained; students do come back.

So the Member has indicated that we should look at ways, and I've been around the government now long enough that we have looked at ways in the past that haven't worked that well. Maybe there is a time and the Member has direct suggestions about how we could move forward. I'd be happy to hear what those specific suggestions are. Thank you.

**MR. ABERNETHY:** As I indicated, I believe our employees are our most valuable asset and, quite frankly, they are involved in the frontline day to day.

They see our program delivery. They are involved in our program design, but unfortunately too often -- and this is a pet peeve of mine -- it's totally easy to see when you look at that report of contracts over \$5,000, which is about an inch and a half thick, and you see employees, or ex-employees of the GNWT who have gone away, started consulting businesses and we turn around and we consult with them, and we contract with them, and we contract with them to do things that they could have done when they were our employees, but we now have employees who have backfilled for them and we are not utilizing them other than to get them to manage contracts.

I acknowledge full off that we are using our employees as well, but what I'm suggesting to the Minister is he commit to look at the number of contracts that we're making with ex-employees and contractors and reduce that and empower employees to do the work that they are more than competent and willing to do. Thank you, Mr. Speaker.

**HON. MICHAEL MILTENBERGER:** We, of course, want the same thing. I've seen that document and we are looking and we will continue to look, as I indicated in my budget address, at ways to be more efficient. The amount of contracts, of course, is one area that has a lot of discretion to it and we will be examining as we go forward as a way, that and other things, to try to control our costs. Thank you.

**MR. ABERNETHY:** It sounds like we're saying roughly the same thing, but I'd like to ask the Minister to commit to actually working with our employees and reduce the number of contracts that are being awarded for work that our staff are more than competent and qualified to do in-house. It will save us money. It will allow us to streamline money to where it can be most effective. Thank you, Mr. Speaker.

**HON. MICHAEL MILTENBERGER:** We will have to look very carefully, because the Member implies somehow the amount of work we do through contractors, which is a substantial amount of money, will be able to be picked up by employees who, by my own estimation, are fully engaged. It's partially a reflection of the demand for things to get done as a government that we face in trying to respond to the very high level of expectation. I don't disagree that there are probably opportunities to be more efficient in how we deal with contracts, and we'll commit to working with the Members as well as the bureaucracy to see how we can be more efficient. Thank you.

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

**MR. ABERNETHY:** Thank you, Mr. Speaker. I am wondering if the Minister could tell us whether he's going to have an RFP out so someone can do a review of our contract use. Thank you, Mr. Speaker.

**HON. MICHAEL MILTENBERGER:** We would, of course, see who of the existing staff has the skills and the time to try to accept this added burden that the Member would like us to take on. Thank you.

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

QUESTION 361-16(5):  
IMPROVING GNWT'S EFFECTIVENESS

**MR. RAMSAY:** Thank you, Mr. Speaker. In the budget address the Finance Minister talked about streamlining government operations and improving effectiveness and efficiencies within government. After that statement is made in the budget address, there are four bullets. The only bullet I can find that actually speaks to those words that I just spoke is \$300,000 for implementing the Shared Financial Services Model. I'd like to ask the Finance Minister where is the other work on streamlining government operations and improving effectiveness and efficiencies within government. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Ramsay. The honourable Minister of Finance, Mr. Miltenberger.

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. We think there's a significant opportunity. There's money in the budget to look at the area of primary concern as has been identified by Members and is a primary concern in the communities, and that is in the area of the housing review. We know there have been opportunities identified by the Program Review Committee that will be within the purview of the 17<sup>th</sup> Assembly as we look at things like inclusive schooling and pupil/teacher ratios where we know that there are opportunities there, but as some Member said, maybe the information wasn't clear enough so a decision point couldn't be made. We also know -- and I said this repeatedly in my remarks -- that there is going to be difficult choices and we are going to have to broach those and they will have to be addressed by the 17<sup>th</sup> Assembly as we have tried to deal with the difficult ones here.

There is a very, very clear need and opportunity to look as we talk about the size of government. We talk about contractors and we also have the fact that we've got over 4,000 employees. We are one of the biggest employers in government. What does government do? What's it supposed to do? What can it do? If we're not going to do some things, what are those things? Those are all difficult political choices and one which after the debate is over, everyone wants to tend to leave to the next government to decide. Thank you.

**MR. RAMSAY:** I guess I'm just having trouble understanding how a Program Review Office that's been in existence for two and a half years, how the Regular Members of this House could only be given

one decision point, and that was the office space requirement here in Yellowknife, to actually make a decision on. Now it sounds like the government is going to put the tough decisions on the 17<sup>th</sup> Assembly when they're elected in the fall.

Mr. Speaker, I think the obvious question I have is: have decision points come to this Cabinet that haven't got through to the Regular Members so we could make a decision collectively? Thank you.

**HON. MICHAEL MILTENBERGER:** It's my recollection and estimation that there was no appetite by this Assembly at this juncture to talk about a meaningful way about the pupil/teacher ratio and how it's funded far above the legislative requirement or the opportunities for the reprofiling of money through the inclusive schooling system, for example.

We know that there are still opportunities that the next Assembly is going to have to deal with about board reform. That will be, once again, within the purview of the next Assembly. We know there are going to be decisions that are going to continue to be made about supplementary health. That was identified, as well, as something that requires more work, so that the next Assembly will be required to deal with that.

So we've identified a number of things. Some things there was a willingness, an appetite to deal with. There were many that will get put over. Thank you.

**MR. RAMSAY:** Mr. Speaker, I'm not sure when we had the discussion collectively on pupil/teacher ratios. I don't recall that discussion taking place, Mr. Speaker. I'd like to ask the Minister, is the Minister saying today that by the end of the life of this government in September -- that's three years that this Program Review Office was up and running -- this government would have made one decision in regard to work coming out of that office. One decision in three years. Is that going to be accurate, Mr. Speaker? Thank you.

**HON. MICHAEL MILTENBERGER:** Mr. Speaker, there were a number of decisions made. The big concrete one, of course, was the office building, which has a projected savings of \$100 million over the life of the building. We, as well, looked at the work that was done. We had the discussion and the work continues to be done in a whole host of areas, some of which I identified in my statement today, and decisions were made not to proceed on some things because of our assessment that there was no political appetite to proceed with some of those particular issues. Thank you.

**MR. SPEAKER:** Thank you, Mr. Miltenberger. Your final supplementary, Mr. Ramsay.

**MR. RAMSAY:** Thank you, Mr. Speaker. Mr. Speaker, again, the office space requirement, that is the one that I'm talking about. Was it Cabinet's

assertion that they weren't politically palatable, and if so, how come Regular Members weren't given the opportunity to have any input on directions that those decisions may have taken? Thank you.

**HON. MICHAEL MILTENBERGER:** The office building was discussed fully. There was extensive work done. It went on for, actually, a number of years doing all the market analysis. The other work of the Program Review Committee: there were briefings on the work done and the issues raised and the complexity of some of the issues. Some of the other ones had to do with adult education and how it's funded, how it could be improved, and once again my recollection was that there was no appetite to proceed with anything of that nature that would be controversial and require possible adjustments or changes or cuts. So the work is going to be there. It's going to continue to be improved on and be ready there for the 17<sup>th</sup> Assembly. Thank you.

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

QUESTION 362-16(5):  
IMPACT ON CONSUMERS OF  
ELECTRICITY RATE REDUCTIONS

**MR. MENICOCHÉ:** Thank you very much, Mr. Speaker. The budget does mention the reorganization of the NTPC and reducing our electrical rates for household and commercial. Mr. Speaker, I'm really pleased to see that. Minister Bob McLeod and I went to Nahanni Butte, and it was kind of confusing because the store there actually raised the prices of the food and here in our committee system when we were talking with the Energy Coordinating Committee, we were supposed to put a process in place, Mr. Speaker, to kind of watch businesses, because it was supposed to lower the cost of living in our communities, Mr. Speaker. I'd like to ask the Minister of the Energy Coordinating Committee what processes are in place to help monitor the private businesses so that they can apply their cost savings to the public. Thank you.

**MR. SPEAKER:** Thank you, Mr. Menicoche. The Minister responsible for the Energy Coordinating Committee, Mr. Bob McLeod.

**HON. BOB MCLEOD:** Thank you, Mr. Speaker. We had a very informative trip to Nahanni Butte. Coming back to Yellowknife I had an opportunity to check further into it and upon looking at the electrical bills, we realized that the store had just received their electrical bills and it was quite gratifying to see that after all this work that the bills have finally been reduced significantly. So I expect that we'll be seeing the impacts of that soon. As well, we will be working very closely with the Stats Bureau to monitor all of the costs.

Of course, when we did meet with the retailers or the people that run the stores, they were all very open. They said they wanted to have a transparent process, when we talked about how we could provide for lower commercial rates so that could be passed on to the consumers. We will be working very closely as a top priority to make sure those reductions are passed on. Thank you.

**MR. MENICOCHÉ:** I think we were supposed to set up some sort of mechanism to monitor it, but on a larger question, as well, Mr. Speaker, in all our communities I think one of the largest retailers is Northern Stores. Have they been engaged in the cost reduction of electricity? Will they pass the savings on to the consumers? Has the government been working with Northern Stores in that regard? Thank you.

**HON. BOB MCLEOD:** Northern Stores was probably one of the first retailers that we met with to talk about what we could do to reduce the reliance on fossil fuels. Northern Stores has indicated that their preference was to find ways to reduce their utilization of energy and also reduce energy costs, and, of course, they said their preference was to have a transparent process so that people could see what they were doing. Northern Stores has spent a lot of time in changing their cooling systems, their freezers, also changing their utilization of lights. We had identified \$3 million a year for developing some sort of commercial subsidy to reduce the costs to people that buy from food stores and so on, so we used that and so we were able to reduce the rates significantly and that's being passed on to the consumers. We are following up with Northern Stores to make sure that happens. Thank you.

**MR. MENICOCHÉ:** Yes, constituents have approached me with regard to the pricing at the Northern Stores. They feel it's quite high, but here we've got opportunities because their O and M will be going down. Just once again, has the Minister dealt recently with the management of Northern Stores? I saw them, in fact, in a coordinated ad with NCPC that they will pass the savings on to the consumers. At what point, and how can we gauge that, and how can we support that, Mr. Speaker? Thank you.

**HON. BOB MCLEOD:** We are in direct communications with Northern Stores and I've directed my staff to follow up with Northern Stores, so I hope to be able to share this information with all the Members in the very near future. Thank you.

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

**MR. MENICOCHÉ:** Thank you very much, Mr. Speaker. If Northern Stores is that engaged, is there a way to make that public? Because I was actually in Wrigley and just with the power rates alone, I visited a couple, I showed them where the

savings were, and they were quite pleased that it was visible, that there certainly is saving in their own power bill. But just in terms of Northern Stores, is there something we do just to show the public that the cost-savings can be applied to the retailers and to our public as well, Mr. Speaker? Thank you.

**HON. BOB MCLEOD:** As the Minister of Finance has indicated in his budget speech, we will also be tracking it through the Statistics Bureau and I expect we'll be reporting on a basket of goods on a regular basis. Thank you.

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

QUESTION 363-16(5):  
INCREASING EMPLOYMENT RATES  
IN SMALL COMMUNITIES

**MR. BEAULIEU:** Thank you, Mr. Speaker. I have questions for the Minister of Finance. In discussing the budget and the long-term benefits of such a budget, I was wondering what the government plans to do to increase the employment rates in the small communities. Thank you.

**MR. SPEAKER:** Thank you, Mr. Beaulieu. The honourable Minister of Finance, Mr. Miltenberger.

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. As I indicated in the budget address, there's going to be \$925,000 put in for an employment program through the Rural and Remote Communities. I know the Member was fully supportive of this. We have a Small Community Student Employment Program for \$350,000 as well.

Also, we have beefed up the SEED money so that businesses or small communities and entrepreneurs in communities have more opportunity to possibly get help. We have a whole raft of improving skill areas with labour market literacy, mobile trades training, additional support for apprentices, other training programs and we are, as well, indicated, we beefed up the tourism funding and we will, of course, we have increased, almost doubled, the CHAP funding for communities as well. Thank you.

**MR. BEAULIEU:** Mr. Speaker, there are big areas of concern in small communities when the communities find work and the tenants in public housing when they find work and then they are unable to work due to the costs and so on. Has this government discussed a way of dealing with that issue? It seems to hamstring the people from actually going out and finding employment and so on, because as soon as they find work, their rent goes to a point where they can no longer afford to remain working but they should be working. I was wondering if the government has talked about a strategy to address that seriously too. Thank you, Mr. Speaker.

**HON. MICHAEL MILTENBERGER:** Mr. Speaker, the area of housing is a critical one. We do have resources identified and we have a plan to move ahead, working with committees and communities and the Housing Corporation, to review both critical questions of how we offset the CMHC housing funding that is declining as well as the housing challenges that exist in various communities from houses that don't get filled right away to other program structure the right way. Are we providing disincentives to work? I think those are all the areas where the Housing Corporation, along with other related departments and Members, is going to take a look at how to make those improvements. Thank you.

**MR. BEAULIEU:** Mr. Speaker, talking to health providers in the small communities, their response on what is driving the costs in small communities seems to be addictions. Talking to local people in the small communities, their solution seems to be on-the-land programs for people with addictions. Has this government talked about how to decrease the cost of health in small communities? Thank you.

**HON. MICHAEL MILTENBERGER:** Mr. Speaker, as I indicated, the health costs are, indeed, a pressing issue. If we start first with the personal responsibility, the simple things of diet, exercise, don't smoke and don't abuse alcohol would diminish in a very dramatic way our health costs, and we have not yet been able to come to grips with how to encourage Northerners in all communities, wherever they may live, to make those right personal choices. In the meantime, we continue to invest millions of dollars in counselling programs, addictions programs like Nats'ejee K'eh. We have community programs that are being funded, including in the Member's riding. Deninu Ku'e First Nations are given assistance for an addictions counsellor position, and as well in Lutselk'e there is money there for both mental health and addictions programs as well as youth addictions initiatives. There is additional funding.

We know there could always be more money used, but we are doing the best we can with the resources we have. I know the Minister, through her Foundation for Change, is looking at ways for us to come to grips with that fundamental cost driver of how do you get people to make the right personal choices. Thank you.

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

**MR. BEAULIEU:** Thank you, Mr. Speaker. Infrastructure like youth centres and day cares and access roads are all things that will, in the long term, decrease the cost to government. My question is again for the Finance Minister. What is the government doing to shift much needed infrastructure resources in this government from larger centres, where it is not essential, to the

smaller communities where infrastructure projects are essential? Thank you.

**HON. MICHAEL MILTENBERGER:** Mr. Speaker, as I have indicated, we are in the third year of a very ambitious capital planning process of over \$1.1 billion, a record amount. We are going to be moving into the year after this coming fiscal year of 2013 into a much more normal -- humble as it were almost, on a comparative basis to what we have just been spending -- capital plan of about \$75 million. We currently have made some significant changes on how we do capital. There will also be added attention and rigour to the system that Cabinet and committees come up with to view the capital projects, because there is going to be a small pot and a huge demand. We also cannot take our mind and eye off of the fact that we still have to, as well, pick away at our deferred maintenance budget, which is still over \$300 million. Thank you.

**MR. SPEAKER:** Thank you, Mr. Miltenberger. The honourable Member for Yellowknife Centre, Mr. Hawkins.

QUESTION 364-16(5):  
EFFICIENCY REVIEW OF THE GNWT

**MR. HAWKINS:** Thank you, Mr. Speaker. Like my other colleagues here today, I too am concerned about the efficiency and costs of government and what it is doing to deal with that cost. As I highlighted in my Member's statement, it is clearly mentioned in the Finance Minister's budget today under Fiscal Strategy. He is willing to seek out creative new ideas. Mr. Speaker, to the Finance Minister, I would like to pose the question. What would be stopping the Minister of Finance from hiring an efficiency expert to review our programs that we are doing? Because I am not convinced at this time that the Program Review Office is doing that type of work that needs to be done to scrutinize our books. Mr. Speaker, would the Finance Minister be willing to examine that concept? Thank you.

**MR. SPEAKER:** Thank you, Mr. Hawkins. The honourable Minister of Finance, Mr. Miltenberger.

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. It depends whether it is going to be on contract or whether it is going to be using one of our own employees, I would suggest.

**MR. HAWKINS:** Mr. Speaker, I suspect that answer wasn't for me. It was for someone else. By and large, that answer was very inefficient in its quality because it didn't actually have an answer to it. The reality is, Mr. Speaker, I would like to know what would stop the Finance Minister from hiring an efficiency expert just like large industry does, whether it is BHP or any type of large conglomerate that spends a lot of time examining every dollar that they spend. Would the Finance Minister be willing to do that? Thank you.



**HON. MICHAEL MILTENBERGER:** Mr. Speaker, we have, I believe, all of the elements that we need in place to make those right decisions. We want to work with the Members, like the Member for Great Slave with his suggestions, about somehow harnessing in a more effective way the creativity of our existing staff and are there ways to have less reliance on the very many contract folks that we use to do the very many pieces of work that government needs to get done, because, on a normal course of events, the staff we have are fully engaged. I think we would have to think carefully before we commit outright, standing up on the basis of one question and start hiring efficiency experts, be it on contract or be it on adding new positions to government when one of the efficiencies we have to look at is what is the right size of government. Thank you.

**MR. HAWKINS:** Mr. Speaker, to some degree I think that the Finance Minister gets it, but he is spending my question period answering the previous Member's questions, which isn't very efficient for my issues.

Mr. Speaker, part of the other issue I raised during my Member's statement, which still is in line with the same issue about efficiency of government, is about setting the appropriate targets. In the Finance Minister's budget, he did talk about capping expenditures at 3 percent. Mr. Speaker, what was the resistance setting it at either a reduction of 1 percent or a reduction of 2 percent and allowing our competent managers and skilled individuals who work for the government to meet those targets, let them do the details for government such as the Finance Minister to provide the direction on those initiatives? Thank you.

**HON. MICHAEL MILTENBERGER:** Mr. Speaker, we had set the target, as the Member indicated, to cap it at 3 percent net of compensation requirements. We are going to bring it in at 2.

We all must recognize there are very many things out there that continue to drive our costs that we don't control, but we also know, and we've already heard from some of the Members, in fact quite a few of the Members, about the things that we should add in addition to what we've already put into the budget as we struggle to contain the costs. I point out in the budget address the demands and levels of expectation of Northerners is very high because they are used to an extremely high quality of programs and the ability for government just to keep adding more programs. As I've indicated, if we're going to keep adding them, we have to have the hard decision of what don't we do if we're going to continue to do this and stay within a 3 percent cap. We're down to 2 percent. I can tell you 1 percent is going to be a significant exercise because just getting to 2 is difficult.

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

**MR. HAWKINS:** Thank you, Mr. Speaker. I would argue with the Minister by saying that the direction starts here and although the rattling of the swords should not be happening in the department of opposition, they should be following the direction of the Finance Minister. So when he says that it would be difficult, the dye needs to be cast at the FMB table, not within the department telling the Finance Minister where their cap is. I'm convinced that the cart is leading the horse.

What, really, at the end of the day can the Minister speak to this budget where we've had a significant notice in the reduction of costs to government? I've highlighted at least one. We don't have to go through that. What is a noticeable reduction of cost of government that is being proposed or has been demonstrated in the last couple of years?

**HON. MICHAEL MILTENBERGER:** The Member has to keep in mind what we collectively agreed would be the role of the government and the Legislature through the course of the last number of years through this economic downturn; the worst, as I like to say, since the Great Depression. We've managed our way through this, we have kept our expenditures where they were, we didn't lay off folks, we invested a billion dollars in infrastructure because we knew we had to step into the gap as the private sector struggled, as the private sector revenues dropped. As we've seen today, the fallout is still with us with the drop in corporate income tax. We realized and took it upon ourselves to play that stabilizing role. Now it's time, like every other government across the land and across the world, to look at managing the budgets, the fiscal situation, so that we don't mortgage our future. We've started to do that. Two percent growth net of compensation is, I would suggest, over time, if you look back, a significant decrease when the average rates of growth were 4 or 5 percent and health was growing at 8 or 9 percent.

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

QUESTION 365-16(5):  
REFLECTIONS ON THE  
2011-2012 BUDGET ADDRESS

**MR. BROMLEY:** Thank you, Mr. Speaker. My questions are for the Minister of Finance as well. I'd like to start by asking where the funding, I didn't see any funding identified for the implementation of a new Greenhouse Gas Reduction Strategy which the Minister is committed to complete by this spring and I think is well on the road towards doing that. I'm wondering why we haven't identified that in our initiatives. That's obviously going to require some new dollars to achieve, hopefully, some more progressive targets.

**MR. SPEAKER:** Thank you, Mr. Bromley. The honourable Minister of Finance, Mr. Miltenberger.

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. I appreciate the Member's question and I recognize that this is an issue of great interest and concern to him. He's an articulate proponent of the need to do this, as he's indicated in his statement.

We will first complete the work and then see what the work tells us. The government, through practice and hard experience, is very loath to book money on an undetermined figure that is just an estimate. We will have to demonstrate first what we're going to be moving forward with and then we put a cost on that and then we look at identifying the resources, if it is in fact going to be truly an initiative of this government that we want to see in place during the life of this government. Then we will have to collectively sit down and see what that cost is and where we can possibly identify the money. Possibly from within some slippage within the energy investment section.

**MR. BROMLEY:** I appreciate the comments of the Minister. I assure him that it's not just a priority of mine. It probably is, and should be, a priority of most people in the Northwest Territories, if you listen to the radio at all and hear what's happening out there. I'm hoping that this is not a hollow exercise like the Heritage Fund, that we're going to go to all this work and then not be prepared to fund it. A little bit distressing there.

I'm also wondering about the devolution negotiation funds. Obviously, we've signed the AIP and we're now on the trail towards a final agreement. It's going to be a costly exercise, especially the way we've started here with a lot of catch-up to do. Why wasn't that funding identified in this budget address?

**HON. MICHAEL MILTENBERGER:** The Greenhouse Gas Strategy and the Heritage Fund, neither are hollow exercises. There was a lot of work done to get the infrastructure, to get the tool in place, the legislation in place. The Heritage Fund will be there. If the Legislative Assembly chooses to identify money to put into the Heritage Fund, then money will be put into the Heritage Fund.

First we have to get the legislation through. It's not through yet. It's going to committee. We're going to bring it in for first and second reading. It will be approved very late in this Assembly, so we have to get that done. Then it will be the decision of this Legislature.

The same for the Greenhouse Gas Strategy. We have to see what all the consultation and feedback is going to tell us, what we're going to bring forward as recommendations to get accepted both by this Legislature, by Members, by the government. Then

we'll see how we move forward in a planned, measured way.

The devolution funding that is there is federal money that's on the table -- \$4 million for this government, \$3.9 million for the Aboriginal governments -- and that has to be, we have to deal with the federal government for the \$4 million. As the Aboriginal governments sign on, they will be dealing with the federal government, as well, on the \$3.9 million and how that money will be allocated to those Aboriginal governments.

**MR. BROMLEY:** As I mentioned earlier, we're skirting dangerously close to our somewhat extraordinary debt limit that we've been provided with. Albeit I suppose we could have skirted a little bit closer, even. I appreciate the effort that's been made to build a small cushion, although \$60 million out of \$1.34 billion is a pretty modest cushion. I'm wondering what vulnerabilities the Minister sees in the upcoming year that would push us up against, or perhaps even beyond, that debt limit, and any perspective he might provide on making sure that doesn't happen.

**HON. MICHAEL MILTENBERGER:** I point out, as well, that we are currently engaged with the federal government on a review of the borrowing limit, not only for the Northwest Territories but the three territories. We anticipate that work will be completed by spring, by April. It is my hope that we will come to a better accommodation than the recognition of and our ability to manage debt. That's one thing.

What is out there that we don't control, most immediately of course comes to mind -- something I start worrying about in April -- is fire season and what could possibly happen. British Columbia, I understand, last year had a fire budget of around \$50 million to \$55 million; their fire season cost them \$500 million. It's a huge issue potentially. The price of oil on the Brent Market is over \$100 a barrel. It has huge upward pressure on all governments, on everything we do, on all business. It's the same as what happened last time when it was at \$150 a barrel. It wreaks havoc on budgets for everybody: individuals, governments, and those people trying to get by. Those are two things. There are other things that could happen globally. If you look at the Middle East, if you look at the European Union with all the countries teetering in the balance, if things go south in the States, those could affect us. We have those types of factors that we don't control that could impact us.

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

**MR. BROMLEY:** Thank you, Mr. Speaker. Thank you to the Minister for those remarks. Our strategic plan for the 16<sup>th</sup> Assembly, a couple of the pillars supposedly identified there were a preventative approach and a comprehensive, government-wide,

cross-departmental approach to try and get rid of the stovepipes that are out there, so called. How does the Minister see this budget bringing an enhanced focus on a preventative and cross-departmental or government-wide approach on some of the big issues in a way that we haven't seen to date despite our plan?

**HON. MICHAEL MILTENBERGER:** The focus of this budget, as I indicated very clearly being the last one of the 16<sup>th</sup> Assembly, is one that we want to consolidate, one that we want to try to get as many things completed or firmly on the rails as we can during the life of this Assembly. We are continuing the work of the Strategic Initiatives committees. One of the intents was the very thing the Members talked about, was to write down the stovepipes, to get people in the room, senior government officials into areas outside their direct departmental responsibilities, not only to deal with the relatively small amounts of money that were there but to in fact come up with a way to develop, a way to engage in a policy level on a broader thinking, big picture approach, and how do we put the creativity that the Member for Great Slave talked about of employees to work in areas that they might not normally be applying themselves. That is going to continue. I believe we've made some very fundamental steps just by our commitment in this government, to water, to a land use framework, to the Wildlife Act, to the money we're spending on energy and the fact that we want to reduce our greenhouse gas emissions and our carbon footprint and at the same time reduce costs and become more efficient and reduce our reliance on diesel.

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

QUESTION 366-16(5):  
IMPACT OF THE PROGRAM REVIEW OFFICE  
ON 2011-2012 BUDGET

**MS. BISARO:** Thank you, Mr. Speaker. My questions are addressed to the Minister of Finance, as well, today. I want to follow up on the questions asked by my colleague Mr. Ramsay. He and I were obviously on the same page when we were developing our questions relative to the budget address.

The Program Review Office has been there for three years, since 2008, and I agree that it was a necessary office for us to set up. I have some concerns with the results as well. The budget address read by the Minister lists six reviews that have been done by the Program Review Office. They have done other work, I presume, as well. I'd like to ask the Minister which of those reviews or what work that the Program Review Office has done has had an impact on the development of this budget.

**MR. SPEAKER:** Thank you, Ms. Bisaro. The honourable Minister of Finance, Mr. Miltenberger.

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. The office building for sure has an impact as we think about this budget and the budget that's going to follow this one in terms of what flexibility and capacity does it give us if we know we're going to have a \$100 million savings. We know that we're identifying a \$100 million savings over the life of the lease. We know that we're doing work in a number of very critical areas that relate the programs in education and health that are going to be very significant and we identify those as areas for future work or future decisions because we're not going to be able to make those final decisions in the life of this Assembly. Those are some of the areas that we contemplate as we carry on the work of government for this budget and thinking into the future for the 17<sup>th</sup> Assembly.

**MS. BISARO:** So it is, as the budget address indicates, that apart from the review of the office building space within Yellowknife and the decision made to go based on that review, everything else that the Program Review Office has done will be for the next Assembly. That wasn't my understanding when this office was established three years ago, that some of that work, more of that work would have an impact on the work of this Assembly. So the Minister has indicated that there was no political appetite. It was his understanding that people didn't want to proceed; people on this side of the House, I guess. So I'd like to ask the Minister where his position came from. What was it? What conversation did we have? What update did we have? What letter did he receive that led him to the position that there was no political will to go forward and that we should not carry on with inclusive schooling and PTR, for instance?

**HON. MICHAEL MILTENBERGER:** It's my recollection of the last briefing we gave to committee where we identified the work that was being done on these various and looking at what was possible. Some of the complexities, some of the impacts as it would be felt depending what the decision was in terms of, for example, the PTR being higher, considerably higher than is required under legislation, or changes to the inclusive schooling budget that would allow us to reprofile. It was at those meetings and the feedback and the discussion and the juncture where we were in this Assembly that there was not going to be much political appetite to get into a contentious issue of possibly reducing or reprofiling education money to schools, for example.

**MS. BISARO:** Thank you, Mr. Speaker. I have to say that I'm distressed by that answer. It sounds to me as though the last update we had from the Program Review Office, which was some months ago, to my recollection, quite a long time ago, the

Minister made an assumption based on conversations around the table and feedback from Members. I'd like to ask the Minister to confirm to me that there was no correspondence. I presume it was from the Standing Committee on Priorities and Planning. Did he receive any correspondence from the committee which led him to make the decision that he did, or did he make the decision on his own? Thank you.

**HON. MICHAEL MILTENBERGER:** I will commit to confirm that for the Member. Thank you.

**MR. SPEAKER:** Thank you, Mr. Miltenberger. Your final, short supplementary, Ms. Bisaro.

**MS. BISARO:** Thank you, Mr. Speaker. I thank the Minister for that commitment. I look forward to receiving that in short order.

I've mentioned that I'm a little concerned about the amount of work that the office has done. I'd like to ask the Minister if he could, maybe not today, but if he could commit to provide for the Members the efficiency of the office as a percentage of the savings that the office has determined from their reviews and from the work that they've done so that their savings as a percentage of the cost of the office. Thank you.

**HON. MICHAEL MILTENBERGER:** I will look at the wording of the question so it's clear exactly how the Member sees us doing this. For example, if we've budgeted to save \$100 million over the life of the lease of the office building in Yellowknife, if that's the kind of math we use, or will that not be satisfactory to the Member. So I'll have to check Hansard to see how we could best respond. Thank you.

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

QUESTION 367-16(5):  
CLOSURE OF JOE GREENLAND CENTRE  
IN AKLAVIK

**MR. KRUTKO:** Thank you, Mr. Speaker. In regard to my Member's statement, it has come to my attention that there has been a letter sent to two elderly individuals who are in the Joe Greenland Centre receiving long-term care support. Mr. Speaker, I'd just like to read a sentence out of the letter. It says, "The staff will help you transition to your family's home on or before February 16, 2011, by 5:00 p.m." So they've got to be out of there exactly at 5:00 p.m., February 16<sup>th</sup>.

Mr. Speaker, we had a public meeting in Aklavik on January 25<sup>th</sup>, with the Minister of Health, the Minister of Housing and also the deputy minister of Health. It was a four-hour meeting with over 100 people, the residents of Aklavik in attendance. That was a meeting where the community... It was the first time they have ever been consulted on the

closure of the Joe Greenland long-term care side of the wing. But yet, Mr. Speaker, we committed at that time to work with the community to develop a transitional plan, look at exactly how the families are going to be dealt with, the employees that are basically going to be losing their jobs, and try to find a workable way through this situation.

I'd like to ask the Minister of Health and Social Services why this letter was sent after the commitments we made in public in the Aklavik community meeting, and more importantly, the commitments we made there, or the Minister made, to work with the community to work out a smooth transition for this process and not to have these types of letters sent to family members and notify them that they've got two weeks to vacate the premises.

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

**HON. SANDY LEE:** Thank you, Mr. Speaker. The staff of the authority have been working with the families for the last number of months and they will continue to work with the families. That letter, I understand, went out because that's what the staff thought the family wanted, agreed to, but, obviously, the Member has spoken to me about it and that's not the understanding the family had. I will commit to the Member and I have already instructed the staff to work with the families and we will have more time to work with the families and work out the schedule that works better for the families. Thank you.

**MR. KRUTKO:** Mr. Speaker, again, there was an understanding that the Joe Greenland Centre is going to be open until March 31<sup>st</sup>, in regard to the process for the public union arrangements we have with the staff, and more importantly, working with the families to accommodate them in the transition of trying to find other ways of dealing with their loved ones. But again, Mr. Speaker, I'd like to ask the Minister: is the March 31<sup>st</sup> date the date we're working from? Basically because of this letter, it definitely is not the understanding at the public meeting in Aklavik.

**HON. SANDY LEE:** There are a number of things going on with respect to changes to the programming at Joe Greenland Centre. It is actually a really good news item in many ways. The Housing Corporation has committed to do a renovation to a wing of the facility that is badly required. We're going to increase the number of independent beds from seven to 15, and there are people and elders in Aklavik waiting for those spaces. We are going to redesign our program so that instead of serving three elders, on average, that Joe Greenland Centre on that wing was able to do since 2007, we expect to serve up to 40 to 50 seniors who are also in need of programming. And

we look to expand the home care program in Aklavik, which is exactly what we need to do more of.

There's a lot of good stuff going on with respect to reprogramming, but we are ever mindful of the needs of the two families and we are committed to working with those two families so that we work out an arrangement that works for them, and they have been working with us. It is unfortunate that that letter went out, but we have until April 1<sup>st</sup> to work out the arrangement. Thank you.

**MR. KRUTKO:** Mr. Speaker, again, the individual that I speak of is 90 years old. He's visually impaired. He's already in a controlled setting in regard to the Joe Greenland Centre. He has 24-hour support. I'd like to ask the Minister exactly what are we doing to work with the families so that when the individuals transition out of the Joe Greenland, that their needs will be met in regard to their disability or the respite responsibility or palliative care, whatever will be required to ensure that those individuals have the care that they need to be able to live either independently or basically have the support of their families. What is the department doing to ensure that we have a smooth transition for these individuals?

**HON. SANDY LEE:** Those two residents have been assessed by the Territorial Admissions Committee and I believe they have placements in Inuvik. We have to work out the timing and arrangements to place those elders there because they cannot be taken care of at the current setting. In a larger perspective, we are looking to develop a program in Aklavik where we can change the program so that we can look after up to 40 to 50 seniors who we believe are going to be in need of support from the government. So we look to expand the program and as I committed with the Member and to the public when we were there last month, we will work with the community and get their input on how to do our elders program at the Joe Greenland Centre. We will continue to have the program there, it will just be a different program. Thank you.

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

**MR. KRUTKO:** Thank you, Mr. Speaker. I'd like to ask the Minister if there's going to be any disciplinary action against the person that wrote the letter, more importantly, undermining the Minister, undermining myself as the MLA, and undermining the community's efforts to work with us to find solutions to this problem and make sure that we have a fair transition. Is there going to be any penalties put forth in regard to how this thing was handled, and more importantly, how this was undermining the process we agreed to?

**HON. SANDY LEE:** Mr. Speaker, the public administrator is following up on that. I will get back to the Member with the information. Thank you.

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

QUESTION 368-16(5):  
CONCERN WITH EFFECTIVENESS  
OF GNWT PROGRAMS

**MR. YAKELEYA:** Thank you, Mr. Speaker. In my Member's statement I mentioned about the economic forecast in the Northwest Territories and some of the things that are going to be pressuring this government, pressuring the new government. I want to ask the Minister of Finance in terms of the go-ahead basis in terms of the fiscal forecast in the new coming years. Is the government looking at programs that could be decentralized, taking away things in the region to save on dollars to make things efficient and effective? That is the word that is being used around this table here to ensure that this government here could be sustainable in terms of preventing or initiating some of their programs they want to do as stated in the budget address here.

**MR. SPEAKER:** Thank you, Mr. Yakeleya. The honourable Minister of Finance, Mr. Miltenberger.

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. We know that there is a strong concern from small community MLAs, for example, about employment. We need to look at ways to assist small communities with employment. I think - and I have had discussions with the Member for Tu Nedhe about some of the possibilities with just using existing resources -- the intention is not to centralize back to Yellowknife; the intention is to look at efficiencies. We have had discussions and a lot of work done, for example, on how many boards and agencies we have. We know that there is an opportunity coming with devolution that there is going to be 150 or so positions moving north from Ottawa. How do we structure ourselves as a government and the work that has to be done in a way that we would see, as the Premier indicated in one of his speeches, how we could get as many of those positions as possible outside of Yellowknife. Thank you.

**MR. YAKELEYA:** Mr. Speaker, in the budget I noticed that there is going to be \$300,000 a year towards program performance review of GNWT's policies on provisions for adequate, suitable and affordable housing in the Northwest Territories. I am not too sure how that money is going to be used in the performance review. I am wondering how this funding here is justified in terms of people are now being asked to be moved out of the house.

There are a lot of empty houses in the Sahtu. I went to Colville Lake, Fort Good Hope and Tulita. There

are empty houses there. Here we are spending \$300,000 to do a performance review. We just had an Auditor General's report and now we need an extra \$300,000 to do another review. Is this the type of initiative under efficiency and effective government in terms of spending this kind of money when houses are needed to be filled in the regions?

**HON. MICHAEL MILTENBERGER:** Mr. Speaker, as I indicated in my budget address, the Minister of Housing, Mr. Robert C. McLeod, would be speaking to the House about the work that was going to be happening, moving forward with housing, the things that they are doing, how the review will be undertaken to address some of the issues that the Member has mentioned, the issue of community concerns with housing issues, the difficult decisions we have to make about trying to offset the CMHC funding that is diminishing yearly, what creative ways can we come up with to address some of those needs. We still have the challenge of \$20 million, roughly, of arrears both in rental as well as mortgages, so there are a number of critical issues that will be addressed through this.

Yes, the Auditor General did a report. She instructed the Housing Corporation to do a number of things. The Members have raised the issue of housing repeatedly in every community we have all gone to. Housing is the number one concern, so that is going to assist us, through the Minister, to be able to address some of those issues. Thank you.

**MR. YAKELEYA:** Mr. Speaker, in my Member's statement I also mentioned about the regional gaps between the regions here. I want to ask the Minister here in terms of I am very disappointed not to see any mention in terms of justice in terms of RCMP in the communities where they do not have a detachment in the seven years since I have been asking this government here and the government before in terms of asking for an RCMP in our communities. Yet when we go back to our communities, that is one of the questions they ask. When are we going to get an RCMP detachment? We hear the same old, same old. I want to ask the Minister if there is any light at the end of the tunnel in terms of rectifying this issue for us.

**HON. MICHAEL MILTENBERGER:** Mr. Speaker, once again, as I indicated in my budget address, governments across Canada are moving full bore into fiscal restraint deficit fighting, debt reduction to address the very significant debt and deficits that most of them have, including the federal government. We also know that the federal government has given instructions already within their own departments about no growth at all. Departments have to absorb all of the costs for forced growth for collective agreements and any other costs. We know that we have programs in health, for example, that are worth millions of dollars that have one year left after which they are

going to be looking at being sunsetted. We are going to have to make decisions. The opportunity for new money is going to be very difficult. I would suggest, however, the Minister will be coming before this House in the not-too-distant future, the Minister of Justice, and we will be able to have that discussion. We have no clear revenue sources or new pots of money that are coming available. Thank you.

**MR. SPEAKER:** Thank you, Mr. Miltenberger. Time for question period is expired. The honourable Member for Kam Lake, Mr. Ramsay.

**MR. RAMSAY:** Thank you, Mr. Speaker. I request unanimous consent to return to item 9, oral questions. Thank you.

---Unanimous consent granted

**MR. SPEAKER:** Item 9, oral questions. The honourable Member for Kam Lake, Mr. Ramsay.

### Oral Questions (Reversion)

QUESTION 369-16(5):

#### DISPOSITION OF THE OPPORTUNITIES FUND

**MR. RAMSAY:** Thank you, Mr. Speaker. I have a few more questions for the Minister of Finance. In the budget address today there was no mention of the disposition of the Opportunities Fund. I would like to ask the Minister what is the current disposition of the Opportunities Fund as it relates to our financial situation. Thank you.

**MR. SPEAKER:** Thank you, Mr. Ramsay. The honourable Minister of Finance, Mr. Miltenberger.

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. The Opportunities Fund is sitting there. It is not being used. There is over \$120 million in it. We have one load out. As we do the work on the borrowing limit, that issue of how the Opportunities Fund fits into that will be part of those deliberations which we are intending to have completed by April. Thank you.

**MR. RAMSAY:** Mr. Speaker, the Finance Minister is saying today that the federal government hasn't made a determination on whether or not the Opportunities Fund would be booked as a liability for this government. In fact, we will have to wait until April to hear that. Is that what I am hearing the Minister say today? Thank you.

**HON. MICHAEL MILTENBERGER:** Mr. Speaker, that is the basis that we are proceeding on right now. Since it is Finance that has made the initial determination, the Auditor General had initially told us that the way we were accounting for it was acceptable. Finance Canada had indicated that they thought it should be included in our borrowing limit, so as we proceeded with the discussion of the borrowing limit, there was an understanding that we

have to put all these pieces on hold until we have that final determination between ourselves and the federal government, which we are aiming to have concluded by April. Thank you.

**MR. RAMSAY:** Mr. Speaker, it just so happens the government is \$35 million short of its current, I believe it is a little bit more than that, but if we had to book the one loan we have in the Opportunities Fund, I believe that was \$35 million. What would that do to the Territory's finance if the federal government came back to us and said that we have to book that as a debt, and what would that do to our ability to borrow any more money for the other things that the Minister had mentioned in his budget address today? Thank you.

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. That's a very significant what if. There's work underway. We are looking at coming to, we hope, a new and better understanding with the federal government about the borrowing limit. To ask me what would happen if we had to book it, that's a hypothetical that I think is premature. We are fully confident that we're going to come up with a resolution to this issue that will allow us to incorporate this, meet the requirements that Finance Canada says we have to meet with the Opportunities Fund as it ties into the overall determination of our borrowing limit as a government.

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

**MR. RAMSAY:** Thank you, Mr. Speaker. My apologies, I should have phrased that a little bit differently. If we are going to expect to borrow \$64 million and then another \$155 million, I guess the way I could phrase it is, if we're faced with a decision by the federal government, does that impact our ability to borrow any more money? Would it throw a wrench into our plans to borrow any more money for these amounts that the Minister has suggested in his budget address today?

**HON. MICHAEL MILTENBERGER:** I would have to ask him too many questions of clarification to be able to give him an answer. I don't know if he's assuming we're going to stay at the current rate, if the government puts us back to 500 or if they give us an increase. I'm not sure about some of these other questions. We're fully expecting to be able to incorporate whatever the final decision is. We're expecting it will allow us to move forward and not be punished, as it were, with having the Opportunities Fund. We can't afford a way that's going to be detrimental to us. We've had those discussions already with Canada. It makes no sense. It would be counterproductive to give us some room and then say now add \$120 million or \$150 million through the Opportunities Fund and

negate all that work. That whole process is geared toward resolving those issues by April.

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

QUESTION 370-16(5):

TAMERLANE VENTURES AT PINE POINT

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. In my Member's statement today I made reference to the Tamerlane Ventures venture at the old Pine Point site. I notice today -- I can't find the page where the Finance Minister referenced it -- he talked about several different potential mining projects but he left Tamerlane off the list.

The Finance Minister also kept making reference to Taltson and the supply of power to the mines and power purchase agreements. I can't even guess how much money the government has spent running down that road of trying to sell hydro to the diamond mines. The diamond mines have a limited life. We have a small venture south of the lake which could bring amazing employment opportunities to Hay River, and economic activity. I want to know where this government is at. Like I say, it didn't rank for mention in the budget address today. Where does the government see themselves putting a priority on doing what we can reasonably to assist with getting that project up and off the ground in terms of cost to power?

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. The honourable Minister of Finance, Mr. Miltenberger.

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. It was an oversight. The list of examples wasn't meant to be exhaustive but it was fairly exhaustive, except for Tamerlane. I do acknowledge that. We could have easily put that in there as another example of a project that has great potential in the South Slave. We're going to be looking at all those opportunities, as indicated in the budget address again, as we examine the assumptions for Taltson and all the related issues. The Premier will be standing up in the House during the life of this session to speak to the people and speak to this Legislature about the details that are currently being considered.

**MRS. GROENEWEGEN:** Hydro power went to Pine Point in the old Cominco days. Tamerlane's site is so close to where the hydro went and where the road goes, it would seem that with all those kinds of proximity and access to services that this would kind of be a no-brainer in terms of this government lending some support to a project like this which has so much potential for a community like Hay River. As I said, we do appreciate the government infrastructure going in there, but let me tell you, with about 100 jobs on our doorstep right

now, we could absorb vacant housing without any extra expansion. This one seems like it's pretty straightforward. What is the government proactively doing to see what they can do to assist with getting this project off the ground?

**HON. MICHAEL MILTENBERGER:** My understanding is that the resource prices haven't been high enough for them to proceed much further. We are interested as a government in looking at how we can be as supportive to any number of industries and projects like Tamerlane. I agree with the Member; it's geographically located very close to the source. It's on a highway system. It has many things in its favour. When the Premier stands up to speak in the next few weeks, he'll be tying those together as we revisit the assumptions of the current project as well as what are some of the other factors that are being considered.

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

QUESTION 371-16(5):  
INCREASING EMPLOYMENT RATES  
IN SMALL COMMUNITIES

**MR. KRUTKO:** Thank you, Mr. Speaker. I, too, would like to say a few things on the budget. One of the issues that we talk about is to try to encourage employment and job opportunities in the Northwest Territories. What really frustrates me is I have 14 people in my riding of Aklavik and there are some 20 people being laid off from the Arctic Tern facility in Inuvik which gives us something like 38 people being laid off in the Inuvik region. I, for one, feel that we're spending \$1.4 million to promote awareness in southern Canada for jobs and life opportunities in the North. If those individuals in Aklavik alone, those 14 people, can't find work, they have no choice but to leave. Probably their best bet for employment is to move to the Yukon. If those 14 people left the Northwest Territories, they will take almost \$300,000 of transfer payments with them and never mind if their families leave with them. I think that this government is not very considerate of the individuals, the effect of layoffs, the effect of limited jobs in our communities.

We have some 45 percent unemployment in my riding. I have never expected in the last 15 years as a Member of this House that I would see 45 percent in my community. I think it's frustrating that we come here and talk about a budget with all these great ideas and concepts but we are laying people off that are the hugely affected by unemployment and statistics in our communities. I think we're sending the wrong message by spending \$1.4 million in southern Canada when we can't even find jobs for people who live here. I'd like to ask the Minister what exactly we're going to do to ensure that we can keep the residents of the Northwest

Territories employed so they don't have to leave the Northwest Territories for work.

**MR. SPEAKER:** Thank you, Mr. Krutko. The honourable Minister of Finance, Mr. Miltenberger.

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. We have to do a number of things in this area. We have to continue to look at bringing qualified people north to fill jobs that are hard to fill. At the same time, as I indicated to the Member for Tu Nedhe, there are investments being made in the small communities, the \$925,000 that was just announced for the Small Community Employment Program, the \$350,000 for student employment.

In Aklavik I understand that the affected employees will be given full consideration under the government's Affected Employee Policy, that there will be a number of different jobs available. We have money in tourism that will hopefully assist in the small communities. We have a fairly significant amount of money being added to the SEED program so that there is money to try to encourage community entrepreneurs, especially in the smaller communities. We've just about doubled our Community Harvesters Fund. We're trying to do a number of things to promote employment in the communities.

As we look at being creative and thinking outside the box, I think there are a number of areas that can be explored, possibly under housing and how to do maintenance in a more coordinated way in small communities. For example, where you have housing, you have municipalities, you have the government, all with significant assets and none with enough money to do the proper job and other opportunities to join forces and look at a collaborative approach at a community level. There would be enough maintenance work to be done that journeymen and apprentices could be hired that are currently now probably flown in from regional centres.

**MR. KRUTKO:** It will work great in a world where you have an economic base to work out of, but in our communities we don't have that. The job opportunities are not there. I believe there is only the possibility of two people getting some sort of job within the government while the other 12 people are basically out in the cold. I'd like to ask the Minister what exactly are we realistically doing to invest in the people of the Northwest Territories, especially our young people who are going off to graduate from high school and getting post-secondary education only to be told, sorry, we're spending \$1.4 million to hire competition for the same job you're coming home for. I find that kind of odd that on one hand you're saying that, while we're trying to get professionals to work in the Northwest Territories. Excuse me, the Aboriginal people in the Northwest Territories make up less than 30 percent of the workforce in the Government of the



Northwest Territories but they make up over 50-some percent of the population. Yet we have an Affirmative Action Policy and the majority of the people that are being laid off in Aklavik are affirmative action candidates. Affirmative action numbers are going to go down again. I'd like to know from the Minister what exactly we're going to do to ensure we have retention programs and services in place to retain resident jobs in the Northwest Territories for our residents.

**HON. MICHAEL MILTENBERGER:** As I've indicated, we have to do both. We have a program now where we, as a government, hire graduates on an interim basis, give them an opportunity to get settled and possibly find full-time employment. The Make Your Mark Program is critical. We hear it from businesses that they have trouble recruiting staff, many of them professional or very specialized kind of skills. We're investing and working with over 40 companies, trying to meet their employment needs by assisting them. We know we have to do both. We're investing significant amounts of money encouraging students to go out to school. We're reviewing our Student Financial Assistance Program to make sure that it's adequate as well.

**MR. KRUTKO:** Again in the budget we talk about sustainable communities. Every job we lose in our community makes that community unsustainable. It depends on capacity in the community, vibrant people working new jobs, dollars staying in our communities, and also ensuring that we have the capacity in those communities. So if we're going to be laying off people in Joe Greenland who have LNs that basically have the education and training and those people who have been there for some time, I mean, this facility has been functioning for 32 years. There are a lot of people who are working there. I'd like to know what we're doing, when you talk about sustainable communities, ensuring that those communities are realistically stable and that the government quit staking jobs out of the communities.

**HON. MICHAEL MILTENBERGER:** I've given a fairly extensive list of some of the program areas that are being funded and that support is there. We're working, as well, with communities. At the same time we also know, as we talk about efficiencies and effectiveness, the issue of long-term care facilities and the fact that they can only be sustained in regional centres. That's a direction that the government is going in because it's the most efficient and affordable way to deal with the issue. At the same time we're adding hundreds of thousands of dollars to the Home Care Program so that in fact we can work better and more effectively in the communities with the families and health centre and home care staff that are going to be hired to help assist in keeping folks, elders, and those with needs in their own communities in their own homes. Thank you.

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

**MR. KRUTKO:** Thank you Mr. Speaker. I would like to ask the Minister, I know I requested this some time ago and yet we are almost at the end of the life of this government. We had a meeting with the Minister in regards to finding, in regards to the rural remote communities, of giving us actual cost breakdowns per program in each community, cost per program, number of jobs in those programs and exactly what the cost to operate programs and services are in our communities and the services that are being developed out there. I would like to ask the Minister if he could pull that information together. He has already committed to it, we haven't received it and we only have a couple of months to go here, so I would like to ask him, can I get that information before the end of this session? Thanks.

**HON. MICHAEL MILTENBERGER:** I do recollect the discussion around the committee table about that basically geographical tracking information. I had understood it had been provided, but I will check and I will commit to the Member that we will get it to him during the life of this session, as he has requested. Thank you.

**MR. SPEAKER:** Thank you Mr. Miltenberger. Item 10, written questions. Item 11, returns to written questions. Item 12, replies to opening address. Item 13, replies to budget address. Item 14, petitions. Item 15, reports of committees on the review of bills. Item 16, tabling of documents. The honourable Minister of Finance, Mr. Miltenberger.

### Tabling of Documents

TABLED DOCUMENT 133-16(5):  
NORTHWEST TERRITORIES  
MAIN ESTIMATES, 2011-2012

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. I would like to table the Main Estimates, 2011-2012, Government of the Northwest Territories. Thank you.

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

TABLED DOCUMENT 134-16(5):  
SO WHAT CAN WE DO AS A COLLECTIVE –  
IDEAS FOR THE JOE GREENLAND CENTRE,  
FROM THE CHIEF AND COUNCIL OF THE  
AKLAVIK INDIAN BAND

**MR. KRUTKO:** Thank you Mr. Speaker. I would like to table a document that was presented at the public meeting in Aklavik. It is: What can we do to as a collective - ideas for the Joe Greenland Centre. More importantly, Joe Greenland elders daycare improvement and quality of life for seniors.

**MR. SPEAKER:** Thank you Mr. Krutko. Item 17, notices of motion. Item 18, notices of motion for first reading of bills. Item 18, motions. Item 19, first reading of bills. Item 20, first reading of bills. Item 21, second reading of bills. Item 22, consideration in Committee of the Whole of bills and other matters: Tabled Document 4-16(5), Executive Summary of the Report of the Joint Review Panel for the Mackenzie Gas Project; Tabled Document 30-16(5), 2010 Review of Members' Compensation and Benefits; Tabled Document 38-16(5), Supplementary Health Benefits – What We Heard; Tabled Document 62-16(5), Northwest Territories Water Stewardship Strategy; Tabled Document 75-16(5), Response to the Joint Review Panel for the Mackenzie Gas Project on the Federal and Territorial Governments' Interim Response to "Foundation for a Sustainable Northern Future"; Tabled Document 103-16(5), GNWT Contracts over \$5000 Report, Year Ending March 31, 2010; Tabled Document 133-16(5), Northwest Territories Main Estimates, 2011-2012; Bill 4, An Act to Amend the Social Assistance Act; Minister's Statement 65-16(5), Devolution Agreement-in-Principle, Impact on Land Claims and Protection of Aboriginal Rights; and Minister's Statement 88-16(5), Sessional Statement, with Mr. Krutko in the chair.

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

**CHAIRMAN (Mr. Krutko):** I would like to call the Committee of the Whole to order. Consideration in Committee of the Whole of bills and other matters: tabled documents 4, 30, 38, 62, 75, 103, 133; Bill 4, Minister's Statement 65-16(5) and Minister's Statement 88-16(5). What is the wish of the committee? Mrs. Groenewegen.

**MRS. GROENEWEGEN:** Thank you Mr. Chairman. The committee's wish today is to begin on general comments on the budget address.

**CHAIRMAN (Mr. Krutko):** Committee agree?

---Agreed

**CHAIRMAN (Mr. Krutko):** We will deal with Tabled Document 133-16(5). General comments. Mr. Abernethy.

**MR. ABERNETHY:** Thank, Mr. Chairman. Once again I would like to thank the Minister for his opening comments on the bill today. I just want to talk a little bit about some of the things that we heard and some of my general thoughts.

Obviously, I am looking forward to getting into the detail as we go department by department. Going through the statement, once again as I talk about my Member's statement, I think it is important for us to be looking at new and creative ways to gain efficiency on the dollars that we are spending and utilize our dollars in the most effective and

appropriate ways. I think, if you talk to a lot of our employees, they would like increased accountability, they would like some additional responsibility, they would like to be able to make some decisions and they would like to be able to do some of the work that they are currently managing contracts to have contractors do. I think it is certainly something that is worthy of some investigation and some looking at within the department.

I am looking forward to seeing the joint results of the review that is being done and the borrowing limit that is coming out in April. I think that is a huge, important endeavour and I look forward to seeing the results of that.

Going through the document on some of the individual areas, supporting the economy. I am happy to see some increased funding going to SEED and one of the things that I would obviously like to see done in this area is, if you look at our stats from throughout the Northwest Territories, my colleague Mr. Krutko is right, the employment rates in some of our communities are really quite awful, which is leading to increased costs in delivery on the social side. I would like to see the Department of Industry, Tourism and Investment take some of these dollars, get into some of these smaller communities and work with some of the youth and even some of the adults to explore the opportunities, increased opportunities, to bring some small sustainable business opportunities to our small communities. Let's work on getting some of these people employed.

Now, I am happy that on the next page that the Minister talked about the \$925,000 that the Small Community Employment Program that is going to be invested in, and obviously that is an important initiative but it doesn't take away from the work that Industry, Tourism and Investment with all of its experts could be doing in some of these communities to increase employment opportunities.

Under the Reducing the Cost of Living, I did listen to what the Minister said, and obviously reducing the cost of living in our communities is critical. But when I look at the types of activities that he was talking about, with the exception of the reduced power, I don't see anything that has actually tangibly resulted in a reduction in the cost of living and, quite frankly, we are not even 100 percent sure yet that the Electricity Rate Review and the change that it made is actually going to result in cost savings and a reduced cost of living. I think we hope, and I think we expect, but we don't actually know. We need to see some results here. The people are having difficulties with the cost of living in the communities and I think we have a responsibility to actually try to do some tangible and real activities that we can see clear results on reduced costs of living. I think the Electricity Rate

Review is great and on the right direction, but right now I am not even sure that we can say that we have fully reduced the cost of living. Hopefully soon you will be able to tell us that you have.

Throughout the discussions and throughout the bill there are a lot of studies being done, and that is great. I understand the value, I understand the importance of studies, they help us make decisions. It is important to be informed when we make decisions, but at the same time, it would be nice to see some more actions on the ground. I have seen a lot of studies go through this Assembly in the last three or three and half years and couple months, whatever the case may be, and honestly, before I was an MLA, I saw a lot of studies being done. Like I said earlier on a different topic, there are a lot of studies sitting on shelves. Do we need to keep repeating the studies, or can we please, please start implementing some of these ideas that are out there to actually impact the people on the ground? One hundred fifty thousand dollars for a study could go a long way in program delivery and helping the people that we have.

Investing in Our People. Some good initiatives here, I am happy to see and I am looking forward to discussing them more specifically. One of them that obviously jumped out at me was the \$75,000 to expand territorial respite, but I think this is critical, I think this is important and I look forward to that. I understand that we probably won't have a territorial respite program fully designed by the end of the current fiscal year and that the design will go into the next fiscal year, and later on I will be talking to the Minister about how that is going to affect some of the existing programs that have questionable futures based on the direction that the department is taking. I will save that for detail.

I have to say that under the Sustainable Communities section, I am disappointed that, quite frankly, there is only a seven word reference to NGOs and support for NGOs in the budget address, and I'm hoping that we're going to see more detail within the budget itself, because, quite frankly, the support and strength of the voluntary sector and the NGOs is part of our strategic vision and our strategic direction, and I'm not really seeing as much progress in the support of the NGOs that I thought or hoped we would see when there seemed to be some passion for this at the beginning of the 16<sup>th</sup> Assembly. I remain frustrated and I think it's really unfortunate that there is only a six letter reference to supporting NGOs.

Protecting the environment. I think a lot of good things are done and I'm happy to see some of the initiatives going on. I think there's still room we can go here. I think we need to make some real targets that aren't just affecting the GNWT on reductions but are real and meaningful throughout the Northwest Territories.

Refocusing government. I think there's lot of work here, lots of opportunity here, and it goes back to some of the things I was saying in my Member's statement about, you know, our employees have some great ideas. I know we listen to them, but let's empower them to make some hard and fast decisions and give them the opportunity and accountability to make some of those decisions and changes in the best interests of the people and them themselves.

Under the Looking Forward section there was a significant amount of talk about Foundation for Change and health and social services. One thing I have to say, and seems really missing to me, if we're looking at the future, I've read statistics and research that says to have effective health promotion you need to spend about 3 percent of your budget on health promotion. In the Northwest Territories we spend barely 0.2 percent of our budget on health promotion. Oddly enough, unfortunately, health promotion seems like an easy area to cut in departments and, as a result, I don't think we're investing in health promotion to the degree that we need.

We need to help people live healthier lives. We need to put in programs, we need to put in initiatives to help people make choices and give them the opportunities and tools they need to make productive choices to maintain their health. It will save us a lot of money in the long run, but if we're not investing in it, we're not going to make any difference in health promotion. Yes, I've seen the initiatives the department has and there are a lot of really good initiatives on health promotion within the department. Can't knock it; won't knock it. I think the department should be proud of those things, but we need more. We need significantly more investment in health promotion. Yes, it's going to be an upfront cost, but it will save us money in all other areas in the long run.

So obviously, I'm going to push and ask a lot of questions on the health promotion and why are we not asking for more money in this area. Why are we not doing some upfront work on this area to help our residents and give them the tools to be healthy and live healthy lives so that they can be successful in education, so that they can be successful in employment and business, so that they can be productive in any area they chose to be productive? It's really unfortunate to me that so little effort is being put into prevention.

Foundation for Change. I've had briefings and I think there's a lot of good work happening in Foundation for Change. I'm looking forward to details. Sometimes I'm a little bit frustrated by the lack of detail I've received in some of the things that are going on in the Foundation for Change, but I have received briefings and I have been kept updated, to some degree. I would like more

information on Foundation for Change. In principle, it sounds like good things are happening, but this is our biggest department, our most expensive department and, quite frankly, we're all MLAs here and we're all working in the best interests of the people of the Northwest Territories and I think more information would be beneficial as opposed to the opposite.

Just some general comments. I'm going to go into more detail in many areas as we move through. Like I said in my Member's statement today, I'm happy that we stuck to our fiscal strategy, that we are under the 3 percent growth, that we have room on our borrowing limit, should unforeseen circumstances arise and we have to go there. I'm hoping we don't have to go there. I believe \$1.34 billion is a lot of money. We have a lot of work to do in the 2011-12 fiscal year and I think this is a starting point and let's get it done. Thank you.

**CHAIRMAN (Mr. Krutko):** Thank you, Mr. Abernethy. Just direction from the House. Would you like to just do general comments or have the Minister respond to each general comment? So maybe just asking for some direction from the House. General comments. Mr. Abernethy.

**MR. ABERNETHY:** They are general comments. From my perspective, I just made some general comments. I would like to hear what everybody has to say and have the Minister respond to all of us in general. We will get into the detail when we get into the line-by-line by department. I don't need to hear from him now, but once everybody has talked, I sure would like to hear what he has to say.

**CHAIRMAN (Mr. Krutko):** Is the committee agreed?

**SOME HON. MEMBERS:** Agreed.

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

**MR. YAKELEYA:** Thank you, Mr. Chair. I just wanted to tell the Minister, in terms of the budget, there are some good things in the budget that I'm very happy to see in the budget, specifically that speak to the smaller communities and the challenges that they have to deal with day to day and some of the things that would be improving their lives, such as the Small Communities Employment Program, increasing the CHAP -- Community Harvesters Assistance Program -- the education program. Things like that will make a difference in my people's lives.

I'm really glad to see that this government has implemented a program that will reduce the rate of electricity in my communities also to help reduce the cost of living. That's a positive thing that this government can pat itself on the back and all of us in the Assembly can say. I'm going to be watching very closely as you go department by department and see how programs are going to be

implemented in the name of efficiency and effectiveness in terms of the operations of the government, because sometimes we might have some heated debate because sometimes it will come down to communities having the programs opted out for regional delivery or deliveries in larger centres.

That's just what the Minister said in the finance book, Mr. Chair, that we live in a very vast land and all needs sometimes can't be done in the communities. However, there are specific basic needs that need to be done in the communities and some of those needs are not being met right now for the safety and health of the people in the communities as we progress into a more modern society. I just want to make note of that to the Minister.

I do want to say that he's put together fairly comprehensive areas that he needed to touch on that I feel has made some improvements, and I'm very happy that he's listening. There are areas that, for example, I said Colville Lake certainly needs to be brought up to the standards of living in the Northwest Territories, such as other communities also do not have a nursing station with a qualified nurse. Sorry, they have nursing station health centres but they don't have a qualified nurse there permanently. They have to fly them in from other communities. And you know what, Mr. Chair? When they fly in, they get off the plane and they go like this. They have to look at their time, look at the weather, are we going to be over-nighting here or not. That's the reality. We should have a nurse going into Colville Lake or other communities, saying, I'm here for three days, I want to spend time and talk to people. But we have a system that feeds that type of services. It's not servicing the people.

The same with the RCMP. We don't have it in Colville Lake. They give us the stat and tell us when they visit and how long they visit. But we don't have a system where people's needs are being served. Mr. Chair, we need to really look at that, and that's the difficult thing about this government here. How do we service the smaller communities where they see it, they hear it? They ask us MLAs, why does this community have this and we can't have that? I know this government is doing its best to service people, but also in the budget we see where there are other programs that are in other communities. How come not ours?

Energy initiatives, we have a couple in the Sahtu that I am very happy to have, but those are studies. We don't see any type of hydro facilities going into our communities. There are studies and studies. We don't see any type of wood pellet initiatives going into our communities on large scales. We don't see any type of initiatives such as geothermal or residual heat or anything like that. It is always good that we could have hydro, but we need to see

construction. We need to see something happening in our government facilities or our businesses.

It gets tiring after awhile to see where all the other initiatives are being spent. There are millions being spent in other communities. There are only a couple hundred thousand in the Sahtu. We are glad that you are going to look at it, but Deline has been studying hydro for 17 years. I think sometimes we need to ask these questions. I will be asking these questions to the Minister and put them on notice that we need to ask these questions and how they are going to make a difference in my community.

We need to look at areas that would really support our initiatives that we set out in our vision and goals. Those types of things I want to look at and see where they are going to make a difference. Like I said, when I went to Deline, Fort Good Hope, Colville Lake, Tulita and Norman Wells, one of the things that was really surprising is the people were talking about the empty houses in their community. Colville Lake has been over a year that we have had these empty houses, yet the highest core need. Could we not, as a government, get our staff, who are in the thousands in the GNWT, even within the Housing Corporation, come up with some policy that would get our people into these houses? Yet they are still sitting empty in Colville Lake with the highest core need in the study. Colville Lake, of all places, has three empty houses over a year. Unbelievable! Yet this government can't take care of 134 people in that sense. That is what I am going to ask, those things that make a difference in our community.

In Deline people are being asked to leave their units. There are empty units in Tulita and in Deline. We had a really good meeting and meetings with the Minister of the Housing Corporation, with the leadership in Deline and Tulita, yet those houses are not being looked after. The bureaucracy is so unbelievable in terms of putting our good intents down. We have to do something that is simple that we get people into their houses, make them proud to be in the North, to be raised in the North, to go to school in the North. We have to get them off the dependency because a lot of them right now sit home collecting a cheque. We train them to get a cheque. They can go down to the income support with their bills and that is what they do. We haven't given hope or inspired them to make a contribution to their community or to their family. We have all kinds of policies that block them.

In the Minister's statement, we have Solomon Resources. I don't know if that is an oversight or Solomon is not big enough to be mentioned. Also, Mrs. Groenewegen hasn't seen what we have done up in the Sahtu. Solomon has started there. They are invested in the North. Most of it is done in the Yukon, by the way. We have a little bit going on there. Hopefully, in the future it will be more, if they

continue to invest more of the Chinese investments into Solomon. We have Naats'ihch'oh Park coming into effect. If the Tulita Groups sign on with the park and with Canada, that will bring millions of dollars into our region. Those kinds of things that we need to look at, I think, because in my region we need to be very aware of the difficulties and challenges we have. I want to thank the Minister for his budget.

**CHAIRMAN (Mr. Krutko):** Thank you, Mr. Yakeleya. Next on my list I have Mr. Ramsay.

**MR. RAMSAY:** Thank you, Mr. Chairman. It is never easy putting together a budget to try to cover off everything and be everything to everyone, but there are a few things in here that I just want to comment on, if I could.

There is a lot of good news in here too, but there are some things here that I just have to provide a little bit of comment on. Like my colleagues, as we go through the detail and we get into the budget session, I will have much more to say on these things, so I am going to get going on some of these highlights.

Again, health care spending for me has been an issue for a number of years. We continue to allow the authorities to bleed red ink. Nobody seems to want to take the bull by the horns and actually do something. I have suggested a solution to the Minister at Social Programs committees. It is not going to be an easy fix, but there is a solution there. That would be to get rid of the authorities, pull it all back in. The more moving parts you have in something like health care and when you are spending that much money, you better make sure that every dollar you are spending is going to be one that is well spent. I don't think we have done enough there. I think we continue to look for solutions.

The Foundation for Change is just another example of the department going out and looking for something to pin a decision on, but some of the decisions are just so readily apparent that you just struggle to understand why decisions aren't being made. I certainly wish that, and I know that it is not an easy job managing the Department of Health and Social Services. I do wish the Minister success in trying to manage that, but we are getting very late in life for this government and not much has changed there. I have to be blunt when I say that.

If we want to look at family violence, that is another area that domestic family violence you can lump elder abuse in with that. I will be talking more about that as session goes along, but I am glad to hear that we are going to have some kind of evaluation put in place to see that programs that we have at the community level are actually making a difference. In my mind, Mr. Chairman, I don't see how that is happening. Just recently an individual had 48 prior convictions, 18 of them of a violent nature, beats his girlfriend. He gets five months in

jail. The sentencing has got to be addressed. We have to get tougher with folks who are committing acts of violence against their spouse, against elders, against children. We have to take domestic violence very seriously in the Territory. Again, you will be hearing me talk a lot more about that as session gets going.

I am very concerned about respite care here in the Northwest Territories. I am concerned about the money that was taken from the Yellowknife Association for Community Living. I support 100 percent a territorial-wide program, but I told anybody that would listen when the funding was cut for YACL, that the government, it would be impossible for the government to come up with a coordinated meaningful plan to address respite care in the Northwest Territories, so I am still having a whole lot of trouble understanding how that is exactly going to happen when you have one program that is working and you have that in favour of going for a territorial-wide program. To heck with the program that was working, that's not good management or sound management, in my mind. I think that should be a model off which the territorial program is developed.

In reducing the cost of living, again this is something that I've talked about many times in the past. I don't think there's been a concerted effort by the government to convince the federal government that the three territories should be at least a GST-free zone or at the very least maybe the discussion has to take place on making the three northern territories income tax-free zones as well. Negotiate that into a final devolution agreement for the people of the Northwest Territories and the other two territories. You want to attract people to live here and raise families here, there has to be that type of incentive and we need to be ramping up our efforts with the federal government to get at that.

Looking at the sin tax, we're raising tax on cigarettes and alcohol again. To me this is just a backward approach to trying to grab some cash from people. The people it's going to hurt the most are children in families whose parents are addicted to smoking and addicted to drinking. Who is going to pay the price is the kids. The children. That's who's going to pay the price in an effort for the government to grab some more money. That's not going to stop anybody from smoking. It's not going to stop anybody from drinking. If they want to drink and smoke, they're going to get the smokes and the booze and the family unit, at the end of the day, is going to be the one that pays for that.

Looking at the Taltson situation, I really am having a hard time believing that the project has had five years in the making. We've spent about \$13 million or \$14 million and they submit an incomplete submission and it gets sent back. How is that possible? How do we sit back and let that happen?

It just boggles my mind how we have scant resources but we can throw around \$13 million or \$14 million and have an incomplete submission sent in. No wonder it got sent back. That's something we need to get on top of. That's money we're not going to get back.

We do have a bunch of good news. Some of it was highlighted in the Minister's budget address. Gahcho Kue is a big one for the Northwest Territories, the development of that diamond mine. The seasonal overland route, that's a big positive. If the Government of the Northwest Territories continues working with the feds and industry on development of that seasonal overland route, that would be a great benefit for the Northwest Territories as well.

I can't underestimate what the Mackenzie Gas Project will do for the Northwest Territories in terms of development, opportunities for our people, exploration, turning us into the energy giant we can be. All the potential is there. I think that moving forward is such a huge opportunity for our Territory. Also Prairie Creek, Avalon, Tyhee.

The government did a good job. If I could, and I spoke about it a little bit in my statement, but the injection of the infrastructure dollars was timely. It got us through some rough times. Again, I'd like to thank the government and the Ministers responsible for getting that on the go and for the federal government, too, for the partnership that enabled us to get some money and some projects moving forward and completed. I think just perfect timing for us. Hopefully we've seen the end of the rough economic times and we can continue to move the Territory forward.

There's just one that, while I've got the floor, has been in some cases a lack of decisions being made by this government and it looks like we're leaving a lot of the hard choices and decisions to the next government. I think we have to do everything in our power while we're here to make some of those decisions. It would be nice if some of those decisions got to us. They haven't and I talked again about the Program Review Office and my disappointment that in three years like we've really only got to make a decision on one thing. That's not very good.

Also, streamlining government operations at improving effectiveness and efficiencies. We just haven't done that in a meaningful way. I don't believe that's been done. We have to do a better job in that.

For the most part I think the future looks very bright for the Northwest Territories. There's going to be a difficult period of time here, probably the next three or four years, financially, where I think managing our spending and capping expenditure growth is going to be key to getting us through the next few years. I think down the road the future does look

very bright for us. I know there's some austerity measures that have been enacted by the government that are going to help get us there, but I'd just like to see more decisions arriving at the table of the Regular Members so that we can be a part of that decision-making process. On the hard decisions anyway.

I want to thank the Finance Minister and the government for their work in putting forward the budget for 2011-2012.

**CHAIRMAN (Mr. Bromley):** Thank you, Mr. Ramsay. Next I have Ms. Bisaro.

**MS. BISARO:** Thank you, Mr. Chairman. I want to also thank the Finance Minister for his budget. My comments are quite general. I will get into specifics when we get into departments.

In a general sense I'm okay with the proposed budget. I see it as a caretaker budget. I don't see very little, actually, that's different from the budget that we're currently in this 2010-2011 budget year. I don't see 2011-2012 as being much different. It's staying the course, as the Minister has often said to us. I agree with that, but I only agree with it from a fiscal perspective.

The economy in Canada and the world is uncertain. I think the NWT is doing okay but I believe we are right to be cautious. There's no way that I consider our economy to be booming, so we really ought to take things slowly.

Operationally I don't agree that we should be staying the course and that's what I see in this budget. When it comes to expanding the provision of programs and services for our residents, I feel that this government still doesn't get it, particularly that we're now in the last eight months of a four-year term. There's very little that is going to be new and exciting and try to attack some of the problems that we see. I feel that our lives, our work, our thinking doesn't and shouldn't stop just because we have an election coming in eight months' time. We can accomplish a huge amount in eight months if we accept that we are here to work until the Assembly is dissolved at the end of August. I am getting a huge sense that people are not thinking that we're here to work for the next eight months. I don't see that mindset and I don't hear it in the conversations that I have with people.

Over the last three years Members have pointed out innumerable concerns that their constituents have encountered. I've heard some, every Member on this side of the House has heard some. I'm sure that Ministers have heard the same sorts of problems. People have difficulty accessing programs and services because of policies which are inhibiting or obstructing them; because of policies which are conflicting. The government creates barriers to services that our constituents need to access. I don't think we do it willingly, but

over time we put policies in place which conflict with each other, we get narrower and narrower in our policies, and it creates huge difficulties for our residents when they try to access our programs and services. Housing and Health and Social Services are probably two of the worst, but every department has it within this organization. I don't see that we are addressing these basic issues, the issues and difficulties of accessing services. We're not addressing that in a comprehensive way. I appreciate that Housing is going to be doing a comprehensive review of their policies. I think that's great and I think it's long overdue. It's not going to be of any value unless we coordinate that with a review of other policies that also impact our residents. Income support is one, for instance. Housing and income support are two areas where residents are constantly in difficulty and constantly coming up against barriers and roadblocks.

I mentioned in my Member's statement that we still have the silo mentality in our departments and amongst our staff. I'm speaking in generalities. I'm not speaking of specific people or departments, but in a general sense I think we still tend to think in silos. There's some crossover between departments, absolutely. The Strategic Initiatives I think were set up to try and do that but I don't think it really worked, because when push comes to shove and a department is facing a reduction in dollars or a loss of a program, that department gets really protectionist. They close their ranks and they do everything they can to either hang onto that money or that program. That's where I think the silo mentality is really evident. It doesn't matter whether or not it's in the best interest of the government or the NWT as a whole if that program is lost; the department fights like crazy to keep it.

I mentioned in my Member's statement there's no new revenue in this budget. I believe that's a mistake. A new tax may not seem the right thing to bring in when considering our current economic climate but I think we could and should be a little more open minded and far-seeing. I think we could have enabled our municipalities who, through a resolution at the NWT Association of Communities AGM last year, asked the government to give them the authority to levy a hotel tax in their communities. We didn't do that. The Minister's roundtable on revenue options as well supported this idea and I think, from what I read, they accepted it as a viable option and they recommended it. So I think we could have been proactive and creative. I think we could have considered giving the authority to our municipalities to enable them to charge this tax. I see it as a really positive step. It would generate revenue for economic development locally and it would generate revenue for tourism locally. That to me is revenue that would not then have to come from

GNWT. It would reduce the drain on our GNWT budget.

I'm really pleased to hear that the Minister is moving forward on establishing the Heritage Fund. I think that's absolutely the right way to go. The sooner that we can set it up the better. But I also believe, and I don't think the Minister spoke to this, but I believe that as soon as that fund is set up, we should start making deposits. They may only be token deposits, but I think they need to be made. The reason why I think that is, it will indicate support of the principle and philosophy of saving and planning to our residents. They will see that we are doing something concrete for the future.

I continue to support the government focus on energy initiatives, although I have real concerns about the Taltson project. It was mentioned earlier and I have the same concerns. I'm somewhat dismayed that the Minister stated that it's still a priority for this government. I was pleased to hear in the second part of that paragraph that he talked about a business case for the project and I really believe that we don't have a business case right now. So we better not be putting any more money in there.

I do think one of the better things that we've done is the energy retrofits of government assets and public housing. I think that's been a very positive step and I think it's going to reap rewards in the future. I also believe that this program needs to be extended to all NWT residents, particularly low-income and middle-income homeowners. They don't currently have any incentive now to really do home renovations in terms of energy savings and if we can provide significant financial incentives to those people, it will get them to do home renovation projects and I think those home renovation projects will actually get done. If they do, it improves the quality of life for our residents, decreases their cost of living, and I believe it provides opportunities in the communities for economic development and for skill development.

So I stated earlier today that I believe that the government and its legislators -- that means us -- have to make fundamental and systemic changes to the way we deliver programs and services. I think we have to stop working from top down and start working bottom up. We have to provide communities with supports -- financial, human, physical -- and by doing so we will empower our communities, we'll empower our residents to do what they do best, and that's to look after each other.

I'd like to thank you, Mr. Chairman, for this opportunity to make opening comments, and certainly when we get to individual departments I will have lots of specific questions.

**CHAIRMAN (Mr. Krutko):** Thank you, Ms. Bisaro. Next I have Mr. Bromley.

**MR. BROMLEY:** Thank you, Mr. Chairman. I appreciate the comments of my colleagues here. There's certainly a ring of commonality out there. I'm sure the Ministers are listening. I think there are some real opportunities out there and I'm not convinced at all that we're capturing those opportunities.

I want to start off by thanking the Minister for his budget address. I'm looking forward to getting into the detail, as I've talked about this a couple times today.

I note that three years ago we set a goal of living within our means and I will be commenting on that subsequently here.

With regard to the economy, I think I am on track with the Minister that the risks are clear in terms of as far as he went, energy prices, particularly oil prices, are rising. Many governments have high levels of debt and situations that are not sustainable. I think that one thing that governments are finding, both in Canada and worldwide, is that the costs of our changing climate are large and accelerating ever more rapidly, and if we do not plan for that and reflect that in our budgets, our sustainability will also be clear.

I wanted to note, I have mentioned already the cushion of \$60 million and some of the challenges we will have there. Again, I appreciate the Minister establishing that cushion. In terms of his reference to working with Finance Canada to review the borrowing limit to be concluded by April, this is not something we have heard much about, so I am -- other than perhaps that it is happening -- looking forward to hearing how we are working with the Minister, what is our input, what are our goals, are we actually talking about increasing our debt limit given that we have proven already that we cannot live within our means, referring to the opening of the address. Again, I would appreciate some comments from the Minister on that.

The Minister went on to talk about the Program Review Office. I hope the Minister can detect a huge sense of frustration from Regular Members on this. We were expecting big things from this and some gains to be made, the shifting of priorities with the dollars identified, and I can't see any productivity from this office -- not saying there hasn't been any, but certainly not any that I have seen -- and when is this going to happen is the basic question.

The second point there: assess the savings that have been achieved as a result of investments in energy reduction. I would encourage the Minister to do that assessment in terms of the full cost accounting approach that captures things like the number of jobs brought to the Northwest Territories economy, the renewable energy benefits such as reduced emissions and local business development and so on. The Government of the Northwest



Territories has opportunities for revenue growth, I agree with that through our tax regime and I look forward to the development of that. I am pleased that the Minister has included that.

I also agree that we have some work to do on the cost and size or role and size of our government and I am looking forward to working further on that. I am sure that will be front and centre for the 17<sup>th</sup> Assembly as well.

Moving to Supporting the Economy. The biggest thing there that I see is the diversification, and we have put efforts, especially through our SEED program, into diversifying the economy, but here I want to reflect the comments of my colleague Ms. Bisaro. We need a whole new approach. Diversification is indeed key, but we haven't been effective with our many investments and I think this new approach should include, simply, especially in our small communities since this is an area that we have talked about repeatedly, and we are not making any gains there, our small community economies are not, they are just not happening. We need a new approach that focuses, for example, on the provision of our basic needs. Energy, food, and housing are three of those, just by way of example. Focussing on those in ways that will develop skills and thereby have other benefits, jobs and development of entrepreneurship and so on, those are all side effects from simply deciding that we will not import these things from afar and have jobs afar. We will from now on focus more and more and more on providing for our people from their local and regional resources. Therein lies our best hope and the sort of new approach that's required that supports the social fabric, as well, and addresses many, many of our wide and diverse goals as a government.

For example -- and the Minister has heard me talk about the need for a comprehensive approach -- the cross-departmental approach, government-wide approach. We still are not penetrating those departmental barriers, and I don't see that reflected in the comments, either. We're still compartmentalizing when we need to be identifying how these things need to work together and how we can penetrate those barriers; for example, when we're talking about a proposal to spend a million dollars in our small community for a job creation program. Those need to be focused on. For example, housing tenants and developing the skills needed for maintenance of housing, for training on how to use a chainsaw for producing firewood for the community and implementing a district energy system and these sorts of approaches. So those sorts of connections, connecting the dots, are still not being made.

I believe the Minister misspoke when he talked about lowering the cost of electricity. We have not lowered the cost of electricity. We have reduced the

electricity rates in our small communities and shifted that cost on to the taxpayer. I keep harping on this because we need to be accurate in order to know where our costs are for this government. We are speaking here as a government providing a budget. So again, I highlight the need to speak accurately here.

I'm happy to see that businesses do have an opportunity now in the small communities, they have reduced electricity rates, but I'm disappointed that we're not making more progress on actually reducing the costs, as the Minister claims we are doing with that working.

There are a number of things that I support but I feel are too modest. I support the Community Harvesters Assistance Program. That's good. It also identified \$150,000 for agriculture infrastructure and support for commercial harvesting of wild foods. That's clearly inadequate and I think we need to bring some more focus on that.

The \$300,000 identified in the budget for housing, a sustainable housing strategy, again, this needs to serve our government-wide goals and it needs to be done in a way that enhances skill development, jobs, the social fabric in our communities, local economic development and so on, by requiring our housing tenants to participate in society and in addressing our costs to the extent that they're not employed. This is, again, the new approach that's required and these are things that include investing in our people so we cannot separate these things. We cannot separate reducing the cost of living from investing in our people and from sustainable communities.

The example of the Fetal Alcohol Spectrum Disorder syndrome person is an excellent move. We know that there are huge mental health issues out there. We hear about them daily and they've been discussed today. We need to bring some focus in that area despite the health costs we are having.

Mr. Chair, I see I'm running out of time so I think I will save the rest. There are some good moves on protecting the environment but there are still some tune-ups needed and some linkages needed to be made there. I'll look forward to giving more detail on my general response through the budget address opportunity. Thank you.

**CHAIRMAN (Mr. Abernethy):** Thank you, Mr. Bromley. I have nobody else on my list. What is the wish of committee? Mrs. Groenewegen

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

---Carried

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

### Report of Committee of the Whole

**MR. SPEAKER:** Can I have the report of Committee of the Whole, please, Mr. Abernethy.

**MR. ABERNETHY:** Mr. Speaker, your committee has been considering Tabled Document 133-16(5), Northwest Territories Main Estimates, 2011-2012, 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. Abernethy. A motion is on the floor. Do we have a seconder? The honourable Member for Sahtu, Mr. Yakeleya.

---Carried

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

### Orders of the Day

**PRINCIPAL CLERK OF COMMITTEES (Ms. Knowlan):** Orders of the day for Friday, February 4, 2011, at 10:00 a.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. Replies to Budget Address
12. Petitions
13. Reports of Standing and Special Committees
14. Reports of Committees on the Review of Bills
15. Tabling of Documents
16. Notices of Motion
17. Notices of Motion for First Reading of Bills
18. Motions
19. First Reading of Bills
20. Second Reading of Bills
21. Consideration in Committee of the Whole of Bills and Other Matters
  - Tabled Document 4-16(5), Executive Summary of the Report of the Joint Review Panel for the Mackenzie Gas Project
  - Tabled Document 30-16(5), 2010 Review of Members' Compensation and Benefits

- Tabled Document 38-16(5), Supplementary Health Benefits - What We Heard
- Tabled Document 62-16(5), Northern Voices, Northern Waters: NWT Water Stewardship Strategy
- Tabled Document 75-16(5), Response to the Joint Review Panel for the Mackenzie Gas Project on the Federal and Territorial Governments' Interim Response to "Foundation for a Sustainable Northern Future"
- Tabled Document 103-16(5), GNWT Contracts over \$5,000 Report, Year Ending March 31, 2010
- Tabled Document 133-16(5), Northwest Territories Main Estimates, 2011-2012
- Bill 4, An Act to Amend the Social Assistance Act
- Bill 14, An Act to Amend the Conflict of Interest Act
- Bill 17, An Act to Amend the Income Tax Act
- Bill 20, An Act to Amend the Evidence Act
- Minister's Statement 65-16(5), Devolution Agreement-in-Principle, Impact on Land Claims and Protection of Aboriginal Rights
- Minister's Statement 88-16(5), Sessional Statement

22. Report of Committee of the Whole

23. Third Reading of Bills

24. Orders of the Day

**MR. SPEAKER:** Thank you, Madam Clerk. Accordingly, this House stands adjourned until Friday, February 4, 2011, at 10:00 a.m.

---ADJOURNMENT

The House adjourned at 6:03 p.m.