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The Honourable Jackson Lafferty, Speaker

Legislative Assembly of the Northwest Territories

Members of the Legislative Assembly

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YELLOWKNIFE, NORTHWEST TERRITORIES**Thursday, March 2, 2017****Members Present**

Hon. Glen Abernethy, Mr. Beaulieu, Mr. Blake, Hon. Caroline Cochrane, Hon. Jackson Lafferty, Hon. Bob McLeod, Hon. Robert McLeod, Mr. McNeely, Hon. Alfred Moses, Mr. Nadli, Mr. Nakimayak, Mr. O'Reilly, Hon. Wally Schumann, Hon. Louis Sebert, Mr. Simpson, Mr. Testart, Mr. Thompson, Mr. Vanthuyne

The House met at 1:30 p.m.

Prayer

---Prayer

SPEAKER (Hon. Jackson Lafferty): Good afternoon, Members. Ministers' statements. Minister of Municipal and Community Affairs.

Ministers' Statements

MINISTER'S STATEMENT 151-18(2):
PROGRESS STATEMENT – GOVERNANCE:
OFFICE OF THE AUDITOR GENERAL OF
CANADA PERFORMANCE AUDIT

HON. CAROLINE COCHRANE: Thank you, Mr. Speaker. Mr. Speaker, the Department of Municipal and Community Affairs was recently the subject of a performance audit conducted by the Office of the Auditor General of Canada. The audit assessed the department's performance as it relates to supporting community governments with the provision of essential services to residents.

The Department of Municipal and Community Affairs is always looking for ways to improve our programs and services. Given this commitment, we welcome the report and recommendations of the Auditor General.

The report of the Auditor General was tabled in this Legislative Assembly in October 2016 and included 13 recommendations, focusing on four key areas:

1. Supporting the delivery of essential services;
2. Developing tools to support community governments;
3. Supporting designated authorities; and
4. Supporting community government capacity.

Municipal and Community Affairs developed a comprehensive plan to take action on all 13 recommendations. This action plan was presented to the Standing Committee on Government Operations on January 17, 2017.

We anticipate receiving feedback from the standing committee to help us ensure that our action plan is

on the right track and represents the broad interests of the Office of the Auditor General, community governments, and Members of this House.

Mr. Speaker, Municipal and Community Affairs is committed to building stronger relationships with community governments and collaborating and fostering government-to-government relationships with Aboriginal governments.

The department is open to changing its practices and processes where it will result in better services to community governments. The department has a strong relationship with community governments as well as the Northwest Territories Association of Communities and the local government administrators of the Northwest Territories.

These well-established and cooperative relationships will be vital in ensuring that the action plan and its implementation respond to the needs of community governments.

Mr. Speaker, I remain committed to supporting community governments and ensuring that the Department of Municipal and Community Affairs is providing programs and services in the best way possible, delivered by our dedicated and professional staff. This report of the Auditor General will help further focus the work we are already doing to improve our services. I look forward to providing updates to Members as we proceed. Thank you, Mr. Speaker.

MR. SPEAKER: Masi. Ministers' statements. Minister of Transportation.

MINISTER'S STATEMENT 152-18(2):
ONLINE SERVICE IMPROVEMENTS

HON. WALLY SCHUMANN: Mr. Speaker, the Government of the Northwest Territories has made a commitment in its mandate to increase online accessibility to driver and motor vehicle services as well as commercial permitting services. I'd like to tell Members today about work the Department of Transportation has done to fulfill that commitment.

Over the past four years, residents and businesses of the Northwest Territories have been able to access a number of secure online driver and motor vehicle services such as vehicle registration, renewals, driver abstracts, driver testing

appointment booking, rescheduling or cancelling, access to commercial permits, and much more.

Mr. Speaker, more and more people are taking advantage of these online services. I am happy to say that there have been over 185,000 online services performed to date. Due to the recent additions, such as commercial vehicle permitting, the use of online services has grown by 90 per cent from a year ago.

The Department of Transportation recently completed a successful soft launch of new services for driver licence and general identification card renewals. Residents from the communities of Inuvik, Norman Wells, Tuktoyaktuk, Fort Smith, Hay River, and Yellowknife participated in the soft launch by applying online for their drivers' licenses or NWT identification cards.

This process allowed the Department of Transportation to work out any issues with the new services beforehand in order to ensure a successful future official launch. We are now ready to roll these services out more broadly, along with online accident reporting and personalized license plates. This will allow the residents to access even more services from the comfort of their homes.

The new services will reduce the need to travel for people living in communities without a local Driver and Motor Vehicle Office. The services will also decrease wait times at all offices, making for a more enjoyable client service experience.

Businesses, meanwhile, will have online access to commercial fleet management for upgrading or downgrading vehicle weights and self-managing tolling transponders for the Deh Cho bridge.

Mr. Speaker, the Department of Transportation has budgeted \$1.2 million in capital to continue improving online driver and motor vehicle services over this fiscal year, and we continue to pay \$350,000 for the program's operation and maintenance.

The online services have also achieved operational efficiencies, enabling the department to discontinue services provided by southern contractors, which now saves the Government of the Northwest Territories \$360,000 annually.

Online service delivery is part of our government's Service Innovation Strategy, which supports effective and efficient government. The Department of Transportation is committed to ensuring that these services are accessible for as many residents of the territory as possible under its 25-year transportation strategy. I'm proud to say that residents from all NWT communities have now subscribed to online services. The department has also provided training to community government

service officers so that they can help elders and other clients use our online services in their communities.

Our achievements in delivering online motor vehicle services affirms our government as an industry leader among other jurisdictions. None of these innovations would be possible without the commitment of our staff. I'd like to take this opportunity to thank the Government of the Northwest Territories employees involved with this project. The Department of Transportation looks forward to continuing the success and improvement of online driver and motor vehicle services to ensure residents get the services they need from anywhere with Internet access. Thank you, Mr. Speaker.

MR. SPEAKER: Ministers' statements. Minister of Aboriginal Affairs and Intergovernmental Relations.

MINISTER'S STATEMENT 153-18(2):
PURSUING AN AGREEMENT WITH THE
FEDERAL GOVERNMENT ON THE
MANAGEMENT OF OFFSHORE RESOURCES

HON. BOB MCLEOD: Mr. Speaker, the Government of the Northwest Territories made a commitment in its mandate to pursue an agreement with the federal government on the management of offshore resources.

As Members are aware, in late 2016, the Government of Canada took a significant potential economic development opportunity off the table when they declared a moratorium on offshore oil and gas development in the Beaufort. While I understand the reasons for his decision, the Prime Minister's announcement of a moratorium in the Arctic Canadian waters was disappointing. Equally disappointing was the lack of consultation on the part of the federal government prior to coming to a decision that has the potential to significantly affect the future development in the territory and the lives of the people who live here.

Our economy depends heavily on resource development as the major contributor to our GDP and a source of jobs and income for our residents. Ensuring that there are options for Northerners and economic development alternatives must be part of the decision-making process. One of the ways we can ensure our people have good options is by working in partnership with Nunavut and Yukon on a pan-territorial sustainability and development strategy.

I have spoken about the need for a strategy like this with the Prime Minister, and he has indicated the Government of Canada is willing to work with us to develop comparable opportunities for our residents.

Mr. Speaker, despite the moratorium, advancing negotiations for the management of offshore resources remains a priority for the Government of the Northwest Territories. Yes, there is currently limited offshore activity in Canadian Arctic waters and, given the cost of production in the Arctic, world prices would need to substantially improve to make Arctic extraction viable. However, it is important that we do not sit back and wait for the economy in the Arctic to "get better."

Based on current market conditions, Imperial Oil has suggested a maximum remaining life of 10 years for its Norman Wells operation. The temporary shutdown of its facilities in February has emphasized just how critical a permanent closure would be for the governments, communities, and people who are reliant on the investment that is realized from exploration and development in this sector.

In my view, the low level of resource development occurring presents us with an opportunity to invest our efforts now in developing a management regime for the offshore, including sharing resource revenues, that will be well supported by the people of the Northwest Territories should activity levels increase.

The time is right to get on with these negotiations, Mr. Speaker. This is the message that I have conveyed to the Prime Minister and I look forward to receiving his positive response in the near future.

I am optimistic that, with a renewed commitment from all parties, we can proceed quickly in our negotiations for the management of oil and gas resources in the Beaufort Sea in a manner that balances economic and environmental considerations, and respects the interest of all parties, particularly those of us who live and work in the North. Thank you, Mr. Speaker.

MR. SPEAKER: Masi. Ministers' statements. Minister of Health and Social Services.

MINISTER'S STATEMENT 154-18(2):
HEALTH AND SOCIAL SERVICES SYSTEM
TRANSFORMATION IMPLEMENTATION

HON. GLEN ABERNETHY: Mr. Speaker, the Government of the Northwest Territories made a commitment in its mandate to continue the integration of the health and social services system to improve care for our people. Today, I want to provide an update on our work to transform the Northwest Territories health and social services system.

This work reached a major milestone with the establishment of the Northwest Territories Health and Social Services Authority on August 1, 2016. I

would like to thank all of my colleagues here today for their support in reaching this important goal.

At the same time as the authority was established, the Northwest Territories Health and Social Services Leadership Council, chaired by Mr. Jim Antoine, began its work to inform future changes to the way we deliver care and services. The council has met numerous times, with two formal public meetings taking place in September and December of 2016 and further meetings are being planned in March of 2017.

Members of the Leadership Council continue to be supported in their information gathering and decision making by the new Regional Wellness Councils. The councils have all participated in development sessions that allowed members to build a shared understanding of their new roles, with an emphasis on engaging residents in their regions.

Regional Wellness Councils have all held at least one meeting in their regions with many more planned. Taking their meetings beyond regional centres so residents in all our communities will eventually have the opportunity to meet their members is part of the plan.

Mr. Speaker, creating a responsive, high-quality health and social services system our residents have confidence in is a priority for us. Giving residents an easier way to bring any concerns they might have to our attention so we can find solutions is one of the reasons we created the new Regional Wellness Councils. We also look to the Regional Wellness Councils to provide a strong and clear voice for their regions at the territorial level.

Another area where progress has been made is in the move to a single Territorial Medical Staff, a priority item that will have an immediate positive impact on our system.

A unified medical staff will be able to deliver more consistent care as they set shared standards and work across geographic boundaries to make improvements to our entire system. Fostering an environment of collaboration among our medical professionals is an exciting development and I look forward to seeing it roll out.

Mr. Speaker, change will not happen overnight. The new governance and administrative structures are foundational building blocks to improving our system, but there is still much work to be done. We are also developing a robust evaluation plan to ensure that we can measure and monitor progress as change occurs.

Behind all of the work in our system is a dedicated staff. We have made it a priority to engage staff throughout the transformation process and asked

them to help identify what areas of our system need improvement. In support of this goal, senior staff from the Northwest Territories Health and Social Services Authority completed a number of regional visits to have face-to-face conversations with those on the front lines.

In this time of change we will continue to focus on delivering the best possible care and services to patients and clients. I know that our front line workers throughout the Northwest Territories work hard every day to ensure the people of the NWT are taken care of, and I continue to commend every one of them, every individual involved in this work.

I am confident that with the help of these staff and our new councils, we will be able to deliver improved cultural competency, enhanced quality and consistency of care, and better outcomes for those who rely on us.

Mr. Speaker, I am optimistic that we will continue to see improvement, and I look forward to providing updates on system transformation. Thank you, Mr. Speaker.

MR. SPEAKER: Masi. Ministers' statements. Item 3, Members' statements. Member for Yellowknife North.

Members' Statements

MEMBER'S STATEMENT ON SNOW KING WINTER FESTIVAL

MR. VANTHUYNE: Thank you, Mr. Speaker. Mr. Speaker, something remarkable happened yesterday down on Yellowknife Bay. For the 22nd time, the Snowking's Winter Festival kicked off its annual celebration of all things snow, ice, and winter.

Mr. Speaker, as Northerners, most of us grew up knowing that it's fun to play in the snow. More than 22 years ago, Yellowknifer Tony Foliot took that concept and ran with it and, if he could build a castle out of snow, well, it is only right that he should be the king of the castle!

Now the Snowking festival has evolved into a celebration of winter that draws visitors from across Canada and other parts of the world. Starting just after freeze-up, a hardy band of souls is down on the lake every day. They cut the ice to make windows, steeples, and sculptures of all kinds. Then for two months they scoop and shovel and pile and blow and shape the snow.

What emerges from this labour is an amazing castle. With a courtyard and slide, a grand ballroom, and various nooks and crannies, the Yellowknife snow castle has evolved into a

masterful thing of beauty that is bigger and better every year.

Its programming has evolved too. Every day in the month of March there's something unique and fun going on at the castle. The festival provides a venue for many local musicians, and also brings in national musical performers. Everything from DJs at the Royal Rave to country to rockabilly and blues and roots, even a Burlesque show and a comedy night.

The festival is great for families, and not just to go down the slide. It features children's plays and music and stories. It's a venue for art of many kinds. Its art shows feature the works of local schools and celebrations of uniquely northern groups such as Arctic FOXY.

There is a hockey tournament, a fish fry, a film festival, table tennis, and a TV screening, and its snow carving competition, which ends today, Mr. Speaker, now draws participants from as far away as China. Mr. Speaker, I seek unanimous consent to conclude my statement. Thank you, Mr. Speaker.

---Unanimous consent granted

MR. VANTHUYNE: Thank you, Mr. Speaker, and thank you, colleagues. Mr. Speaker, this celebration of arts and music and life in the snow has evolved into a true treasure for our community and territory. The ingenuity, commitment, teamwork, and inventiveness of the Snowking and his team has become a significant asset and an important feature of our winter.

I invite my colleagues to join me in congratulating the Snowking on beginning his 22nd season. Thank you, Mr. Speaker.

MR. SPEAKER: Masi. Members' statements. Member for Nahendeh.

MEMBER'S STATEMENT ON CHIEF JULIAN YENDO SCHOOL ANNUAL TRIP TO ALBERTA

MR. THOMPSON: Mahsi cho, Mr. Speaker. Mr. Speaker, Chief Julian Yendo School junior high school students have been working really hard all year to be able to be part of the annual Jasper and Edmonton field trip. The school staff, the District Education Authority, and the parents worked together to come up with guidelines the students need to fulfill to be able to go on the trip.

Mr. Speaker, some of the guidelines involved the students to have good attendance, complete their assigned work, be well behaved in school, and be respectful of their fellow students, visitors, and school staff. On top of this, the students needed to

help out with fundraising events such as movie nights and monthly recycling days.

Mr. Speaker, I am very proud to say that almost all the students from grade 7 to 9 were able to participate in this trip. These students are considered to be role models for the younger students and you can hear them speak highly about this trip. The younger students look at this trip as something to work for and it motivates them to stay in school, work hard and keep up with their school attendance. It is like they are preparing themselves for when they get to grade seven.

Mr. Speaker, this year the school trip took place from February 8th to 16th. From all accounts, it was a very positive experience for the students, staff, and one young adult chaperone -- the community's recreation coordinator.

All students got along great, they bonded as a group, gained self-confidence. As well, this trip helped promote healthy life choices and build on the school's spirit.

Some of the highlights involved them participating in snowboarding, swimming, staying in hotels, and eating out at restaurants. The funny thing about eating out, the students really enjoyed having pizza. Some things don't change!

Mr. Speaker, the students had the opportunity to visit the Telus World of Science Centre where they got to see the various science displays and watch an IMAX 3D documentary titled "Wild Africa." To round out the trip, they went to an Edmonton Oilers game at the Rogers Centre and witnessed an Edmonton Oilers win. Believe that? Oh, that's pretty impressive.

Mr. Speaker, I would like to thank the Wrigley District Education Authority, Pehdzeh Ki First Nation, and Municipal and Community Affairs for helping to sponsor this trip. As well, the students and the staff, for all the hard work they did to go on this trip.

Mr. Speaker, these extracurricular trips continue to be of great value to the students, and the students continue to be great ambassadors for the school, community, region, and the NWT. Mahsi cho, Mr. Speaker.

MR. SPEAKER: Masi. Members' statements. Member for Tu Nedhe-Wiilideh.

MEMBER'S STATEMENT ON GNWT LAND LEASE RATES

MR. BEAULIEU: Marci cho, Mr. Speaker. Mr. Speaker, [English translation not provided]. Today I wish to speak about the land lease policy of our government's Department of Lands. Mr. Speaker, it

is absolutely unbelievable that the Minister of Lands can say with a straight face that it is a fair policy. An elder tells me that she cannot afford a small second-hand car due to her high cost of living and low income, yet the lease payment for her lot is over \$2,000.

Elders who are making under \$25,000 per year are being asked to pay over \$2,000 per year for their property lease or lot rental. This is actually a discounted amount. People who are not elders yet pay the full amount of over \$4,000 per year.

Mr. Speaker, the Department of Lands must take a second look at this extremely unfair policy. There are situations in the riding of Tu Nedhe-Wiilideh where people cannot afford to apply for a lease of the land they have occupied for many, many years, let alone afford to pay the extremely high yearly lease cost.

Mr. Speaker, if people could pay these lease rates, they would eventually pay for the value of lot, but Mr. Speaker, they would still not have title to this land.

At this point, Mr. Speaker, I don't even think the Government of the Northwest Territories has the right to tax people on our land. I realize the leases are not truly taxes, but our forcing people into leases or rentals is just another way of taxing the people.

Mr. Speaker, when poor people are telling me if they were to pay their leases they would have to go without food or shelter, never mind the fact that people cannot afford to buy new clothes for their families, there is something seriously wrong.

I will ask the Minister to re-examine the land lease policy, or ask him and his Lands staff to start paying 10 per cent of the value of their property per year for land tax and see how fair they think the policy is then. Thank you, Mr. Speaker.

MR. SPEAKER: Masi. Members' statements. Member for Frame Lake.

MEMBER'S STATEMENT ON DIAMOND MINE ENVIRONMENTAL AGREEMENTS

MR. O'REILLY: Merci, Monsieur le President. Our government signed off on several legally binding environmental agreements covering diamond mines in the Northwest Territories as follows:

- BHP NWT Diamond Project in 1997;
- Diavik Mine in 2000; and
- Snap Lake Mine in 2004.

These agreements are part of the network of arrangements that includes impact and benefit agreements, socio-economic agreements and licences, and permits that allowed the diamond mines to proceed in advance of Indigenous land rights settlements and a complete environmental management regime with air and wildlife regulation.

The diamond mine environmental agreements were also necessary given the need to build public confidence in this new economic commodity and to help dispel doubt as to the capacity and willingness of governments to properly protect the public interest. The agreements formed an important component of what has been called the social licence for the diamond mines to begin operation.

There are a couple of other special features of the diamond environmental agreements. The federal, territorial, and Indigenous governments are all involved or signatories, and there is an oversight body formed for each mine. The oversight bodies vary from independent and technically focused to representative and, finally, more consultative. Each has its advantages and drawbacks, but in general these oversight bodies have helped create and maintain public confidence in environmental performance of the mines.

A couple of years ago, partly as a result of devolution, there were efforts to amend the diamond mine environmental agreements. The then federal government was withdrawing from its environmental responsibilities and severely weakened its legislation and functions. At the same time, our government was doing its best to rid itself of any federal presence at the expense of the experience and funding that the national government brings to the table. The weakening of the diamond mine environmental agreements was questioned and even resisted by almost all Indigenous governments here and in Nunavut.

With a change in federal government, this effort was put on the back burner and I understand that there is a renewed interest in amending the agreements, in a proper fashion, to reflect the residual federal responsibilities over matters such as fish, transboundary issues, species at risk, and toxic substances.

I will have questions later today for the Minister of Environment and Natural Resources on the current initiative to amend and hopefully strengthen the diamond mine environmental agreements. Mahsi, Mr. Speaker.

MR. SPEAKER: Masi. Members' statements. Member for Deh Cho.

MEMBER'S STATEMENT ON COMMUNITY SUPPORT IN RESPONSE TO K'ATLODEECHE TRAGEDY

MR. NADLI: We had a tragic accident happen on the K'atlodeeche reserve, and I wanted to say thank you to everyone who pulled together in a short period of time to bring the family back home. With the amounts of donations accepted from communities such as Yellowknife, Fort Providence, Kakisa, Enterprise, Hay River, Fort Smith, and Fort Resolution and so on, they were able to furnish a whole house plus more for the Buggins and Chambaud family.

Mr. Speaker, the response of compassion and support and donations for the family speaks volumes of the true northern spirit. The family are back home on the Hay River Reserve and have been assisted by the Hay River Dene Band with a house to live in. Mahsi cho, Mr. Speaker.

MR. SPEAKER: Masi. Members' statements. Member for Sahtu.

MEMBER'S STATEMENT ON DELINE GOT'INE LIBRARY PROPOSAL

MR. MCNEELY: Mahsi, Mr. Speaker. The Deline Got'ine Government has started after many years of negotiations. Preservation of their culture and heritage is high on their mandate.

Mr. Speaker, the Truth and Reconciliation Commission came out with a number of recommendations, one of them being preservation of traditional knowledge.

Mr. Speaker, recognizing the resource staff in this building and coming to know the wealth of knowledge and supports given by the staff members, in particular the library and resource centre we have here, this archived wealth of knowledge is exactly what the Deline Got'ine Government is pursuing to add to their administration as well as capture the great wealth of knowledge and archive this knowledge the traditional elder community has. Later I will have questions for the Minister of Education, Culture and Employment. Mahsi, Mr. Speaker.

MR. SPEAKER: Masi. Members' statements. Member for Mackenzie Delta.

MEMBER'S STATEMENT ON ELDERS' RESIDENCE FOR TSIIGEHTCHIC

MR. BLAKE: Thank you, Mr. Speaker. Mr. Speaker, we know that our seniors want to stay in their homes and in their communities for as long as they can.

Elders want to maintain their independence. They also want to stay close to their family and friends, and to the places where they grew up and where they built their lives.

They also have knowledge and expertise to share, knowledge that they want to give back to their communities, to help the next generation learn and grow. Having to move to access suitable housing or long-term care can be frightening and stressful, particularly if you primarily speak your traditional language and have to move to the city.

Mr. Speaker, when you come from our smallest communities -- like Tsiigehtchic, for example, with a population of around 178 people -- even the move to a relatively nearby town, to long-term care in Inuvik, can be jarring.

It's not what you know and it's not your home. My constituents have come to me to talk about these challenges, and we as Members know that seniors' housing and care needs is an oncoming storm facing this government.

The Department of Health and Social Services has clearly identified the shortfalls we are facing in the long-term care beds. The department is also planning work to improve rates of chronic disease like diabetes in the NWT.

As you know, Mr. Speaker, Regular Members have advocated for increased support for homecare in the communities. Prevention work like that means healthier elders, elders who can stay comfortable and safe in their homes longer.

I want to talk about where the NWT Housing Corporation fits in. In Tsiigehtchic, there are just four dedicated housing units for elders as part of a row house. There is a real demand for real space. Mr. Speaker, I seek unanimous consent to conclude my statement. Thank you.

---Unanimous consent granted

MR. BLAKE: Thank you, Mr. Speaker. Thank you, colleagues. Mr. Speaker, the corporation needs to get the wheels turning, evaluating these needs and getting started on capital planning. A retirement home in Tsiigehtchic would keep families together, improve elders' local access to healthcare and support, create jobs from construction to operations to maintenance, and strengthen the community's cultural foundation. I will have questions for the Minister of the Housing Corporation later today. Thank you, Mr. Speaker.

MR. SPEAKER: Masi. Members' statements. Member for Kam Lake.

MEMBER'S STATEMENT ON INDIGENOUS WELLNESS AND SYSTEM OF CARE

MR. TESTART: Thank you, Mr. Speaker. Mr. Speaker, it is no secret that the North faces significant challenges when it comes to the health and wellness of our residents. During the last election, and since then, I have heard many calls for a brick and mortar treatment centre or some kind of facility that can offer made-in-the-North, culturally appropriate care for Northerners.

I think, with the very recent and tragic events involving the death of an Indigenous man in one of our communities who was mistakenly thought to be drunk when in fact he was suffering from a stroke, it is further evidence that we need a system of care and treatment that is informed by Indigenous culture and Indigenous traditional knowledge.

Thankfully, we have a group in the Northwest Territories now, the Arctic Indigenous Wellness Foundation, that is actively pursuing creating a new Indigenous wellness foundation here in Yellowknife. I am very pleased to support this work. This project has been brought to the attention of our standing committees and our Members. At the time, it was very well received. I am glad that the foundation has moved forward, and we can start to take action.

These sorts of facilities are not uncommon in Canada. In fact, many other jurisdictions have similar facilities, including cities such as Toronto and Vancouver. Certainly, this is something that our residents would benefit from. As the foundation has said, it is not a gift. It is a sustainable investment in real solutions that take into account the very complex and critical needs of Northerners, who are often left outside of the health system despite our best efforts.

It is time to think outside the box. It is time to listen to the wisdom of the elders and to end the practices of colonization that often do more harm than good and start reversing the course of a legacy of colonization that continues to hold back the futures of our Indigenous people. Thank you, Mr. Speaker.

MR. SPEAKER: Masi. Members' statements. Member for Hay River North.

MEMBER'S STATEMENT ON HEALTH INFORMATION ACT IMPLEMENTATION

MR. SIMPSON: Thank you, Mr. Speaker. Mr. Speaker, I usually take this opportunity to talk about issues specific to Hay River, but, believe it or not, there are important issues beyond Hay River's borders as well. Today, I am using my Member's statement to inform the public about an issue that affects everyone in the territory.

In 2015, the NWT's new Health Information Act came into force. The act establishes the rules for the collection, use, disclosure, and security of every resident's personal health information. It is intended to balance one's privacy with the need to provide healthcare services. The Department of Health and Social Services, regional health authorities, pharmacies, and healthcare providers in the private sector are all governed by the act.

Individuals are given important rights under the act, including the right to set limits on the collection, use, and sharing of your personal health information; the right to withdraw your consent for the collection, use, or sharing of your personal information; and the right to access and be informed about the use and sharing of your personal information.

These rights are based on the concept of implied consent, meaning that, if you access healthcare services, you are agreeing for your information to be shared. If you wish to limit the use of your information, you can do so, but the conditions must be put in writing. However, the mechanisms to enforce these wishes don't seem to exist.

In her most recent annual report, the NWT's Information and Privacy Commissioner raised some serious concerns with how this legislation is being implemented and stated there is still much work to be done to ensure compliance with the new obligations that the act places on those who can access your information and to ensure public awareness of the rights the act provides.

The Commissioner also noted that the act requires the Department of Health to undertake a privacy impact assessment whenever there is a proposed change to an information system relating to the collection, use, or disclosure of personal health information.

The Information and Privacy Commissioner stated that the Department of Health and Social Services contravened the act by not doing this in advance of the amalgamation of the health boards, which the Minister referred to today as the "system transformation." The department's decision was made despite the recommendations of the 17th Assembly's Standing Committee on Social Programs that it do so.

I agree with the Commissioner's assessment, and I believe that the department's interpretation of the legal requirement to conduct a privacy impact assessment is flawed.

The government has stated that the department takes the privacy concerns of patients and clients very seriously, yet they are refusing to undertake a privacy impact assessment, even though our

Information and Privacy Commissioner is telling them that the law requires them to do so. Later today I will have questions for the Minister on the implementation of the Health Information Act. Thank you, Mr. Speaker.

MR. SPEAKER: Masi. Members' statements. Item 4, returns to oral questions. Item 5, recognition of visitors in the gallery.

Recognition of Visitors in the Gallery

MR. SPEAKER: Colleagues, I would like to draw your attention to a few people in the gallery. I am pleased to recognize a group of 19 international exchange students and three chaperons from the Rotary District 5370. These students represent 19 different countries from around the world and each is billeted in a different high school in a different community in Alberta for the whole year. They are in Yellowknife for three days to experience life in Canada's North and are being hosted by the Rotary Club of Yellowknife. They are also joined by Laura Morie, Rotary district governor for this region.

I would like to say masi for joining us. It is always great to have guests in as part of our proceedings. Masi. Recognition of visitors in the gallery. Member for Hay River North.

MR. SIMPSON: Thank you, Mr. Speaker. I would like to recognize the two pages from Ecole Boreale in Hay River, Sarah Buth and Victoria Tweedie-Pitre. They have stuck with us through some late nights this sitting. I want to thank them and just say we all appreciate the hard work they have been doing. Thank you, Mr. Speaker.

MR. SPEAKER: Recognition of visitors in the gallery. Member for Mackenzie Delta.

MR. BLAKE: Thank you Mr. Speaker. Mr. Speaker, I want to recognize two of my constituents from Fort McPherson, Joanne Tetlich and Perry Robert. Mahsi, Mr. Speaker.

MR. SPEAKER: Masi. Recognition of visitors in the gallery. Member for Yellowknife South.

HON. BOB MCLEOD: Mr. Speaker, I would like to recognize the page from Yellowknife South, Kailyn Unka, who attends St. Patrick School, and also all the pages who are here today. Thank you, Mr. Speaker.

MR. SPEAKER: Masi. Recognition of visitors in the gallery. If we missed anyone in the gallery, welcome to our proceedings. It is always great to have an audience. Masi. Item 6, acknowledgements. Item 7, oral questions. Member for Mackenzie Delta.

Oral Questions

QUESTION 667-18(2):

ELDERS' RESIDENCE FOR TSIIGHTCHIC

MR. BLAKE: Thank you, Mr. Speaker. Mr. Speaker, in follow-up to my Member's statement, I have a few questions for the Minister responsible for the Housing Corporation. I would like to ask the Minister: how has the Housing Corporation tracked and evaluated seniors' housing needs in Tsiighehtchic to date? Thank you, Mr. Speaker.

MR. SPEAKER: Masi. Minister responsible for Northwest Territories Housing Corporation.

HON. CAROLINE COCHRANE: Thank you, Mr. Speaker. Currently at this moment I do not know if we have tracked the seniors' needs in Tsiighehtchic at this point. I can make a promise that we will do an assessment on the community and see how many seniors there are. Thank you, Mr. Speaker.

MR. BLAKE: I would like to ask the Minister: what criteria does a community need to meet to trigger planned construction for a new seniors' home?

HON. CAROLINE COCHRANE: The current practice is that we try to do an assessment every year, and we try to look at all of the housing needs throughout the whole Northwest Territories. In my opinion, that was not always the best practice. That is why we are doing the survey and actually developing community plans, because, at that time, each community would have its own identified priorities, which, in my opinion, is a better way of providing services.

MR. BLAKE: I would also like to ask: what other housing programs and services does the department offer to support Tsiighehtchic elders who want to stay in their communities and the families who want to help support their elders?

HON. CAROLINE COCHRANE: There is a variety of supports that seniors can actually access for renovating their own homes that they currently live in. Recently, we also put an extra \$500,000 into our budget specifically for seniors' homes, that they can actually use to help renovate so that they can stay in their homes as long as possible.

We are working hand in hand with Health and Social Services. We recognize that, seniors, there is a huge need, that the population is growing, and we are doing the best we can to try to help seniors to be able to age in place, whether that means staying in their own homes or having extra supports.

MR. SPEAKER: Masi. Oral questions. Member for Mackenzie Delta.

MR. BLAKE: Thank you, Mr. Speaker. Mr. Speaker, will the department look at a planning study to see, if there is a real need in the community, which areas, for elders in the community? Thank you, Mr. Speaker.

HON. CAROLINE COCHRANE: As the Members are aware, the housing survey actually just closed the other day, and so we will actually have the statistics coming in which we will share with all Members, which will identify the prioritized needs of each community and what they say. So, once that information is all compiled, I will share that with all of the Members.

MR. SPEAKER: Masi. Oral questions. Member for Kam Lake.

QUESTION 668-18(2):

YELLOWKNIFE AIRPORT IMPROVEMENT PLAN

MR. TESTART: Thank you, Mr. Speaker. Mr. Speaker, yesterday the honourable Minister of Transportation spoke at length about Yellowknife Airport evolution. This plan is somewhat controversial, and even more so perhaps in the light of a recent CBC investigative report that showed that between 4 to 6 per cent of airport improvement fees are pocketed by airline carriers and go into their direct revenues. How does the Minister plan to avoid this in light of our airport improvement planning and ensure that 100 per cent of all of the proposed fees are invested in crucial airport infrastructure, as he has promised? Thank you, Mr. Speaker.

MR. SPEAKER: Masi. Minister of Transportation.

HON. WALLY SCHUMANN: Thank you, Mr. Speaker. The plan moving forward is, yes, we are going to introduce an airport improvement fee into the Yellowknife Airport to help pay for some capital expenditures moving forward. The airline fees typically charge a percentage on these fees across Canada, and it is something that we are keeping a close eye on. As the Member alluded, that is in the news today, and we will see what the outcome is from that. Thank you, Mr. Speaker.

MR. TESTART: So it does not sound like there is a plan. When they were considering doing this, was the Minister aware of how these fees operate across Canada, or is this investigative report new to the Minister's knowledge, too?

HON. WALLY SCHUMANN: Yes, we were well aware that this fee was charged when the airlines collect the outbound passengers, so that is the answer.

MR. TESTART: I and my constituents eagerly await the Minister's plan to stop the pocketing of this fee.

Further to his statement, the Minister also made reference to the Yellowknife Airport currently employing approximately a thousand people and that there is an opportunity to generate more jobs. How many direct jobs will the proposed airport plan create?

HON. WALLY SCHUMANN: I want to thank the Member for bringing that forward. Yes, the Yellowknife Airport has a significant economic benefit to the City of Yellowknife and the residents of the Northwest Territories, with a thousand direct jobs. When we move to this new funding model for how we develop the airport, it has the potential of creating probably tonnes of more jobs. I couldn't give him the exact number. We realize the economic potential that lies there, particularly for the City of Yellowknife. It brings in significant amount of dollars to the community as well as the Northwest Territories.

I can't remember the number exactly, off the top of my head, the amount of GDP that the Yellowknife Airport brings. I believe it is somewhere in excess of \$100 million. The direct taxes to the City of Yellowknife and the Government of the Northwest Territories is around \$40-some million.

If we could take this asset and develop it into a better economic opportunity to bring more tourists to the Northwest Territories, more business through cargo, more direct flights, more businesses that are operating in the airport, it is going to bring significant opportunities for all residents of the Northwest Territories.

MR. SPEAKER: Masi. Oral questions. Member for Kam Lake.

MR. TESTART: Thank you, Mr. Speaker. I have tonnes of more questions, but I understand I only have one left. You know, for the definition of "tonnes," I think it is a thousand, so maybe a couple of more thousand is what the Minister is getting at, but I digress.

The Minister also said that there is an infrastructure deficit, there is a strain that needs to be upgraded in the short term to cope with the pressure. These improvements that the Minister has listed off today, and on other days, as well, when will Yellowknifers be able to enjoy them? Is it next year? Is it the year after? Is it 10, 20, 30 years? What year will a new airport be delivered to Northerners and we will start seeing all these benefits, and what is the cost? Thank you.

HON. WALLY SCHUMANN: Thank you, Mr. Speaker. As soon as we pass the budget and pass the Revolving Funds Act, we will be able to address this. Moving forward, we anticipate to collect upwards of \$8 million to \$9 million extra in

revenue per year, offsetting the \$4 million that the government already subsidized the airport by, so, with the collection of these new fees, we will be able to invest this money at an opportune time once we move forward.

MR. SPEAKER: Masi. Oral questions. Member for Frame Lake.

QUESTION 669-18(2):
DIAMOND MINE ENVIRONMENTAL
AGREEMENTS

MR. O'REILLY: Merci, Monsieur le President. As I discussed in my Member's statement, diamond mine environmental agreements are an important part of the network of arrangements that form the social licence for the diamond mines to operate and to maintain public confidence. My questions are for the Minister of Environment and Natural Resources. Can the Minister summarize the thinking and action that has taken place on amending the diamond mine environmental agreements? Mahsi, Mr. Speaker.

MR. SPEAKER: Masi. Minister of Environment and Natural Resources.

HON. ROBERT MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, after devolution, the Government of the Northwest Territories assumed the responsibilities of the Minister of Indigenous and Northern Affairs, or INAC, as outlined in the environment agreements for the territory's three diamonds. However, the environmental agreements have not been formally amended to reflect this. Thank you, Mr. Speaker.

MR. O'REILLY: Thanks to the Minister for that response, because it leads perfect into my next question. There are still residual federal responsibilities in the Northwest Territories for fish, toxic substances, migratory wildlife, transboundary issues, and then the value, of course, that the federal government can bring to the table in terms of experience and funding. Does the Minister recognize these roles of the federal government, and will they be adequately reflected to any amendments to the diamond mine environmental agreements?

HON. ROBERT MCLEOD: The Government of Canada and the GNWT actually drafted an addendum and release agreements to reflect the transfer of responsibility from Canada to the GNWT. These agreements were not signed prior to devolution because the Aboriginal parties did not support having Canada removed as a signatory to the environmental agreements.

MR. O'REILLY: I thank the Minister again that he recognizes that there was opposition to the sorts of

changes that were being proposed by our government on the environmental agreements in the past. So can the Minister explain how his department intends to meaningfully consult with Indigenous governments and the public regarding any amendments to the diamond mine environmental agreements?

HON. ROBERT MCLEOD: Mr. Speaker, the decision was actually not made by our government. We were prepared to sign an agreement with Canada; however, because of the concerns of the Aboriginal governments the agreement was not signed.

In December of 2016, there was a joint letter that was sent to the environmental agreement signatories and parties to inform them that the GNWT and INAC recommended that Canada remain a signatory to these agreements but with limited responsibilities.

MR. SPEAKER: Masi. Oral questions. Member for Frame Lake.

MR. O'REILLY: Mahsi, Mr. Speaker, and thanks again to the Minister for that response, but I can assure him I was in the room in my previous life when the changes were being proposed. We couldn't even get the federal government into the room, and it was actually being led by the territorial government, these changes last time around.

I'm pleased to hear the Minister say in this House that he recognizes that there's an ongoing role for the federal government in these agreements. So can the Minister commit to engaging the Standing Committee on Economic Development and Environment regarding changes to the diamond mine environmental agreements? Mahsi, Mr. Speaker.

HON. ROBERT MCLEOD: Mr. Speaker, that was the one unanswered question and the answer would be, yes, that I would continue to update and upgrade the Regular Members as we move forward with the discussions we're having with Canada and the Aboriginal governments.

MR. SPEAKER: Masi. Such a unique word, "upgrade." Oral questions. Member for Yellowknife North.

QUESTION 670-18(2):
NEW GENERATORS FOR YELLOWKNIFE
POWER PLANT

MR. VANTHUYNE: Thank you, Mr. Speaker. Earlier today with breaking news stories from around the country on a local level we learned from CBC News today about a story with regard to the Power Corporation and some generators which the

Power Corporation has ordered, so my questions today are for the Minister responsible for the Power Corporation.

Mr. Speaker, it seems as though these generators have been awarded to a contractor. Some 25 inspections or visits have taken place with regard to the progress of the design and development of these generators, and it seems as though, according to the article, little or no progress has been made to date. So in the interests of protecting our investments,

I want to ask the Minister: has the Power Corporation put any kind of funds towards this \$2.5 million contract to date? Is there some form of deposit or funds that ratepayers have paid to date? Thank you, Mr. Speaker.

MR. SPEAKER: Masi. Minister responsible for Northwest Territories Power Corporation.

HON. LOUIS SEBERT: Thank you, Mr. Speaker. I can advise that the Power Corporation did order generators from Viridi Power Inc. in June of 2015; I understand that \$1.1 million has been paid to the vendor and we're hoping that the generators will arrive by the end of spring. Thank you.

MR. VANTHUYNE: One of the things that the article pointed out was that there were three bidders on this particular project, two of which have very familiar names and are very well-known brands and have experience and came within just a few dollars of each other in terms of the bid.

The winning bid, apparently, came in a million dollars shy of that. Would that not have been a red flag to the Power Corporation as something that could be considered a non-responsible bid? Would there not have been some work that needed to be done to further evaluate whether that bid was even a legitimate bid? Thank you, Mr. Speaker.

HON. LOUIS SEBERT: The company that did win the bid, Viridi Power, is a company very well known in the industry. I understand that there was a careful evaluation of the bid made by the Power Corporation. The bid from Viridi was the lowest rated, and among the factors looked at was price.

MR. VANTHUYNE: Mr. Speaker, I guess the question has to be: now that we've had a delay in receiving these generators, what kind of costs are we incurring? What kind of costs have we had to incur to date? I'm not talking about the deposit or what have you that was put down; I'm talking about locally. These were intended to replace aging infrastructure. Have we got temporary generators in place? What kind of costs have ratepayers incurred to date to take care of this void that was supposed to be filled by these new generators?

HON. LOUIS SEBERT: The Power Corporation, when they became aware of this, this problem of delay, went back to the company, and the company to its credit, to compensate for the lack of delivery, the vendor, Virdi, agreed to cover any additional costs, including the costs of the modular rental units that were brought into Jackfish for the winter of 2017 to ensure reliability. So the company will be absorbing those costs.

MR. SPEAKER: Masi. Oral questions. Member for Yellowknife North.

MR. VANTHUYNE: Thank you, Mr. Speaker. I had a separate question for my final question, but I now have to ask: what are those costs? If they're going to cover them and we are notably incurring them, what are the costs? Thank you, Mr. Speaker.

HON. LOUIS SEBERT: Thank you, Mr. Speaker. As I mentioned, the company, Virdi, which is a very reputable firm, has been in the business for many years, supplies American military among others, has agreed to cover those costs. I do not have a detailed list of the costs, but I can seek that from the Power Corporation.

MR. SPEAKER: Masi. Oral questions. Member for Tu Nedhe-Wiilideh.

QUESTION 671-18(2):
GNWT LAND LEASE RATES

MR. BEAULIEU: Marci cho, Mr. Speaker. Mr. Speaker, today I made a Member's statement on the cost of land leases, rental. I would like to ask the Minister of Lands questions. Can the Minister explain why the lease costs or lease rates are so high? Thank you.

MR. SPEAKER: Masi. Minister of Lands.

HON. LOUIS SEBERT: Thank you, Mr. Speaker. The lease rates are determined by our land pricing policy, which is based on 10 per cent of the assessed value of the land. I understand this is consistent throughout the NWT and, in fact, is the practice across Canada. Thank you.

MR. BEAULIEU: Can the Minister explain what's involved in determining that rate?

HON. LOUIS SEBERT: Yes. The rate is determined on the assessed value which is established by the Department of MACA.

MR. BEAULIEU: Earlier I spoke of this being akin to a 10 per cent mill rate. So can the department look at ways to make the lease rates more in line with what are in other parts of the territory? By that, I mean, Mr. Speaker, we don't pay 10 per cent of the value of the property that we live on here in Yellowknife or in some of the larger centres, so I'm

not understanding what the Minister means by applications similar across the territory. Can the Minister tell me how that could be brought more in line with other parts of the territory?

HON. LOUIS SEBERT: I think we're talking about two things here: taxes and lease rates. The lease rates, as I say, are based on 10 per cent of the assessed value of the land, and that is consistent throughout the Northwest Territories. They are different things, obviously, taxes and leases, as anybody who owns property knows, and 10 per cent of the assessed value of the land, I suggest, would be a reasonable rental or lease rate.

MR. SPEAKER: Masi. Oral questions. Member for Tu Nedhe-Wiilideh.

MR. BEAULIEU: Mahsi, Mr. Speaker. Mr. Speaker, is Lands working with Aboriginal governments involved with the issue around the land titles moving forward with settlement of land rights and all of the other things that are involved in the negotiation? Currently, it appears as though, if you do not have a negotiation position, then it is just 10 per cent.

I guess I am kind of wondering if it is different for the areas where the land rights are settled. Can the Minister tell me how his department can work with the Aboriginal governments to look at this policy? Because it is a very unfair policy to have 10 per cent of the value of the land as an annual cost to either rent or lease the land. Thank you.

HON. LOUIS SEBERT: Mr. Speaker, it is conceded that tax and lease rates are controversial in that they can be different in different areas in the sense that, certainly with respect to taxation of properties outside settled boundaries of communities, that is often the subject or sometimes the subject of a treaty or settled land claim. As to progress with respect to those unsettled claims, perhaps that question could be best addressed to the Minister for DAAIR.

MR. SPEAKER: Masi. Oral questions. Member for Nahendeh.

QUESTION 672-18(2):
JUNIOR KINDERGARTEN FUNDING

MR. THOMPSON: Thank you, Mr. Speaker. Last week, during the public meeting on junior kindergarten funding, ECE advised us that junior kindergarten would be funded according to a pupil-teacher ratio of 12:1, but, in the same discussion, the ECE also advised that the funding formula was an allocation tool, not a tool to determine whether or not funding that ECE delivers is adequate to meet schools' and students' needs. So, Mr. Speaker, can the Minister explain how this

impacts schools and school boards who have identified where funding is inadequate to meet the needs of the students and the schools? Thank you, Mr. Speaker.

MR. SPEAKER: Masi. Minister of Education, Culture and Employment.

HON. ALFRED MOSES: Thank you, Mr. Speaker. Mr. Speaker, we continue to work with all of our education authorities on the roll-out of junior kindergarten for the 2017-18 school year. It is the responsibility of the education authorities to decide how they are going to best staff their junior kindergarten classrooms with the funding that we provide. The money that we are providing this year, that we committed to.

I am confident that the funding provided to these education authorities will be adequate for these authorities to offer quality early childhood programming for four-year-olds, as I mentioned, that is optional for parents.

More specifically, Mr. Speaker, for the Member's riding, where we have implemented junior kindergarten for the past three years in a lot of our communities, we have spoken with the superintendent and had discussions with her, and we have heard from the superintendent that junior kindergarten is working; it has shown success, great outcomes. As well, she has mentioned that the JK in the Member's riding of Nahendeh is adequately funded. Thank you, Mr. Speaker.

MR. THOMPSON: I thank the Minister for that answer, but he has to also realize that I speak for the territories. I sit as the chair of social development, and I am hearing these concerns across the territories. I have to agree with the Minister. It is working well in my region, and I am not saying that. I am saying, across the territories, there are concerns, and this is why we are asking these questions.

Mr. Speaker, ECE has indicated that it will take \$5.1 million to implement junior kindergarten in all of the remaining NWT classrooms, not including some one-time spending to make classrooms physically ready and other investments. Can the Minister explain how many junior kindergarten students the ECE is expecting to be enrolled in 2017-18, and how does that compare to past enrolments? When we are looking at including all of the schools, how is it going to be related to the enrolment?

HON. ALFRED MOSES: As the Ministry of Education, Culture and Employment, we want to provide the best services for our teachers, our families, and our students, and we represent all communities across the Northwest Territories.

Junior kindergarten has been implemented in 20 of the communities to date. It is working well.

We are seeing some good results, and we are going to continue that. With the 13 communities that are remaining, we want to offer them the same opportunities that we are providing to all 20 communities. Any concerns, questions, we are continuing to consult with our education authorities moving forward.

Mr. Speaker, in the 2017-18 school year, we are looking at estimates of about 533 junior kindergarten students that are going to be enrolled in schools right across the Northwest Territories. Since we began piloting the project, on average we have had about 94 students in the Northwest Territories, in all the schools where we are currently providing it.

MR. THOMPSON: I thank the Minister for his answer. When we look at the \$5.1 million plus one-time spent to prepare classrooms, communication, advertise, and all of the other expenses to implement junior kindergarten in 2017-18 plus spending on junior kindergarten to date, what is the total amount the government has invested in junior kindergarten, Mr. Speaker?

HON. ALFRED MOSES: Since we have started the pilot program in the previous government, we have averaged about \$1.4 million to fund the continued operations of junior kindergarten throughout the communities that have been offering it. Our one-time costs that include advertising, review, evaluation, the upgrades of infrastructure, classroom equipment, as well as the engagement that we have had with school boards and the communities, that is an extra \$1.14 million that we have had for junior kindergarten since it started.

MR. SPEAKER: Masi. Oral questions. Member for Nahendeh.

MR. THOMPSON: Thank you, Mr. Speaker. I thank the Minister for that answer. I think we are looking at the bigger centres, and that is why we are seeing a larger increase. With the implementation of junior kindergarten from the start, my understanding is the department required the divisional education councils to provide \$2 million of the start-up cost. Mr. Speaker, can the Minister confirm if this \$2 million is on top of the \$1.4 million? Thank you, Mr. Speaker.

HON. ALFRED MOSES: Thank you, Mr. Speaker. The \$2 million that the Member is referring to was the original cost that we looked at when we implemented junior kindergarten about three years ago. That money was in the last government. The \$5.1 million that we are committing in this government to fully fund junior kindergarten is new

money, as well as some of the one-time start-up costs. Right now, we are averaging about a million dollars to continue the implementation of junior kindergarten that we have in the 20 communities where we currently provide junior kindergarten.

MR. SPEAKER: Masi. Oral questions. Member for Sahtu.

QUESTION 673-18(2):
DELINE GOT'INE LIBRARY PROPOSAL

MR. MCNEELY: Thank you, Mr. Speaker. Adding to my Member's statement earlier on the preservation of the Deline culture and heritage by establishing a library similar to ours, but probably a little bit smaller, my first question to the Minister of Education, Culture and Employment is: are there appropriate funding support and programs for this initiative? Thank you, Mr. Speaker.

MR. SPEAKER: Masi. Minister of Education, Culture and Employment.

HON. ALFRED MOSES: Thank you, Mr. Speaker. Yes, and we continue to fund community libraries right across the Northwest Territories. We are working with schools to actually work on making the libraries that are in our schools open to the public. We will share with the Member, as well, that our NWT Literacy Council does also offer funding. We can get the information to the Member, but, in the recent newsletter that the NWT Literacy Council just released, I think it was today, there were grants, also, from Better World Books.

There are literacy grants particularly for libraries, and it is an opportunity to look at unique and innovative ways to do community projects. However, that is for all of the libraries across Canada, but I think here in the North we have an opportunity since we have nine official languages and the culture that we have in the Northwest Territories is to get some of our communities to apply on that funding, which is up to about \$15,000 per project, and we could share that information with the Member.

MR. MCNEELY: I am very glad for that response here. It is leading toward the establishment of this centre and, aside from the curricular libraries we have in the schools, this will be somewhat uniquely different for the fact that we're supporting a government library that is going to archive the many histories and locations around the Deline Great Bear Lake area, as well as the wealth and knowledge that the elders have, and that has to be captured before, unfortunately hopefully not, the passing on of the individuals who possess that wealth and knowledge. Is the Minister willing to provide these resources and delegate somebody to work with that government, then you have a

government-to-government dialogue going for the incorporation and establishment of this centre?

HON. ALFRED MOSES: Yes, with the new self-government that Deline Got'ine Government has created I think it is a great opportunity now to start looking at the history, the heritage of the people of Deline, as well as the Sahtu. I know we were just recently in Fort Good Hope.

There was a book launch around the Dene heroes of the Sahtu, and I think that is a really good starting opportunity to work with the self-government to create such a place or use our existing resources to enhance and promote the culture and the heritage of the Deline peoples.

Definitely we can bring in our stakeholders, NWT Literacy Council, as well as our other regional offices and our office in headquarters to start up those discussions.

MR. MCNEELY: Now, we have \$15,000 and some supports here. Will the Minister provide some dates for a stakeholder's meeting?

HON. ALFRED MOSES: Just to clarify, that \$15,000 is application based. It is not through our government, it is actually through a third party that the NWT literacy is promoting through their newsletter. We can share that with the Member and work with the community and put in an application, which would be great if we can get that approved, as well as our continued support through the department for libraries not only in the community but right across the Northwest Territories. We can start those discussions and start looking at some dates where we can sit down and have these discussions.

MR. SPEAKER: Masi. Oral questions. Member for Hay River North.

QUESTION 674-18(2):
HEALTH INFORMATION ACT IMPLEMENTATION

MR. SIMPSON: Thank you, Mr. Speaker. I have some questions for the Minister of Health and Social Services. Earlier I spoke about the Health Information Act, and the purpose of the Health Information Act is to govern the collection, use, disclosure, and protection of personal health information while balancing the right to personal privacy with a need to deliver healthcare services.

I will not debate the Minister about whether or not the section of the act that applies to privacy impact assessments. I will not debate whether that applies to the health authority amalgamation. I have done that, but the department clearly disagrees with me and the Privacy Commissioner and the Standing Committee on Social Programs.

So I will just ask the Minister: will the department provide assurance to the public and to Members of this House that all of our rights are being properly protected by undertaking a privacy impact assessment as required by law under the Health Information Act? Thank you, Mr. Speaker.

MR. SPEAKER: Masi. Minister for Health and Social Services.

HON. GLEN ABERNETHY: Thank you, Mr. Speaker. Mr. Speaker, under the Health Information Act, the Department of Health and Social Services and its authorities are required to complete privacy impact assessments before implementing a change to or implementing new information systems or communications technology that involved collection, use or disclosure of personal health information.

To be clear, Mr. Speaker, there have been no changes to the Department of Health and Social Services Authorities Health Information Systems as a result of system transformation. These systems were in place and utilized by the authorities prior to amalgamation. So under the legislation we are not required to do a privacy impact assessment on the transformation.

Having said that, Mr. Speaker, we do take privacy very seriously in the Department of Health and Social Services and our authorities. We are currently working towards the implementation of one shared Risk Assessment Management Reporting Information System as well as one shared Clinical Information System, and as per the legislation and our due diligence we are doing PIAs on both of those systems that we are implementing. Thank you, Mr. Speaker.

MR. SIMPSON: I guess what it comes down to is the department believes that an information system is an electronic information system, a piece of software. I will post on my website my argument against that because clearly the legislation speaks differently to it. So I will take that as a no for now and I will keep fighting this, but I only heard about the Health Information Act because I am a member of the Standing Committee on Government Operations, and now that I know about it I can attest that it is difficult to comprehend.

Our Information and Privacy Commissioner says that it is one of the most complicated and confusing pieces of legislation she has ever seen and she is a lawyer.

Given this, I ask the Minister what has the department done to inform and advise the public of their new rights and obligations under this act?

HON. GLEN ABERNETHY: When the Member raised this before, I clearly take issues of privacy very seriously and I actually had our policy staff as

well as legal do an in-depth review of the Health Information Act, and there appears to be a misunderstanding that the changes to the information systems occurred because of system transformation. The fact is there were no changes to the information systems. Whether they are digital systems or non-digital systems, there were not changes to the systems as a result of health transformation. There are changes to systems coming and we are doing the PIAs accordingly as per our terms and conditions.

Mr. Speaker, when the Health Information Act was going through the House, the Information Privacy Commissioner actually had a number of concerns and they focused around the need for policies and training to ensure compliance with the Health Information Act. The need for more public awareness efforts to ensure clients know their rights, the EMR system and its ability to address client consent conditions needs to be clear and understood.

Mr. Speaker, we have moved on all of those recommendations. Additional privacy policies are being developed to address privacy breaches, Privacy Impact Assessments, masking the types of things that need to be done in order to ensure our residents' privacy is protected.

We have training modules that have been conducted throughout the Northwest Territories for staff and we are rolling out more modules all the time and more training to ensure our staff, new staff as well as existing staff, get the appropriate training.

Mr. Speaker, we have over 1,500 brochures that have been distributed and 1,000 notices that have been distributed throughout the Northwest Territories to residents who are accessing our systems. We are working on e-versions of those brochures to get that information out so the information is widely distributed so people know their rights, know when they can say they do not want their information shared.

We are still in the early days, Mr. Speaker, with the Health Information Act, and we can get better and better and better as we go on; and we will.

MR. SIMPSON: I just want to clarify something the Minister said. He said there was no information system changes as a result of the amalgamation, the system transformation as it were. Now, was he referring only to the electronic system because what a system is it? Is a way of organizing, collecting, and storing information. It is not necessarily electronic. It could be handwritten, and my understanding was this Health Transformation System, the health transformation was because there was eight authorities with eight different ways

of doing things. So are the eight authorities which are now one, are they still doing things differently or did they change the way they are doing things under the system transformation? So I just want to clear that up with the Minister.

HON. GLEN ABERNETHY: To be clear, once again, under the Health Information Act the Department of Health and Social Services are required to complete Privacy Impact Assessments before implementing a change to or implementing a new information system or communications technology that involves, and I think this is the key point, the collection, use, or disclosure of personal health information.

Mr. Speaker, we already had EMR in the Northwest Territories and we were rolling it out throughout the Northwest Territories. We did not change that; that was still the same. With the health amalgamation moving to a single authority we were able to put in place standard protocols for procedure and actions when people present. That is different than dealing with the personal health information. The Health Information Act is dealing with personal health information.

MR. SPEAKER: Masi. Oral questions. Member for Hay River North.

MR. SIMPSON: Thank you, Mr. Speaker. Moving on, I understand that the act obligates health information custodians, like the health authorities, to ensure that health information is protected. The electronic information system used to collect and store information doesn't have the functionality to shield or protect information from being accessed when an individual requests that information not be made available to a certain custodian.

If you were to put in a request and say I don't want this pharmacy or this pharmacist having access to this information, you have to write a letter to someone at the department and they are supposed to honour that request, yet the system doesn't allow for that. What steps are being taken to ensure that these sort of requests can be honoured in the future? Thank you, Mr. Speaker.

HON. GLEN ABERNETHY: Thank you, Mr. Speaker. Mr. Speaker, the department has actually been working with TELUS to upgrade our EMR to be able to mask or hide client information to address consent conditions brought forward by clients, those individuals who don't want their information seen. Limited masking is currently available in the EMR but there is an upgrade that is currently being installed and tested. It was put in place in September 2016. We are doing some testing on it now that will do exactly what the Member is asking. Thank you, Mr. Speaker.

MR. SPEAKER: Masi. Oral questions. Member for Yellowknife North.

QUESTION 675-18(2):
NEW GENERATORS FOR YELLOWKNIFE
POWER PLANT

MR. VANTHUYNE: Thank you, Mr. Speaker. Mr. Speaker, earlier I was raising some questions with the Minister responsible for the Power Corporation. The Minister indicated that he didn't in fact have costs with him as it related to how much has been incurred to date due to the delays of not receiving these generators on time. Can the Minister commit to actually getting us the costs, a breakout of these costs, and when can we expect them? Thank you, Mr. Speaker.

MR. SPEAKER: Masi. Minister responsible for the Northwest Territories Power Corporation.

HON. LOUIS SEBERT: Yes, Mr. Speaker. I only became aware of this issue today after listening to the news on the CBC this morning. I will undertake to request the figures from the Power Corporation and will, upon receipt, share them with the Member opposite. Thank you.

MR. VANTHUYNE: I find that interesting that the Minister responsible for the Power Corporation has only found out now about these delays that might have incurred cost to them and that it was in fact found out through the news article.

To the question, though, Mr. Speaker, we do a lot of business in the United States as a government. There is obviously a difference sometimes in dollar amounts based on the Canadian dollar. Now that we have waited a significant period of time for these generators, the Canadian dollar has gone down. It was a \$2.5 million awarded contract. Are we going to expect to see a supplementary appropriation for any kind of increases to this contract given that the Canadian dollar has gone down? Will we see an adjustment supplementary appropriation?

HON. LOUIS SEBERT: I would not expect that we would. I am not certain whether in Canadian or American dollars the contract was entered into. Often, contracts with American providers are entered into in American dollars. That is simply the way of the world. I am not expecting there to be any significant additional costs as a result of the change of dollar. I am not certain what the contract said about that.

MR. VANTHUYNE: Further to that, I am going to ask the Minister if he will endeavour to actually check into that and see if, in fact, we are going to pay the \$2.5 million, whether it is Canadian or US? If it is Canadian, will we be expecting a

supplementary appropriation for any kind of adjustment due to a declining Canadian dollar?

HON. LOUIS SEBERT: I simply don't have that information in front of me. I am not certain how the contract was set up, whether it was denominated in Canadian or American funds or dollars. I will look into it. I doubt there will be any supplementary appropriation required.

MR. SPEAKER: Masi. Oral questions. Member for Frame Lake.

QUESTION 676-18(2):
DIAMOND MINE ENVIRONMENTAL
AGREEMENTS

MR. O'REILLY: Mahsi, Mr. Speaker. I would like to just pursue this issue of changes to the diamond mine environmental agreements a little bit further with the Minister of Environment and Natural Resources. Earlier, I said that I can assure the Minister that the initiative to change the agreements last time to remove the federal government from the agreements was actually coming from our government, GNWT. I am pleased to hear him say that is not the case now, that there were some letters sent in December of 2016 about changes. Can the Minister table some sample letters in this House just so we have a better sense of what is going on? Thanks, Mr. Chair.

MR. SPEAKER: Masi. Minister of Environment and Natural Resources.

HON. ROBERT MCLEOD: Thank you, Mr. Chair. Mr. Chair, I will find out if I am able to do that, or if I do find the letters, I will share them with the Members, and if possible, I can table them. Thank you, Mr. Speaker.

MR. SPEAKER: Masi. Oral questions. Item 8, written questions. Item 9, returns to written questions. Mr. Clerk.

Returns to Written Questions

RETURN TO WRITTEN QUESTION 17-18(2):
IMPACT OF PROPOSED AURORA COLLEGE
PROGRAM CHANGES

CLERK OF THE HOUSE (Mr. Mercer): Mr. Speaker, I have a return to written question asked by Mr. Vanthuyne on February 9, 2017, to the Minister of Education, Culture and Employment regarding impact of proposed Aurora College program changes.

The Department of Education, Culture and Employment, or ECE, provides support directly to teachers employed in the Northwest Territories through a combination of education and training

opportunities. In response to the Truth and Reconciliation Commissions Call to Action No. 62 section ii, ECE provides:

- A four-day orientation to the North for all new teachers that includes a full day of awareness training on the issues related to the history and legacy of residential schools before they begin their teaching assignments;
- Awareness training on the issues related to the history and legacy of residential schools to all ECE headquarters staff;
- Required training for all NWT principals that includes a three-day on-the-land cultural orientation;
- Support for teacher professional development that may focus on cultural and linguistic issues in the North; and
- In cooperation with Aboriginal governments, language learning opportunities for educators and community members, such as the Certificate of Aboriginal Language Revitalization from the University of Victoria.

The Northwest Territories Teachers Association also offers professional development funding for current language teachers to attend language learning opportunities, such as the University of Alberta's Canadian Indigenous Languages and Literacy Development Institute.

In response to the Truth and Reconciliation Commission's Call to Action No. 63 section i, ECE is currently working on renewing the Aboriginal Language and Culture-Based Education Directive, which ensures that NWT students have access to Aboriginal language and culture-based education, and that their schools reflect their communities and cultures. The renewed directive will be implemented in the 2018-19 school year.

Working in partnership with the Government of Nunavut and the Legacy of Hope Foundation, ECE has developed a collection of teaching resources that address the history and legacy of residential schools in Canada. The Residential School System in Canada: Understanding the Past - Seeking Reconciliation - Building Hope for Tomorrow is now mandatory for all grade 10 high school students in the Northwest Territories.

We continue to work with jurisdictions from across Canada through the Council of Ministers of Education, Canada to respond to a wide range of Aboriginal education issues, including:

- Developing and implementing K-12 curriculum and learning resources on Aboriginal peoples in Canadian history, and the history and legacy

of residential schools;

- Sharing information and best practices on teaching curriculum related to residential schools and Aboriginal history;
- Building student capacity for intercultural understanding, empathy and mutual respect; and
- Identifying teacher training needs.

With regard to the concerns around the social deficit in the Northwest Territories, it should be noted that the significant demand for social workers described in the recent Labour Market Information Report is not being met by the graduation rates of the Aurora College Social Work Diploma Program. On average, there are four students who graduate from the program each year with an average annual cost of \$500,000 per year.

Operating this program at Aurora College with so few graduates is not economically viable and is not producing enough graduates to meet the future labour market demands. Furthermore, the Labour Market Information Report identifies a need for registered social workers, who require a degree. As a diploma granting program, Aurora College Social Work graduates are unable to meet this need.

Students have access to Student Financial Assistance to support completion of a diploma or degree program at another institution. Southern institutions are able to provide a broader spectrum of courses that can better equip students as they progress through the program. They also provide a wide range of similar support to Aurora College, such as tutors, Student Wellness and Life counsellors and flexibility for students who face work-life balance issues.

Following the GNWT mandate, ECE is seeking to expand opportunities for postsecondary education in the NWT. However, in order to contribute to this goal, Aurora College must be effective, efficient and aligned with labour market demands.

As Aurora College continues to align its programming with labour demands identified by the Skills 4 Success Framework and Labour Market Information Report it will be able to provide new opportunities for Northerners.

ECE is also developing legislation for the creation of an overarching framework to govern postsecondary education in the NWT. This work is a critical step toward increasing postsecondary opportunities for NWT residents. Aurora College, the Dechinta Centre for Research and Learning and College nordique francophone are expected to benefit from having a more inclusive and transparent governance structure. Within this

structure, they will be better positioned to align their efforts and fill key gaps in education and training opportunities. Thank you, Mr. Speaker.

RETURN TO WRITTEN QUESTION 18-18(2): INSTRUCTIONAL SCHOOL HOURS

CLERK OF THE HOUSE (Mr. Mercer): Mr. Speaker, I have a return to written question asked by Ms. Green on February 9, 2017, to the Minister of Education, Culture and Employment regarding Instructional School Hours.

Staff from the Department of Education, Culture and Employment are in regular contact with staff from Alberta Education and have considered the potential impact on course curriculum and student outcomes.

Students in the Northwest Territories will continue to receive grade 12 diplomas at the standard set by Alberta. In achieving a diploma, NWT students will continue to meet the same curriculum requirements.

Alberta Education does not mandate a specified number of instructional hours to NWT schools which teach Alberta diploma exam courses. While Alberta has followed the formula of 125 hours for a five credit course for many years, they are now engaged in their own High School Redesign project that will see a similar reduction of instructional time in some Alberta schools.

There will not be cuts to the curriculum in the NWT or a reduction in course content. However, we will increasingly begin implementing different approaches to teaching and learning that are expected to better engage students and increase opportunities for student success. Thank you, Mr. Speaker.

MR. SPEAKER: Masi. Returns to written questions. Item 10, replies to Commissioner's opening address. Item 11, petitions. Item 12, reports of standing and special committees. Member for Kam Lake.

Reports of Standing and Special Committees

COMMITTEE REPORT 8-18(2): REPORT ON THE REVIEW OF THE 2014-2015 AND 2015-2016 ANNUAL REPORTS OF THE INFORMATION AND PRIVACY COMMISSIONER OF THE NORTHWEST TERRITORIES

MR. TESTART: Thank you, Mr. Speaker. Mr. Speaker, your Standing Committee on Government Operations is pleased to provide its report on the review of the 2014-2015, and 2015-2016 Annual Reports of the Information and Privacy

Commissioner of the Northwest Territories and commends it to the House.

Introduction

The Access to Information and Protection of Privacy (ATIPP) Act came into force on December 31, 1996. The purpose of this legislation is to promote government accountability by balancing access to government information with the protection of individual privacy rights related to that information.

Under the act, the Information and Privacy Commissioner (IPC or Commissioner) is appointed for a five-year term as an independent officer of the Legislative Assembly. That appointment is currently held by Ms. Elaine Keenan Bengts. The act requires the Commissioner to file an annual report on her activities and authorizes her to include recommendations for amending the legislation to improve the act's efficiency and effectiveness.

On October 20, 2016, the Standing Committee on Government Operations (SCOGO or the Committee) conducted a public review of the 2014-2015 and 2015-2016 Annual Reports of the Information and Privacy Commissioner, which were tabled in the Legislative Assembly on October 2, 2015 [Tabled Document 329-17(5)] and October 14, 2016 [Tabled Document 148-18(2)] respectively. This report summarizes that review.

The Role of the Commissioner

Access to Information and Protection of Privacy Act

The Office of the Information and Privacy Commissioner was established with the 1997 enactment of the Access to Information and Protection of Privacy Act. The Office provides independent oversight and enforcement of the ATIPP Act, which applies to a number of GNWT departments, boards, and agencies.

The Commissioner is appointed as a statutory officer of the Legislative Assembly for a five-year term and can only be removed "for cause or incapacity," which affords her the ability to comment freely and directly. Ms. Keenan Bengts currently holds the office for a five-year term terminating on October 30, 2020.

The ATIPP Act enshrines two principles:

1. public records must be accessible to the public; and
2. personal information must be protected by public bodies. The act outlines the rules by which the public can obtain access to government-held records and rules about the

collection, use, and disclosure of information by government.

Generally, the act requires that the government collect only the information that is absolutely necessary for the implementation of the program under which the information is collected. The Supreme Court of Canada has ruled that laws like ATIPP are "quasi-constitutional" laws that are generally paramount to other laws and define fundamental democratic rights.

The Commissioner reports to the Legislative Assembly of the Northwest Territories. Additionally, the powers provided to the Commissioner under the ATIPP Act include the powers to investigate, mediate, and resolve matters concerning access and privacy disputes and complaints; comment on the privacy implications of proposed legislation or government programs; undertake research into matters related to the purposes of the act; and educate the public about their rights.

Health Information Act

The new Health Information Act, which came into effect on October 1, 2015, is intended to govern the collection, use, and disclosure of personal health information and provide for its protection. The act sets out clear direction that medical practitioners are to have access to records only to the extent required in order to provide care.

The act allows medical practitioners to assume that an individual who seeks healthcare has implicitly provided consent to the collection, use, or disclosure of such personal health information as is necessary to provide the patient with appropriate care. This assumption of implicit consent is contingent upon the practitioner's belief that the patient is knowledgeable about how his or her personal information will be collected, used, and disclosed.

The act gives patients the right to put conditions on who has access to their records. Where a patient expressly indicates that the practitioner may not rely on implied consent, the practitioner is then required to obtain the patient's express consent to collect, use, or disclose the patient's health information. There are limited exceptions to this, such as in the provision of emergency health care.

The act gives patients the right to access their own health records. The process is similar to that contained in the ATIPP Act, which governs access to government records. Unlike the ATIPP Act, however, which only permits recovery of photocopying costs, access by a patient to his or her medical records under the Health Information Act is subject to the payment of fees.

The act allows a person who believes their records have been improperly collected, used, or disclosed to request the IPC to undertake a review. Rights of appeal under this act are different than those under ATIPP. Appeal rights apply to both access to information and breach of privacy issues. As well, the IPC has the authority to appeal the decision of a health information custodian to the courts.

Also new is the positive duty imposed on health information custodians to notify any individual whose medical records have been compromised. This notice must also be given to the IPC, who may choose to investigate the breach.

Commissioner's Activities

Commissioner's Message

The Information and Privacy Commissioner often chooses to highlight topical aspects of her work in her annual "Commissioner's Message."

For 2014-15, the Commissioner's message focused on the impacts of technology on government and its implications on access to information and protection of privacy. She noted that, while the recording, storage, and sharing of data have become easier, technological advances such as portable and personal devices, USB drives, and other mass storage devices have made keeping track of information more difficult, thereby necessitating a robust records management system.

With respect to privacy, she observed that the use of technology has led to a tendency to over-collect and over-retain personal information. Over-collection can result in such things as inappropriate sharing, data matching (bringing together data from different sources and comparing it to identify and investigate people for further action) and data breaches. She suggested that government should be vigilant about the over-collection of data, as the use of data for purposes other than that for which it was collected is prohibited under the ATIPP Act.

For 2015-16, the Commissioner's message addressed the implementation of the new Health Information Act, which came into force on October 1, 2015. The Commissioner observed a lack of any significant publicity campaign surrounding the new legislation. She noted that, notwithstanding this scarcity of information, the first complaint under the act was received on the same day that the act came into force, followed by six more complaints in the first six months of the coming-into-force date of the legislation. This suggests to her that people are concerned about their health information and how it is managed and protected and that health authorities have a lot of work to do to become compliant with the legislation.

The Commissioner also pointed out that next year will be the 20th anniversary of the coming into force of the ATIPP Act and that, especially with respect to digital communication, "the world has changed exponentially" since the act was first developed. The Committee shares the Commissioner's view that the implementation of a new, updated ATIPP Act would be a fitting way to celebrate this milestone anniversary.

The Year in Review

2014-2015

In 2014-15, the Commissioner opened 43 new files and undertook nine reviews resulting in recommendations. Of these, 10 were requests for the Commissioner to provide comment to government on matters related to information access and privacy; two were requests for the Commissioner to undertake a review by a third party objecting to an access or privacy issue; seven were requests for the Commissioner to undertake a review related to a breach-of-privacy complaint and two were requests for reviews related to an access-to-information complaint.

At the time the Commissioner's annual report was written, there was no obligation for public bodies to disclose to the IPC when they have discovered a breach of privacy. Despite this, 11 public bodies voluntarily disclosed breaches in 2014-15. Most of these were dealt with informally and cooperatively. The IPC was pleased to see these proactive breach notifications, noting that many came from health sector organizations, including the Department of Health and Social Services, the Stanton Regional Health Authority, Yellowknife Health and Social Services Authority, and the Beaufort Delta and Fort Smith Health and Social Services Authorities. This suggests to the Commissioner that they are cognizant of the requirement for notification under the new Health Information Act scheduled to come into effect the following year.

The remaining 11 files opened in 2014-15 were related to a variety of miscellaneous matters, such as an access or privacy complaint regarding municipalities, over which the IPC has no jurisdiction; participation of the IPC on a federal-provincial-territorial working group; a request to disregard an access request; and other administrative matters arising under the ATIPP Act.

2015-2016

In 2015-16, purely by coincidence, the Commissioner again opened 43 new files and undertook nine reviews resulting in recommendations; however, these files related to matters which were different than in the previous year.

In her review, the Commissioner observed that her office is being asked more frequently to provide comments and input on pending legislation, which she views as a positive development. In 2015-2016, the Commissioner received 12 requests by government to comment on matters requiring access or privacy consideration. The Commissioner expects this trend to continue in the coming year, noting that the Department of Justice's review of the ATIPP Act will demand a significant amount of the office's time.

Privacy issues continued to be at the heart of the work of the IPC's office. Six files were opened requesting the Commissioner to undertake a review related to a breach-of-privacy complaint, of which three arose prior to the October 1, 2015 effective date of the Health Information Act. As previously noted, with the coming into force of this act, it became a requirement under law for Northwest Territories' health sector agencies to report to the IPC any instances where the privacy of a patient's health information has been breached. This requirement for mandatory breach notification may have contributed to the drop in the number of voluntary breach notifications from 11 in the previous year to four in 2015-16.

As well, it is likely that the enactment of the Health Information Act also resulted in an increase in the number of requests for review of access and privacy matters falling outside of the IPC's jurisdiction from one in the previous year to seven in 2015-16. Matters falling outside of the Commissioner's jurisdiction are often related to the handling of information by municipalities which are presently not subject to the requirements of the ATIPP Act. However, in the lead-up to the implementation of the Health Information Act, the Commissioner additionally received requests for reviews that were premature but requiring follow-up once the Health Information Act was in effect.

In 2015-16, the Commissioner opened three files related to an access-to-information complaint. One file was opened in response to a request for review by a third party objecting to an access or privacy issue. The remaining ten files related to miscellaneous inquiries, requests, consultations and administrative matters.

IPC Recommendations for Legislative Change and Improvement

Access to Information and Protection of Privacy Act

As already noted, the Information and Privacy Commissioner is authorized to make recommendations for legislative change. Over the period of time covered by this review, the IPC has

made a number of recommendations for changes and improvements to the ATIPP Act, including:

Access and privacy by design

Undertaking access and privacy impact assessments for new legislation, policy and program initiatives would promote early consideration of the impact that these may have on the right to access information and the privacy of the individual. The Commissioner has encouraged departments developing new legislation, policy and programs to seek the input of her office, pointing out that they are under no obligation to follow her recommendations.

Inclusion of local housing authorities

In 2015-16, there were a number of files involving the NWT Housing Corporation and local housing authorities. While these issues were resolved cooperatively, they highlight the fact it is unclear, in the view of the Commissioner, whether or not local housing authorities fall under the scope of the act. The IPC has recommended that the ATIPP regulations be amended to clearly include local housing authorities and associations.

Inclusion of municipalities

The IPC has repeatedly recommended that municipal governments be subjected to some form of access and privacy legislation, noting that they have had 20 years to determine how to achieve this. She emphasizes it is her view that municipal governments, who spend public funds, should have legislated obligations with respect to access to information by, and the protection of the privacy of, the citizens they serve.

Changes to the appeal process

The IPC notes that, because of her ombudsman-like role, any applicant who is unhappy with the Commissioner's decision is responsible to take the matter to court. In her 18 years as IPC, the Commissioner notes that there have only been three such appeals, which she attributes to the expense and complexity of such an undertaking. The Commissioner has suggested a review of the ATIPP Act should include a consideration of the ways to improve the appeals process under the act. She highlights her review recommendation 15-132, respecting the NWT Power Corporation, which exemplifies the difficulties an applicant faces in appealing a decision of the IPC to the court.

Changes to the scope of the IPC's authority

As currently written, the ATIPP Act does not give the IPC the authority to investigate a privacy concern unless a formal request to do so is received. The Commissioner points out that since

she received many letters in 2014 to 2015 expressing serious concerns about privacy breaches by people who were unwilling to lodge a formal complaint. She recommends amending the act to provide the IPC with the authority to undertake the investigation of privacy complaints on her own initiative.

The recommendations made by the IPC with respect to privacy concerns usually involve recommendations for changes to the processes and procedures followed by the public body in order that similar breaches be avoided in the future. Once the public body responds to the IPC's recommendations, the act does not provide a formal mechanism allowing the IPC to follow up to ensure that commitments made by public bodies are being met. The Commissioner has recommended changing the legislation to provide some method for assessing how a public body is fulfilling its commitments, with a view to satisfying complainants that their concerns are being addressed.

Inclusion of requirements for mandatory breach notification

The Commissioner points out that under the Health Information Act, the Northwest Territories now has the requirement for mandatory breach notification in the health sector, which is consistent with the trend across other jurisdictions across Canada. The IPC asserts that it is time to make all public bodies subject to the same obligation.

Health Information Act Implementation

In her report, the Information and Privacy Commissioner observes that the coming into force of this legislation should have significantly changed the way the Northwest Territories health institutions deal with medical records. She is of the view that there has been no apparent change.

In the first six months since its coming into force, the IPC opened seven substantive files related to privacy issues under the act: three arose out of privacy complaints; and four in response to mandatory breach notifications.

While there was some basic training done for health sector employees before the act came into effect, it is the finding of the IPC that training has been sporadic and does not appear to have been made mandatory for any sector of the health services industry. She notes that few, if any, health authorities have yet been able to properly comply with section 8 of the act requiring the adoption of standards, policies, and procedures to implement the requirements of the act. She notes that some have suggested to her that this is the responsibility

of the Department of Health and Social Services, which is not the case under the act.

The IPC holds the opinion that the act is complicated and difficult to interpret. She notes, for example, the term "medical practitioner" is not adequately defined and could be broadly interpreted to mean a wide variety of professionals such as dentists, psychologists, physiotherapists, dieticians, naturopaths, chiropractors, et cetera, even though it does not appear to have been the intent of legislators or the understanding of officials in the Department of Health and Social Services at the time of the development of the legislation.

Even more concerning to the IPC is that little appears to have been done to allow patients to limit and control access to their records. She notes that, in their current format, electronic records do not have the functionality to mask or physically block the access of those whose access is limited or excluded at a patient's request. It is the Commissioner's view that a great deal of work needs to be done to ensure that members of the public understand their rights under the new Health Information Act and know how their personal health information will be managed under the act.

No review recommendations were issued by the IPC under the act during the first six months of it being in force.

Committee Recommendations to the GNWT

Having considered the information put forward by the IPC in her 2014-15 and 2015-16 Annual Reports and the discussion held during the public meeting of October 20, 2016, the Standing Committee on Government Operations provides the following recommendations to the GNWT.

Review and Revision of the ATIPP Act

The Standing Committee is aware of the recommendations made by the Information and Privacy Commissioner over the past 20 years for modernizing and updating the ATIPP legislation. In addition to the recommendations noted above, earlier recommendations include, among other things, addressing the use of current-day technologies, providing strict and enforceable timelines for responses by public bodies to access requests, and encouraging them to properly document information-related decisions. The committee strongly encourages the GNWT to give consideration to all of the recommendations made by the IPC over the past 20 years to improve ATIPP legislation and to address these recommendations in the legislative proposal to amend the act.

The committee wishes to note, in particular, its support for the concept of access and privacy by

design and the inclusion of municipalities under the ATIPP Act.

The committee is also aware of recommendations to government made by standing committees in previous assemblies, arising from earlier reviews of the IPC's annual reports. This includes the recommendations to include a triggering provision for a mandatory statutory review of the act within a set timeframe, to ensure that another 20 years does not pass before the act is reviewed again.

The committee expects that the GNWT is compiling and considering all of these recommendations as it undertakes its review of the legislation. With that expectation, the committee notes here that it looks forward to further considering the merit of and providing detailed comment on the many issues raised by the IPC within the context of its review of the bill.

At this time, however, the committee is more concerned with the timely introduction of the bill so that changes to the ATIPP Act can be completed in the life of the 18th Assembly, as promised in the GNWT's mandate. To this end, the Committee makes the following recommendations:

Recommendation 1

The Standing Committee on Government Operations recommends that the Government of the Northwest Territories advise the House of specific target dates for the completion of a legislative proposal and the introduction of a bill to modernize and update the Access to Information and Protection of Privacy Act.

Recommendation 2

The Standing Committee on Government Operations recommends that the Government of the Northwest Territories identify all recommendations made by the Information and Privacy Commissioner by this and previous Standing Committees, for improvement to the Access to Information and Protection of Privacy Act.

The Standing Committee on Government Operations further recommends that the Government of the Northwest Territories identify in the legislative proposal to amend the act how these recommendations are being addressed.

The Committee urges the Department of Justice to prioritize the modernization of the ATIPP Act to ensure that it can be completed prior to the dissolution of the 18th Assembly.

Recommendation 3

The Standing Committee on Government Operations recommends that the Government of the Northwest Territories take the necessary steps to ensure that a modernized ATIPP Act is brought into force before the end of the life of the 18th Legislative Assembly.

Implementation of the Health Information Act

The standing committee is concerned by the IPC's perception that health authorities have not done enough to bring themselves into compliance with the Health Information Act and that the efforts of the Government of the Northwest Territories to ensure all residents are aware of their rights under the act has also been less than adequate.

The committee takes notes of the fact that the first recommendation made by the Standing Committee on Social Programs during the review of the draft legislation in the 17th Assembly was "that the Department of Health and Social Services develop and implement a comprehensive public awareness campaign" on the Health Information Act.

Research by the committee reveals that the GNWT's Department of Health and Social Services has made information available to the public on its website and has prepared a document titled "Health Information Act Guide: A Practical Guide to the Northwest Territories' Health Privacy Legislation," dated July 2015. The committee notes that this document was not tabled in the Legislative Assembly at the time of its release nor by the date of this report. This suggests to the committee that, while the Department of Health and Social Services has made efforts to prepare information to assist the public to understand its rights under the act, more work needs to be done to ensure that this information is broadly distributed to the public. To this end, the committee makes the following recommendations:

Recommendation 4

The Standing Committee on Government Operations recommends that the Government of the Northwest Territories prepare and table a report on the status of the work it has completed to implement the Health Information Act, including the implementation of a public information campaign and training for health sector employees.

Recommendation 5

The Standing Committee on Government Operations recommends that the Minister of Health and Social Services table the Health Information Act Guide in the Legislative Assembly and provide a televised public briefing to the Committee on the Health Information Act and its impacts on the rights of those who access health care in the Northwest Territories.

Recommendation 6

The Standing Committee on Government Operations recommends that the Government of the Northwest Territories ensure that Health Authorities undertake the steps necessary to establish or adopt standards, policies and procedures in compliance with Section 8 of the Health Information Act.

The Standing Committee on Government Operations further recommends that the Government of the Northwest Territories keep the Committee advised of progress on this work, with a view to having the appropriate written procedures in place within six months from the date of this report.

When the Information and Privacy Commissioner appeared before the Committee, she noted that the Department of Health and Social Services had not provided her with any privacy impact assessments related to health authority amalgamation, also referred to as the health system transformation initiative, and that the failure to do so appeared to be a contravention of section 89, paragraphs two and three, of the Health Information Act.

Previously, during the review of Bill 44, An Act to Amend the Hospital Insurance and Health and Social Services Administration Act, the Standing Committee on Social Programs in the 17th Legislative Assembly had recommended that the Department of Health and Social Services undertake a privacy impact assessment related to the health system transformation initiative.

In its response, the department noted that it had opted not to do this work, expressing the view that, under the Health Information Act, “the department is required to carry out privacy impact assessments whenever considering changes to or creating a new electronic health information,” and that “system transformation does not affect existing departmental plans for electronic health information systems, such as the Electronic Medical Record system, for which a privacy impact assessment had previously been completed.”

The question at hand is whether section 89(2) of the Health Information Act compels the Department of Health and Social Services to complete a privacy impact assessment of the changes to the information systems associated with the health system transformation initiative.

The department contends that the legislation does not compel it to perform a privacy impact assessment because the amalgamation does not involve changes to electronic health information systems. Their argument hinges on the notion that information systems are necessarily electronic systems.

The Committee is of the view that, under the act, the term “information system” is not synonymous with “electronic system” and that the department’s narrow interpretation of this section of the act is not in keeping with the spirit and intent of the act, the stated purpose of which is “to govern the collection, use, disclosure, and protection of personal health information in a manner that recognizes both the right of individuals to access and protect their personal health information and the need of health information custodians to collect, use, and disclose personal health information to support, manage, and provide health care.”

The committee believes that a privacy impact assessment on the health system transformation initiative would provide assurances to members of the standing committee and, more importantly, members of the public that the Department of Health and Social Services has exercised sufficient due diligence to ensure that the rights of individuals to access and protect their personal health information has not been adversely impacted by health system transformation. Accordingly, the committee makes the following recommendation:

Recommendation 7

The Standing Committee on Government Operations recommends that the Government of the Northwest Territories obtain a legal opinion on whether “information system” as referenced in section 89 of the Health Information Act is limited to electronic health systems when the act is considered as a whole;

And further, that the Government of the Northwest Territories share that legal opinion with the standing committee, in confidence, once it is completed;

And furthermore, that the Government of the Northwest Territories conduct a privacy impact assessment on the health system transformation initiative, should the legal opinion find that “information system” as referenced in section 89 of the Health Information Act is not limited to electronic health systems when the act is considered as a whole.

CONCLUSION

Members would like to thank Ms. Keenan Bengts for her reports and for her appearance before the committee at the public review held on October 20, 2016. The committee also wants to take this opportunity to thank Ms. Keenan Bengts for her continued commitment and dedication to all matters relating to access to information and the protection of privacy by public agencies in the Northwest Territories.

Recommendation 8

The Standing Committee on Government Operations recommends that the Government of the Northwest Territories provide a response to this report within 120 days. Thank you, Mr. Speaker.

MR. SPEAKER: Masi. Member for Kam Lake.

MOTION TO RECEIVE COMMITTEE REPORT 8-18(2) AND MOVE INTO COMMITTEE OF THE WHOLE,
CARRIED

MR. TESTART: Thank you, Mr. Speaker. Mr. Speaker, I move, seconded by the honourable Member for Hay River North, that Committee Report 8-18(2), Standing Committee on Government Operations Report of the Review of the 2014-2015 and 2015-2016 Annual Reports of the Information and Privacy Commissioner of the Northwest Territories, be received by the Assembly and moved into Committee of the Whole for further consideration. Thank you, Mr. Speaker.

MR. SPEAKER: Masi. The motion is on the floor. To the motion.

SOME HON. MEMBERS: Question

MR. SPEAKER: Question has been called. All those in favour. All those opposed.

---Carried

MR. SPEAKER: Committee Report 8-18(2) is now moved to Committee of the Whole. Reports of standing and special committees. Item 13, reports of committees on the review of bills. Item 14, tabling of documents. Ministry of Tourism and Investment.

Tabling of Documents

TABLED DOCUMENT 311-18(2):
STRATEGY FOR REVITALIZING THE GREAT SLAVE LAKE COMMERCIAL FISHERY - MARCH 2017

HON. WALLY SCHUMANN: I wish to table the following document entitled "Strategy for Revitalizing the Great Slave Lake Commercial Fishery - March 2017." Thank you, Mr. Speaker.

MR. SPEAKER: Minister of Health and Social Services.

TABLED DOCUMENT 312-18(2):
FOLLOW-UP LETTER FOR ORAL QUESTION 572-18 (2): SOCIAL SERVICES FACILITIES IN DOWNTOWN YELLOWKNIFE

HON. GLEN ABERNETHY: Mr. Speaker, I wish to table the following document entitled "Follow-up Letter for Oral Question 572-18(2): Social Services

Facilities in Downtown Yellowknife." Thank you, Mr. Speaker.

MR. SPEAKER: Tabling of documents. Member for Frame Lake.

TABLED DOCUMENT 313-18(2):
LETTER FROM GIANT MINE OVERSIGHT BOARD DATED FEBRUARY 28, 2017 REGARDING GIANT MINE OVERSIGHT BOARD ROLL OVER PROVISION

MR. O'REILLY: Mahsi, Monsieur le President. I wish to table the following document. It's a letter from the chair of the Giant Mine Oversight Board to Indigenous and Northern Affairs Canada regarding Giant Mine Oversight Board Funding Roll Over Provision. Mahsi, Mr. Speaker.

MR. SPEAKER: Masi. Tabling of documents. Item 15, notices of motion. Item 16, notices of motion for first reading of bills. Motions. Item 17, motions. Item 18, first reading of bills. Item 19, second reading of bills. Item 20, consideration in Committee of the Whole of bills and other matters: Bill 7, An Act to Amend the Revolving Funds Act; Bill 13, Marriage Act; Committee Report 6-18(2), Report on the Review of Bill 7: An Act to Amend the Revolving Funds Act; Tabled Document 261-18(2), Northwest Territories Main Estimates, 2017-2018; with the Member for Hay River South the chair.

By the authority given me as Speaker by Motion 18-18(2), I hereby authorize the House to sit beyond the daily hour for adjournment to consider business before the House.

Consideration in Committee of the Whole of Bills and Other Matters

CHAIRPERSON (Mr. Simpson): I call Committee of the Whole order. What is the wish of committee? Mr. Beaulieu.

MR. BEAULIEU: Thank you, Mr. Chairman. Mr. Chairman, committee would like to consider Tabled Document 261-18(2), Northwest Territories Main Estimates 2017-2018 with the Departments of Executive and Indigenous Affairs and Finance. Energy levels and time permitting, Legislative Assembly. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Beaulieu. Does committee agree?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mr. Simpson): Thank you. Committee, we will consider the document after a short recess.

---SHORT RECESS

CHAIRPERSON (Mr. Simpson): I will call the Committee of the Whole back to order. Committee, we have agreed to consider Tabled Document 261-18(2), Main Estimates 2017-2018, and to begin with the Department of Executive and Indigenous Affairs. I will begin by turning to the Minister responsible for opening comments. Premier McLeod.

HON. BOB MCLEOD: Thank you, Mr. Chair. I am pleased to present the 2017-2018 Main Estimates for the proposed new Department of Executive and Indigenous Affairs. This new department, which will come into effect on April 1, 2017 represents the amalgamation of the Executive and Aboriginal Affairs and Intergovernmental Relations, two departments which have much in common, face similar challenges, and are significantly interdependent. The April 1st merger was designed to strengthen communications and coordination among functions and, most importantly, to better serve a shared client base.

These estimates continue to support the Government of the Northwest Territories' objective of ensuring a strong and sustainable future for the government and its programs by managing expenditures due to limited revenue growth.

The 2017-2018 Main Estimates total \$19.194 million. This amount remains unchanged from the 2016-2017 Main Estimates for the Departments of Executive and Aboriginal Affairs and Intergovernmental Relations. Highlights of the department's proposed 2017-2018 Main Estimates include:

- Forced growth of \$22,000 for increased software licensing requirements;
- A new initiative of \$95,000 to hire an additional government service officer; and
- Reductions of \$117,000.

The department's proposed estimates for 2017-18 continue to support the priorities of the 18th Legislative Assembly. Specific activities in support of these priorities include:

- Coordinating and supporting the planning and implementation of initiatives and actions in support of cross-government goals;
- Providing policy, strategic, legislative, and communications advice to support Cabinet and Ministers;
- The conclusion of land, resources, and self-government agreements in a manner that respects the inherent right of self-government and ensures an overall effective, affordable, and workable system of governance, capable

of providing an adequate and comparable level of quality programs and services for all Northwest Territories residents;

- The successful ongoing implementation and monitoring of land, resources, and self-government agreements by ensuring all Government of the Northwest Territories obligations within its agreements are met; and
- Constructive and co-operative intergovernmental relations with federal, provincial, territorial, Aboriginal, and foreign governments that are based on mutual respect.

That concludes my opening remarks. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Premier. Do you have witnesses you would like to bring into the Chamber?

HON. BOB MCLEOD: Yes, I do, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you. Sergeant-at-Arms, please escort the witnesses into the Chamber. Mr. Premier, would you please introduce your witnesses to committee.

HON. BOB MCLEOD: Thank you, Mr. Chair. To my left, I have Mike Aumond, secretary of the Cabinet and deputy minister of the Executive. To my right, Shaleen Woodward, deputy minister of Aboriginal Affairs and Intergovernmental Relations, and Terence Courtoreille, director of Corporate Affairs. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Premier. As always, we will begin with general comments. Do we have any general comments from the committee for Executive and Indigenous Affairs? Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. I do have some general comments. I guess the thing that I am most concerned about with regard to this new merged department is the progress or lack thereof that we are making on land rights negotiations.

Back on December 9, 2015, when the Premier was running to become the Premier -- I am just going to quote something here. He says, "I propose a joint committee between Regular Members and Cabinet to provide oversight and give direction to our negotiators on files dealing with Aboriginal land and resource agreements. Let's get these land claim agreements completed, all of them, in the life of the 18th Assembly." So those were the words back in December of 2015.

There has been a joint committee that was put together. I know that it does not provide oversight, does not give direction to the negotiators. In fact,

when those sorts of things were proposed by the Regular MLAs, they were rejected by Cabinet. This committee has now met a grand total of one time since it was set up, and I am just not sure we are actually moving ahead in a collaborative, constructive way with this.

I know, in the budget last year for Aboriginal and Intergovernmental Affairs, positions were cut, staff positions were cut, and they were directly involved in the negotiations. So, with a diminished capacity, I don't know how we are going to make this deadline of completing them by the end of the 18th Assembly. I note, in the budget this year, that there are five positions out of 46 in Yellowknife that are going to be cut.

There is some sort of movement towards a shared services unit, and I guess I will have questions around that, but it's not clear how that will really increase our capacity and ability to continue with negotiations. I am just not sure how that part of the mandate is going to be accomplished. I have heard good words out of everybody in this Assembly, including the Minister, saying how he wants to move ahead with this, but I think the actions speak louder than the words so far -- or, sorry, the inaction speaks louder than the words.

I do have a couple of other matters that I want to pursue with regard to this new amalgamated department. I am wondering about the future of the Public Utilities Board and, indeed, whether it's the intention of this government to get rid of that body. Also, I have some questions around net metering. It's found in our mandate, that there is to be some new direction, some improvements made to net metering, but nothing has been done to date. There is also some continuing work that is needed on establishing government service officers in all of our communities. There are still some that do not have these important staff people that can serve as pathfinders. I think that is about all I have now in terms of my opening remarks, Mr. Chair. Thank you.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Mr. McNeely.

MR. MCNEELY: Thank you, Mr. Chair. I, too, look forward to going through this department to review the resources that are going to be going towards conclusion of the claims in the other parts of our territory and discussing resources and authorities needed to groom the Deline Got'ine Government. One thing is to sign and conclude the agreement. That is only the beginning. The real starts on the implementation of setting up this government similar to ours, here, and to ensure that there are adequate resources to support the implementation of the concluded agreement. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. McNeely. Mr. Nadli.

MR. NADLI: Thank you, Mr. Chair. I wanted to make a couple of comments, especially in regard to land claim and self-government negotiations.

At the beginning of the 18th Assembly, it was very strongly stated that we needed to put extra efforts in terms of concluded land claim agreements and self-government arrangements, especially with the regions that have outstanding matters that have yet to be resolved, whether it's in the realm of sovereignty jurisdiction or ownership on land rights and resources. That has been ongoing for some time, so I am encouraged to hear those words, and, yet, I remain curious as to some of the constructive milestones that we could achieve.

At this point, I understand that the ministerial special reporter for both Deh Cho and Akaitcho has concluded their report, and I understand that both the GNWT and the federal government are contemplating the next steps. So I am very optimistic that things could move forward and that we might be seeing perhaps the final stretch towards finalizing these outstanding land rights and resources in terms of the negotiations that have been going on for some time. That is not to say it will be easy.

Some positions, whether it's based on positions or interest, are very fundamental. It is rooted in terms of the oral treaties of 1921 or else 1899 Treaty 8, as well, so it goes right back to 1921. In 2021, which is four years from now, it will be 100 years since these regions entered into treaty understanding. The assertion from First Nations is that it was a peace treaty, but, at the same time, governments interpreted that, in the instant of signing the treaty, in that practice, the assertion was that you have ceded, surrendered, and extinguished your Aboriginal title and your treaty rights.

So, you know, therefore the negotiations that we currently have, that have been going on for some time, I'm hopeful that a lot of serious consideration will be made in terms of the negotiations' mandate that could probably see a breakthrough in terms of ensuring that there's fair and equitable arrangements between governments and First Nations people

In some respect, I think lots of people are kind of hoping that things could move forward because it brings a level of certainty in terms of understanding the roles of First Nations and the governments in the development stages of the Northwest Territories. I think it's in all our interests to ensure that those matters are resolved and that we move towards bringing economic wealth to the NWT and I

believe those First Nations people want to play a role in that.

So if we reach that plateau of coming to a point where perhaps land claims and self-government arrangements are made with these regions that have outstanding issues, then I think the more it is for the betterment of the NWT.

At the same time, I am quite curious in terms of parties that have signed on to the Devolution Agreement. Through the Intergovernmental Council there have been efforts in terms of striking cooperation agreements with the five regions that make up the NWT, and especially the Indigenous groups or Aboriginal governments that make up the five regions.

It's clearly the intent of, you know, trying to cooperate with the GNWT and First Nations on matters that perhaps could bring some practical results, whether it's housing, whether its social issues within communities. That spirit of cooperation I think has to be held closely to the senior officials, especially the leaders from both sides, that we need to build trust and that relationship has to be stronger.

Bringing some practical or perhaps resolutions to some really hard issues that we're confronted with, especially in the small communities, in terms of whether it's social issues, some of the very deep-rooted fundamental issues such as housing needs to be resolved. I'm optimistic that these agreements that are struck between the GNWT and First Nations groups will be at least making the attempt of breaking new trail and new ground in terms of bringing some solutions to the table.

Those are just some comments that I wanted to share and I look forward to the specific matters of the details that will be reviewed. Mahsi, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Nadli. Mr. Nakimayak.

MR. NAKIMAYAK: Thank you, Mr. Chair. I won't double up on what my colleague, Mr. Nadli, had to say, but getting back to self-government negotiations and where each land claiming group stands right now and looking forward. I think we all have similar issues, but also very, very different issues in all of our regions in the territory given the structure of self-government and, as well, how the government relationships are working between each region in the GNWT.

I think as much of a struggle as it is for our regions, I think the Northwest Territories is probably the closest government to work with so many different Aboriginal groups, and I think this gives us an opportunity to not just lead the way in Canada but show that there's sovereignty among Arctic nations

that coincide in the Northwest Territories. Mine, definitely being for the furthest north, I see the progress that we're making and I commend both the Inuvialuit and the GNWT for taking the steps together.

For me this is important as we move forward the decisions that are being made by Indigenous groups are going to have a lasting effect and we need to ensure that the wording on these agreements stand strong to who we are. As I mentioned earlier, I won't mention much, but, you know, fostering and creating a sustainable development and building a resilience in our communities is important and the access to basic education is a key as well as housing and all these other things that we've been working towards

Lately, there's been a lot of research and documents that come out from across the territories, and I think we need to use those as a foundation of where we are because in some cases in some provinces or territories that's the only hard data that we have.

Also, when it comes to dealing with Arctic issues, not including northern provinces which are considered Arctic communities and in a case from where we look at from our point of view from the globe where we stand that's not the case. So focusing on our needs is important and I think moving forward I look forward to seeing what the department has to offer in regards of support for the GNWT to provide the best support for Indigenous groups. Even though some of these agreements may be with Canada I think that if we work together we can make a bigger difference. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Nakimayak. Next I have Mr. Blake.

MR. BEAULIEU: Thank you, Mr. Chair. Just getting to the single-window service centres, the GSOs are really important to all the communities that have them. I know they are part-time but hopefully we could look at possibly -- communities that have a huge workload, for example, whether it's Fort McPherson or Aklavik, larger centres like this, maybe we could go full-time, that would be great.

As you know, having this service for the communities is very important. They help a lot of our elders and people in the community fill out any forms. As you may know, every year the elders have to fill in their home heating subsidies and need help with their taxes and all this, so they really do a good service to the communities and it would be nice to see some of the larger places going full-time in the future here. It is a good program that I hope continues over the years.

You know yourself, the department has won a few awards for offering this service and I sure hope this continues. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Blake. Mr. Testart.

MR. TESTART: Thank you, Mr. Chair, and I think my colleagues have spoken very, very well on this and on the achievements of the department today.

One thing, we are, of course, looking at a brand new department of the Executive that is now merging with previous Aboriginal Affairs, and I do want to commend the name change, Executive and Indigenous Affairs, bringing our language terminology in line with the new national standard, which I think shows a great deal of respect and sympathy towards Indigenous peoples across the country and of course here in the Northwest Territories. I think there will still be some terminology to work out within government policies but this is a welcome shift towards modernizing our language towards reconciliation.

I also want to talk about GSOs, but in a different context. I really like this model of service-oriented government support for communities. It's an award-winning service and it should be in our larger centres as well. I know the Premier is well aware of this, and so is the department, I'm sure, as that is something I bring up often, but we really need to start figuring out how to get this done.

Many of my colleagues, the honourable Members who represent Yellowknife ridings, are constantly doing that kind of work, the GSO work, and also colleagues from regional centres as well, and it would be helpful if our constituents as well could benefit from the same resources that a single point of entry to accessing the government services can provide. You know, it's not enough just to say we have headquarters in Yellowknife so it's easy to get help; it can be incredibly complicated and many people need integrated support services. Whether they're trying to open a business or get support for complex social needs or even fill out registration forms, that kind of help is really required, and particularly for the many seniors we have in our communities.

So I do think that as much as we can point to this department as one that has experienced a lot of success in that program and other programs. There is still work to do and not a lot of drive to do it at current, so we still need to take action on making our government a service-oriented government that puts the priority of how government programs affect people and can be accessed.

The Indigenous rights agreement side, I think that is another way we can move forward, especially

combining it with Intergovernmental Affairs so we can develop a cohesive approach with our federal and territorial partners and Indigenous government partners. So these are all good things.

I do caution, though, that we are looking at a very new org chart with a very different structure than previous, and where when Indigenous Affairs was a separate department there was perhaps more of an ability to take a focused approach to that work and report directly to a Minister responsible who is often the Premier.

Now, that is going to change, with that position reporting directly to someone inside the public service, and that may have unintended consequences; and I think, again, this is another amalgamation that is driven by cost-savings and not by efficiencies.

I think we are beyond the point where we can debate whether or not that is a good idea, but we certainly can hold the government accountable to the decision to do this amalgamation and we will be watching. Hopefully, it will provide the kind of fast tracking to some of these policy areas that this amalgamation is supposed to improve.

So I have my concerns, but we will see how they roll out in the future. Thank you.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Testart. Mr. Vanthuyne.

MR. VANTHUYNE: Thank you, Mr. Chairman. I am not sure that there is much left to be said, but one thing that I did want to touch on that maybe has not been touched on directly is the implementing the GNWT's Federal Engagement Strategy. I have been happy to hear comments in recent weeks and days, in fact, that have come from the Premier with regard to even reaching out now to our sister territories in developing and working toward a pan-territorial strategy toward sustainability and resource development.

I think it is high time that we make a concerted effort to really work closely with the federal government in building our identity as the North and having that identity built into the nation's vision somehow so that we are not in this constant state of flux that wherever, whatever, federal government of the day happens to be in power. It kind of seems to be having major impacts on the North and ultimately it has major impacts on who we are and how we define ourselves.

To that end, in order to have confidence to walk into Ottawa with our sister territories, I think it is important, as all the previous speakers have alluded to here, to make sure we have our own house in order, and that of course means settling our Indigenous rights and getting self-government

under way so that we can get over this, I'll call it, fragmentation and build unity and go collectively as one unified territory.

Respectfully, you know, there are obviously five regions throughout the territory with a number of individual characteristics of each that have to be respected, but we have to start to build a vision of our own of this territory. We have to collaborate that with our sister territories and march that into Ottawa and start to build upon the vision for Canada and how Canada sees the North going forward.

So those are just some additional comments. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Vanthuyne. I think I neglected to welcome the witnesses to the Chamber, and especially Mr. Courtoreille. I know this is his first appearance in front of the committee, so I would like to welcome him. Mr. Premier, you have 10 minutes to respond if you wish.

HON. BOB MCLEOD: Yes, thank you, Mr. Chair, and I do not think I will use the whole 10 minutes, but I can respond by saying that I am very pleased with the progress that we are making with regard to negotiation of land claims and self-government agreements. In almost every instance we are making significant progress, and I expect that, by that end of the 18th Legislative Assembly, we will have significantly advanced every land claim and every self-government to the point where they are almost all concluded, and I look forward to that.

With regard to self-government, the second self-government agreement and the first self-government community, we are working very well with Deline. We have an implementation committee that is advancing very smoothly and implementing their self-government land claim. As part of the resolving and making progress on land claims, we have two MSR reports that we expect will be submitted within the next week or so, and the Government of Canada and ourselves will sit down and work on a path forward and we will engage with the Aboriginal governments. I think we have had very good discussions with both the Akaitcho, the NWT Metis Nation, and the Deh Cho First Nations. So we have changed our new approach and I think that with that with the MSR reports that will allow us to move forward.

On the GSOs, we are very pleased with the GSOs. I think that we are continuously making progress. We have pilot projects with the Government of Canada in three communities where they are funding the costs and in three communities where we provide services on behalf of the federal government. So we expect, once the pilot project is done, we will be able to assess it and I expect that

we will be able to use that approach in other communities. Certainly, we want to look at whether more of these positions can be full-time. The larger centres, I think we need to review that, you know, whether we go to a federal model or the service centres approach.

On Federal Engagement Strategy, we have been following exactly pretty closely what the Member has been saying, where the three territories are going to work together. Then we are going to meet with the Prime Minister as well, and the Prime Minister has reassured us that what the three territories develop will be the foundation for the Arctic Framework. We express our concerns that, to us, the Arctic is the three northern territories. The federal government is also involving Quebec, Newfoundland, Ontario, Manitoba, so they see them as having northern areas as well.

We just have to make sure we do not get lost in that process as well, but the federal government has given us some very good signals that the three territorial governments represent the Arctic in the three territories, so we are pleased with that and we are looking forward to coming up with pan-territorial sustainability and economic strategy. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Premier. Committee, we will begin consideration of the document. The department starts at page 93, but as always we will defer consideration of the departmental total until we consider each activity individually. The first of six activities is on pages 99 to 101, Cabinet support. So \$1.6 million activity found on pages 99 to 101, Cabinet support. Comments of questions? Mr. Testart.

MR. TESTART: Thank you, Mr. Chair. What is the operational relationship between the Public Utilities Board and the department? Thank you.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Testart. Premier.

HON. BOB MCLEOD: Thank you, Mr. Chair. This department just provides administrative services for the Public Utilities Board. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Premier. Mr. Testart.

MR. TESTART: Although we are not directly referring to the section, the Public Utilities Board on the org chart is under the Minister responsible, who in turn is under the Premier. Does that have any kind of structural implications? The independence of the office is obviously established by legislation, but does the Premier have direction over the Minister responsible when issuing policy direction to the Public Utilities Board or does policy direction come from the Minister responsible? Thank you.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Testart. Premier.

HON. BOB MCLEOD: Thank you, Mr. Chair. The Minister provides policy direction to the Public Utilities Board. We provide administrative services, so we handle the contracts and whatever pay that the board and board members are entitled to. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Premier. Mr. Testart.

MR. TESTART: Thank you. Is this where the Office of Priorities and Planning is located as well? Thank you.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Testart. Premier.

HON. BOB MCLEOD: There is a separate division, called priorities and planning, which is later on in the document, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, premier. Priorities and planning is activity six of six in this document. Anything further? Mr. Testart.

MR. TESTART: No, thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Testart. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. While we are on the subject of the Public Utilities Board, what is the long-term plan for this board? I know that fairly significant and prescriptive policy direction was just issued by Cabinet to the Public Utilities Board. Is it the plan of Cabinet to get rid of this board? Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Premier.

HON. BOB MCLEOD: Thank you, Mr. Chair. There is no plan to change the Public Utilities Board. What the Member is referring to is what the Public Utilities Board is doing its job. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Premier. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. I appreciate that answer, but it was fairly prescriptive policy direction in terms of items that are going to come before it. Why bother having a Public Utilities Board if we are going to issue that sort of direction? Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Premier.

HON. BOB MCLEOD: We are just following the procedures as laid out in the mandate of the Public Utilities Board, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Premier. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. I am not sure that was actually an answer, but I will try maybe a different way. There was very prescriptive direction in terms of how the Public Utilities Board is to deal with electricity rates that really limit the board's ability to exercise its jurisdiction. I am just curious to know if we are going to continue to do that Public Utilities Board, why bother having a board? Just get rid of it, and you can decide internally how to set the rates through ownership of NTPC or whatever. Why bother having a Public Utilities Board if we are going to continue to issue that detailed prescriptive policy direction? Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Premier.

HON. BOB MCLEOD: Thank you, Mr. Chair. There was some previous direction with regard to rate rebalancing, which adds significant negative impacts on rate payers in some of the communities, so it was felt that it was in the best interest of all to lighten the impact. Certainly, if committee feels we should look at getting rid of the PUB, if we get that recommendation from committee, we will look at it. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Premier. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. Just to be clear, I am not advocating doing that, but once again, the Regular MLAs were not told about this. Our advice was not sought. This was not brought before standing committee. It was something that Cabinet went off and did on their own. What is the future of this board? Is the Premier prepared to bring some sort of an options paper or start to engage the appropriate standing committee on this before issuing further policy direction to the PUB? Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Premier.

HON. BOB MCLEOD: Thank you, Mr. Chair. As I said, if the committee wants us to change the operation of the Public Utilities Board, we would be prepared to look at it if the committee recommends it. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Premier. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. That is great that the Premier is looking to the committee for

direction, but Cabinet itself has already changed the way the PUB operates by issuing this binding policy direction without bothering to consult the standing committee. Will the Premier commit to consulting with the standing committee before issuing further direction to the PUB? Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Premier.

HON. BOB MCLEOD: Thank you, Mr. Chair. I believe I responded to that question that the procedures are in place. If the committee wants us to change it, we would be pleased to do it if the committee make a recommendation to do that. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Premier. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. I will try one more time. Before the Premier or Cabinet or the Minister responsible issues further policy direction to the Public Utilities Board, will the Minister consult with the Standing Committee on Economic Development and Environment? Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Premier.

HON. BOB MCLEOD: Thank you, Mr. Chair. We would be pleased to respond to recommendation from committee on that matter. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Premier. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. I can see I am not going to get anywhere with this because the Premier does not want to answer the question. Thank you, Mr. Chair. That is all I have.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Seeing nothing further, I will call this activity. Executive and Indigenous Affairs, Cabinet support, operations expenditure summary, total activity, \$1,625,000. Does committee agree?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mr. Simpson): Thank you, committee. Moving on. The next activity, activity two of six, corporate communications found on pages 102 to 104. This is a \$1 million activity. Do we have comments or questions on corporate communications, pages 102 to 104? Seeing nothing, I will call this activity. Executive and Indigenous Affairs, corporate communications, operations expenditure summary, total activity, \$1,013,000. Does committee agree?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mr. Simpson): Thank you, committee. Moving on to activity three of six, directorate, found on pages 105 to 108. It is a \$5.2 million activity. I will give committee a moment. Comments or questions? Seeing none, I will call this activity. Executive and Indigenous Affairs, directorate, operations expenditure summary, total activity, \$5,194,000. Does committee agree?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mr. Simpson): Thank you, committee. Moving on. Activity four of six, executive council offices, found on pages 109 to 112. It is a \$3.7 million activity. I will give committee a moment. If you have comments or questions, please raise your hand. I see no comments or questions. I will call this activity. Executive and Indigenous Affairs, executive council offices, operations expenditure summary, total activity, \$3,734,000. Does committee agree?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mr. Simpson): Thank you, committee. Moving on. Activity five of six, Indigenous and Intergovernmental Affairs, found on pages 113 to 116. It is a \$6.7 million activity. Indigenous and Intergovernmental Affairs, pages 113 to 116. Mr. Nadli.

MR. NADLI: Thank you, Mr. Chair. I just wanted to understand from the Minister in terms of the long-term vision of the intergovernmental council. I understand, since signing the devolution agreement, Aboriginal groups have been engaged in terms of trying to work cooperatively with this government. I just wanted to also understand: what is the long-term intention of this group? Mahsi.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Nadli. Premier.

HON. BOB MCLEOD: Thank you, Mr. Chair. The long-term intention is that we are still optimistic of having all of the Aboriginal governments in the Northwest Territories sign on to the devolution agreement and become part of the intergovernmental affairs unit. With the unit, that will allow us to all deal with the lands under each of their different government's responsibilities. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Premier. Mr. Nadli.

MR. NADLI: Thank you, Mr. Chair. In the eventuality that, at some point, the ideal state has been reached where all regions have settled their land claims and self-government arrangements, would it be within the scope of possibility that this government presides over a framework of development and pillars to ensure that an

understanding of the evolution of the NWT could become a matter of the discussions towards constitutional development? Mahsi.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Nadli. Premier.

HON. BOB MCLEOD: Thank you, Mr. Chair. That is certainly not something that we have discussed or contemplated since, I believe, it was the 11th or 12th Assembly, I think, was the last time there was any constitutional development that was discussed at any great length.

We haven't raised that matter. With regards to the intergovernmental forum, the way it operates is the chair is supposed to rotate amongst the different governments that are part of the intergovernmental forum. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Premier. Mr. Nadli.

MR. NADLI: Thank you, Mr. Chair. Again, in this respect, in terms of the parties that have signed on to the devolution agreement, and as a step forward, this government has engaged in agreements called cooperation agreements, what is the spirit and intent of those agreements. As an example, I understand the GNWT signed a cooperation agreement with the K'atlodeeche First Nations. Mahsi.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Nadli. Premier.

HON. BOB MCLEOD: Thank you, Mr. Chair. I think it is important to differentiate between -- the intergovernmental unit is more to work together in the spirit of cooperation and collaboration. The MOU that we signed is a government-to-government relationship. With regards to the K'atlodeeche, as the Member referred to, it gives us a forum to discuss the most important issues between the two governments. It allows us to have some very detailed and frank discussions about some of the priority areas that are longstanding and continue to be irritants. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Premier. Mr. Nadli.

MR. NADLI: Thank you, Mr. Chair. No further questions.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Nadli. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. I am just trying to find the page again here. It is page 114. The line item is negotiations. There is going to be a reduction between 2017-18 and 2016-17. Can someone from the department explain why we are

reducing the funding for negotiations in light of the commitment and the mandate to try to finish all of these negotiations by the end of the 18th Assembly? Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Premier.

HON. BOB MCLEOD: Thank you, Mr. Chair. This is the remainder of salary dollars that were aligned with reductions that were made in the previous fiscal year 2015-16. There was about \$97,000 that were reallocated within the department. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Premier. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. Just to be clear, was that funding actually reallocated or was it deleted from the budget? I understood from last year that these were deletions that were being made in light of the Cabinet's fiscal strategy. Can we get some clarification on that, please? Thank you.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Premier.

HON. BOB MCLEOD: Thank you. Just to be very specific, Mr. Chair, the decrease is \$117,000. There was \$67,000 for elimination of a chief negotiator position and \$50,000 for reduction of implementation negotiator funding. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Premier. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. I appreciate the answer. These funds weren't actually reallocated within the department anyway; these were reductions that were part of the fiscal strategy? Thank you.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Premier.

HON. BOB MCLEOD: That is correct, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Premier. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. Are there any further staffing reductions contemplated with regard to negotiations in the current budget? Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Premier.

HON. BOB MCLEOD: Thank you, Mr. Chair. There is none indicated in here, but as we go forward, as we settle land claims, my expectation is we would

reallocate the GSOs perhaps, but that would be for future governments. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Premier. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. That is all I have for now. Just wanted to get it on the record that the fiscal reduction targets are driving funding that we have been allocating for negotiations. Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Next, Mr. McNeely.

MR. MCNEELY: Thank you, Mr. Chair. My question is on page 114, the implementation budgeted number that reduced a bit. Is there sufficient moneys coming up for this coming fiscal year for the implementation related to the Deline agreement? Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. McNeely. Premier.

HON. BOB MCLEOD: Thank you. Yes, we have funds set aside to make sure that the Deline implementation proceeds and is successful. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Premier. Nothing further from Mr. McNeely. I see nothing further from committee. Mr. Vanthuyne.

MR. VANTHUYNE: Thank you, Mr. Chair. Mr. Chair, in last year's business plan, we indicated that, in an effort to conclude our land, resources, and self-government agreements, we are actually in the midst at some stage of either leading or trying to conclude, framework agreements, agreements in principle, or final agreements, in fact, with regard to 14 sets of negotiations. We did indicate as well who those respective First Nations are. Notably absent from here is the North Slave Metis alliance. I am wondering if the department can give some kind of indication, to the ability that they can, as to what if any status there is to report with regard to the relationship that we have with the North Slave Metis Alliance? Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Vanthuyne. Premier.

HON. BOB MCLEOD: Thank you, Mr. Chair. The North Slave Metis Alliance went to court against the Government of the Northwest Territories for a number of reasons, but the court ruled that the North Slave Metis Alliance had Aboriginal right to hunt and fish, and they indicated that there should be a strength of claim assessment done by the government. The previous federal government had done a strength of claim.

There was no land claims table for the North Slave Metis Alliance. We have completed a preliminary strength of claim assessment for the North Slave Metis Alliance. We will be sharing it with the North Slave Metis Alliance and expect there will be further consideration, either through negotiations or through the courts. I am not sure exactly what the process would be. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Premier. Mr. Vanthuyne.

MR. VANTHUYNE: Thank you, Mr. Chairman. Thank you to the Premier for that. Just for clarification, there was a previous strength of claim done; we now, under this government, are doing a preliminary strength of claim, is that correct, and that that might lead to negotiation of some kind? Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Vanthuyne. Premier.

HON. BOB MCLEOD: Thank you, Mr. Chair. The federal government had done their own strength of claim previously with the North Slave Metis Alliance, and the courts, the direction they gave us was to do a strength of claim with regards to hunting, Aboriginal hunting. We have done so on that basis. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Premier. Mr. Vanthuyne.

MR. VANTHUYNE: Thank you, Mr. Chair. So none of this, from what I am gathering, is putting any kind of bearing behind the ability for the North Slave Metis Alliance to stake a land claim of sorts; there is no relevance to a land claim as it relates to the North Slave Metis Alliance? Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Vanthuyne. Premier.

HON. BOB MCLEOD: Thank you, Mr. Chair. The issue that was in the courts was with regards to trapping. The Member is referring to whether the North Slave Metis Alliance have a land claims table. That is the focus or the responsibility of the Government of Canada, and the Government of Canada determines whether there are grounds or enough information to determine whether they would have a separate land claims table or not. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Premier. Mr. Vanthuyne.

MR. VANTHUYNE: So, to that point then, I guess the previous strength of claim conducted by the federal government then indicated that they do or do not have the ability to make a case for a land claim? Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Vanthuyne. Premier.

HON. BOB MCLEOD: Thank you, Mr. Chair. That is a federal government legal opinion, and they do not normally share their legal opinions with us, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Premier. Mr. Vanthuyne.

MR. VANTHUYNE: Thank you, Mr. Chair. No further questions at this time. Thanks.

CHAIRPERSON (Mr. Simpson): Thank you. I see nothing further on this section. I will call the activity. Executive and Indigenous Affairs, Indigenous and intergovernmental affairs, operations expenditure summary, total activity, \$6,748,000. Does committee agree?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mr. Simpson): Thank you, committee. Moving on to our sixth and final activity, Office of priorities and planning. This is a less-than-\$1 million activity. It can be found on pages 117 to 119. I will give committee a moment. I see nothing for office of priorities and planning. I will call this activity. Executive and Indigenous Affairs, office of priorities and planning, operations expenditure summary, total activity, \$880,000. Does committee agree?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mr. Simpson): Thank you, committee. Now, there are two information items, lease commitments, on page 120, and work performed on behalf of others, page 121. Does committee have any comments or questions about these two information items? Seeing none, we can return to the departmental total. The total is found on page 97. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. I was not sure exactly where to ask this question, and it's partly a product of the merger of these two departments. In the business plan for the Department of Aboriginal Affairs and Intergovernmental Relations it shows a staffing reduction of four positions from 2016-17 to 2017-18 in Yellowknife headquarters. I am wondering if someone can explain to me how that shows up in this amalgamation of these two departments and what those four positions were all about? Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Mr. Courtoreille.

MR. COURTOREILLE: Thank you, Mr. Chair. The four positions referenced by the Member were internal transfers to the Department of Finance as

part of the shared corporate services amalgamation. Thank you, sir.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Courtoreille. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. So can I just get a little bit of detail, then, on what sort of functions, what kind of jobs, did those people do? Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Mr. Courtoreille.

MR. COURTOREILLE: Thank you, Mr. Chair. The four positions referenced by the Member were the director of policy, planning, and communications; a senior communications advisor; a financial planning and budget analyst; and a records ATIPP coordinator position. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. Did any of those positions have any roles to play with regard to negotiations? Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Premier.

HON. BOB MCLEOD: Thank you, Mr. Chair. They provided general support. They are still available to provide that support as part of the shared services. The more detailed policy, we kept an analyst position in the department. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Premier. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. I guess the point here, though, is that these positions were in DAAIR and now they are going to be cut, so there is some loss of corporate knowledge and institutional history and so on. Were all those positions staffed, or were they vacant? Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Premier.

HON. BOB MCLEOD: Thank you, Mr. Chair. I just want to clarify that they were not cut. They were transferred to shared services, and all four positions were staffed. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Premier. Mr. O'Reilly.

MR. O'REILLY: Thank you, Mr. Chair. Thanks for that clarification. I guess my concern and point is that those individuals now have to serve more people. There are more people. It's an amalgamated department, so their efforts are going

to have to be spread over a greater number of initiatives and so on. I suspect some of that includes support for negotiations. Is that the case? Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Mr. Courtoreille.

MR. COURTOREILLE: Thank you, Mr. Chair. Just to clarify, the four positions are really just a smaller group that has joined a much larger group to provide corporate services support to the Executive and Indigenous Affairs department as well as the Department of Finance. Thank you, sir.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Courtoreille. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. Well, I still remain concerned that we've got the smaller group of people serving maybe four departments, or what used to be four departments, now, and I think this is probably going to take away some focus and support for negotiations at the end of the day. I would be curious to hear whether anybody has anything further to add to that? Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Mr. Courtoreille.

MR. COURTOREILLE: Thank you, Mr. Chair. Just to provide a little bit further background to my previous response. The shared corporate service group has a total of 28 positions. As the Member identified, there are four coming over from Aboriginal Affairs but we also have four positions coming over from the Executive and 13 coming over from the Department of Human Resources joining seven positions already in place from the Department of Finance. So as I mentioned earlier, those 28 positions are really providing corporate services now to those two amalgamated departments. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Courtoreille. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. I think I understand it a little better. So all of those people coming together to serve what used to be four departments, were positions cut within some of the other departments that they used to serve or were they all direct staff transfers into this shared corporate services unit? Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Premier.

HON. BOB MCLEOD: Thank you, Mr. Chair. We're dealing with the Department of Indigenous Affairs, and the four people who went over were all staff. We feel that we will get better service; we will get better advice, because with a very small unit there

are days when people are sick or people are on vacation and have nobody to cover. With the corporate services section, we will have more service, better service, and there will always be somebody there to provide us with that service. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Premier. Anything further? Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. I'll try one more time. So in forming this corporate services unit that's now going to serve what used to be four departments, now two, all of those people who used to be in their individual departments, were there any positions cut in forming this shared corporate services unit? Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Mr. Courtoreille.

MR. COURTOREILLE: Thank you, Mr. Chair, and yes, just to confirm, there were reductions identified in the 2017-2018 Main Estimates for the Department of Finance for the shared corporate service group. Two are going to be recommended for the 2017-18 year under the Department of Finance. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Courtoreille. Mr. O'Reilly.

MR. O'REILLY: Thanks. I appreciate the response and I'll just go on record again as having some concerns about the loss of capacity for this important work, and I think it may affect our capacity and ability to continue to negotiate. Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Would the Premier like to respond?

HON. BOB MCLEOD: Thank you, Mr. Chair. I can reassure the Member that we believe that our services will be enhanced and the advice will improve to allow us to go forward and fulfil our priorities for this department. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Premier. Seeing nothing further from committee, I will call this department. Executive and Indigenous Affairs, total department, \$19,194,000. Does committee agree?

SOME HON. MEMBERS: Agreed

CHAIRPERSON (Mr. Simpson): Thank you, committee. We have concluded consideration of Executive and Indigenous Affairs. I want to thank the Premier and the witnesses. Sergeant-at-Arms, you may escort the witnesses from the Chamber.

Committee, we have next agreed to consider the Department of Finance. The department begins on page 123 of the document. As always, I will turn to

the Minister responsible for opening comments. Minister of Finance, do you have any opening comments for committee?

HON. ROBERT MCLEOD: Yes, I do. Thank you, Mr. Chair.

Mr. Chair, I am presenting the 2017-2018 Main Estimates for the Department of Finance. The proposed estimates for the department reflect the amalgamation of the Department of Finance and the Department of Human Resources.

These estimates total \$235.7 million, which includes the GNWT's operating contributions of \$74.9 million to the NWT Housing Corporation. Overall, the department's estimates propose a decrease of approximately \$3 million or 1.3 per cent when compared to the restated 2016-2017 Main Estimates for the Departments of Finance and Human Resources.

Highlights of the department's proposed 2017-2018 Main Estimates are as follows:

- They include \$20.0 million in strategic initiatives. This is primarily for the operations of the Mackenzie Valley Fibre Link Project, including the service payment and land access fees and for costs associated with the interim services agreement while the project is being completed.
- A total of \$6 million of the strategic initiative funding is for NWT Housing Corporation activities.
- There is \$557,000 in proposed forced growth. This is largely related to increases in the Cost of Living Tax Credit and interest expense related to long-term debt. A small amount of forced growth is related to the contribution to the NWT Housing Corporation.

The budget reflects transfers of \$1.9 million. This is to implement the changes to the NWT Child Benefit and for the creation of the Shared Corporate Services Unit. These estimates also include increased amortization costs of \$2.8 million.

The department's budget reflects sunsets totalling \$22.9 million. The Finance portion of this is \$11.6 million and is mainly related to funds provided to the NWT Power Corporation to offset the costs related to low water and for costs associated with the development and construction of the Mackenzie Valley Fibre Link Project. The NWT Housing Corporation portion of the sunsets is \$11.3 million.

Finally, the main estimates for 2017-18 reflect reductions totalling \$4.1 million. This is primarily related to reduced travel, contracts and other O and M, and with savings associated with the

amalgamation of Human Resources and Finance. A portion of these reductions also reflect the final budgetary impacts of the 2016-17 reductions. A total of \$1.4 million of the reductions relate to the NWT Housing Corporation.

In conclusion, I would also like to highlight that page 129 of the 2017-2018 Main Estimates outlines the borrowing plan for the government. This plan proposes to establish a total borrowing limit for the GNWT of \$771 million, which is comprised of the following:

- Short-term debt \$370 million
- Long-term debt \$400 million
- Capital Leases \$1.45 million

The limits proposed in the borrowing plan will be included in the Appropriation Act (Operations Expenditures), 2017-2018.

That concludes my opening remarks, Mr. Chair. Thank you

CHAIRPERSON (Mr. Simpson): Thank you, Minister. Do you have witnesses you would like to bring into the Chamber?

HON. ROBERT MCLEOD: I do, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Minister. Sergeant-at-Arms, please escort the witnesses into the Chamber. Minister, would you please introduce your witnesses to committee.

HON. ROBERT MCLEOD: Thank you, Mr. Chair. Mr. Chair, to my immediate right, I have Mr. David Stewart. He's the deputy minister of Finance. To my far right, Tara Hunter, who is the director of Management Service and Recruitment. To my left, I have Mr. Sandy Kalgutkar, who is the deputy secretary to the FMB. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Minister. Welcome to the witnesses. We open the floor to general comments from committee. Do we have any general comments on the Department of Finance? Mr. Testart.

MR. TESTART: Thank you, Mr. Chair. The Standing Committee on Priorities and Planning made one recommendation to the department, which was to complete the mandate commitment to lower the taxes on small businesses, and that was in the amount of 1 per cent. Apart from that, the overall operation of the department is complex.

The amalgamation of human resources was a source of concern. As again, these amalgamations are being motivated by cost savings rather than operational efficiencies. Committee wants to ensure that we're making the best possible organizational

changes that are going to benefit the public and also the public service.

A lot of the policies in the Department of Finance are exceedingly complex. In fact, typically our public account scores one of the lowest marks for transparency in Canada. It would be a wonderful thing if we could make this information as transparent and understandable to the average Northerner as possible. I think that is still something we need to work on as a government.

The source of that understanding will have to come from this department. We will continue to do our work and reviewing how we can make this complex financial information more understandable. We'll continue to fight for tax competitiveness in Canada's North as well. With that, that concludes my comments. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Testart. Anything further from committee, as far as opening comments? Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. As we go through the pages here, I'll have some comments on the revenues that we get as a government. Particularly with regard to tobacco tax license -- or, sorry, liquor revenues -- and how that compares to mining, oil, and gas royalty resource revenues that we're able to keep now under the devolution agreement.

I have some suggestions about different forms of taxes that I'll make to try to make sure that we capture more of the benefits of that. I'll also be asking the Minister about any progress we're making on indexing the Northern Resident Tax Deduction. I guess I'll have some questions about some ongoing negotiations as well when we get to the human resources section of the amalgamated department. Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you for the preview, Mr. O'Reilly. Seeing nothing further, we will move into consideration of the activities. The first activity can be found on pages 131 to 134. That is directorate. This is activity one of five; this is an \$84 million activity. Comments or questions from committee on directorate, pages 131 to 134? Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. I'm looking at page 132, and this is the Northwest Territories Power Corporation share hydro system. I know that, in the last couple of years, we've had to provide extra subsidies to the Power Corporation in terms of low water levels. How is it looking this year, Mr. Chair? Sorry, I'm just wondering what the water levels are looking like and whether there is any expectation that the Department of Finance is

going to have to provide additional funding to the Power Corporation? Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Minister.

HON. ROBERT MCLEOD: Thank you, Mr. Chair. Mr. Chair, earlier indications are that the water levels should be fine this year, and hopefully that holds true; then we won't have to provide more money for low water levels.

CHAIRPERSON (Mr. Simpson): Thank you, Minister. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. Good news. I thank the Minister for that. I have no further questions, thanks.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Mr. McNeely.

MR. MCNEELY: Thank you, Mr. Chair. My question is on 132, program detail on the bottom there, other program costs, \$6,000,077. I just want a little explanation on what is defined as "other"? Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. McNeely. Mr. Stewart.

MR. STEWART: Thank you, Mr. Chair. The program costs in the directorate are related to the deputy minister's office, the office of the Chief Information Officer, and the shared corporate services unit that will be providing the services to both Department of Finance as well as Executive and Indigenous Affairs. Thank you.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Stewart. Nothing further from Mr. McNeely. Seeing no further comments or questions. Mr. Thompson.

MR. THOMPSON: Thank you, Mr. Chair. In regards, I see office of the Chief Information Officer has an increase. Could the Minister explain why we have an increase in this area? Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Thompson. Mr. Stewart.

MR. STEWART: Thanks, Mr. Chair. The increase there is primarily related to the Service Innovation Strategy. That office also takes care of our involvement in CRCT hearings and those sorts of events as well, but that would be the increase reason for that one. Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Stewart. Mr. Thompson.

MR. THOMPSON: Thank you, Mr. Chair. I thank the deputy minister for his answer. Just to follow up

on honourable Member from Sahtu, when we talk about other program costs, is there a rationale for it being split up, or why couldn't we just put it into the areas that it should have been put in? Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Thompson. Minister.

HON. ROBERT MCLEOD: Thank you, Mr. Chair. Yes, Mr. Chair, I can understand the Member's question because it does leave itself open for question when you use the word "other." I think we made a commitment in the past that we're staying away from the word "other" and we were going to break it up and have that money specifically allocated to be different. I will make that commitment that we will remove the word "other."

CHAIRPERSON (Mr. Simpson): Thank you, Minister. Mr. Testart.

MR. TESTART: Thank you, Mr. Chair. If there was a change in our tax rates, is it the director who would be responsible for implementing that change? Thank you.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Testart. Minister.

HON. ROBERT MCLEOD: Yes; it would be in the Management Board Secretariat as we go further in the document. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Minister. That will be the fourth activity. Mr. Testart.

MR. TESTART: Nothing further. Thank you.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Testart. I have no one further on my list. I will call this activity. Mr. Testart again.

COMMITTEE MOTION 74-18(2):
TABLED DOCUMENT 261-18(2): MAIN
ESTIMATES 2017-2018, DEPARTMENT OF
FINANCE, DEFERRAL OF DIRECTORATE
ACTIVITY,
CARRIED

MR. TESTART: Thank you, Mr. Chair. I move this committee to defer further consideration of the directorate activity in the Department of Finance, Main Estimates 2017-2018 on page 132 at this time. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Testart. There's a motion to defer. The motion is on the floor and being distributed. The motion is in order, non-debatable. All those in favour? All those opposed?

---Carried

Committee, we have deferred the activity directorate. As such, we shall move on to the next activity. This activity two of five, human resources. It can be found on pages 135 to 137. It is a \$19.5 million activity. Human resources, pages 135 to 137. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. Yes, I have had some constituents contacting me about ongoing negotiations with our main union, Union of Northern Workers, and I am concerned about the pace of negotiations. It has been some time since we have actually had a briefing on the negotiations, and I am wondering if the Minister could commit to providing a briefing to probably priorities and planning on what is happening with the negotiations? Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Minister.

HON. ROBERT MCLEOD: Thank you, Mr. Chair. No, Mr. Chair, I would be happy to appear before committee and give them a briefing. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Minister. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. I do appreciate the commitment from the Minister to do that, and I am hoping it can be done in a timely fashion; probably, I do not know, sometime before June would be great. Do you think he can do that? Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Minister.

HON. ROBERT MCLEOD: Thank you, Mr. Chair. Once we are through the budgeting process and we pass the budget, then I can commit to the Member that we will have a briefing to committee before June.

CHAIRPERSON (Mr. Simpson): Thank you, Minister. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. I do appreciate the Minister and thank him for that commitment and look forward to getting the briefing. Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Mr. Thompson.

MR. THOMPSON: Thank you, Mr. Chair. I notice that we are losing two positions in this area. Are these areas in management and recruitment services or another section of the budget? Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Thompson. Mr. Stewart.

MR. STEWART: Thanks, Mr. Chair. There were two positions that were reduced. They were involved in the devolution implementation. One is in the management and recruitment services and one is in strategic human resources.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Stewart. Mr. Thompson.

MR. THOMPSON: Thank you, Mr. Chair, and I thank the deputy minister for that answer. Could the Minister advise us if these two positions were vacant or if they were reduced through a package at the end of the day? Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Thompson. Mr. Stewart.

MR. STEWART: Thanks, Mr. Chair. The expectation was that they were going to sunset, but they are actually vacant at this time. Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Stewart. Anything further, committee? Seeing nothing, I will call this activity. Finance, human resources, operations expenditure summary, total activity, \$19,577,000. Does committee agree?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mr. Simpson): Thank you, committee. Moving on to activity three of five, liquor revolving fund, \$63,000 activity. Comments or questions? Mr. Testart.

MR. TESTART: Thank you, Mr. Chair. The liquor revolving fund, once the legalization of marijuana becomes a reality in Canada, is the department looking at a model similar to this to regulate and tax cannabis production and consumption in the Northwest Territories? Thank you.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Testart. Minister.

HON. ROBERT MCLEOD: Thank you, Mr. Chair. Mr. Chair, I do not think a determination or decision has been made on what department this might fall under within the GNWT. I suppose we would have that broader discussion when it actually does happen. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Minister. Mr. Testart.

MR. TESTART: Thank you, Mr. Chair. I appreciate that, but I would hope that we would adopt something similar to this because we have a great deal of expertise. So can the Minister commit to taking this on under the portfolio of Finance so we have some clarity on who is actually developing the regulations for cannabis in the Northwest Territories? It is coming sooner than we would like

to think, for this government it seems, and we should be realizing this opportunity and being prepared for the change and not struggling to pass the buck. So if the Minister could commit to taking this on as a Finance priority? Thank you.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Testart. Minister.

HON. ROBERT MCLEOD: Yes, the Member likes to throw language like that in there. He knows that this government does not pass the buck, and if there is an opportunity to take a lead on this we will do that because this would more than likely probably be the landing place for it, and I think we have already been doing some preliminary work towards this with the anticipation that this was coming down. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Minister. Mr. Testart.

MR. TESTART: Thank you, and thank you to the Minister for that. I do appreciate that we are going to use our existing expertise to assist this new world order, as it would seem, and I know that it is still carries some degree of controversy, but it is something we need to get on with. So with that, I will leave it. Thank you.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Testart. I see nothing further. I will call this activity: Finance, liquor revolving fund, operations expenditure summary, total activity, \$63,000. Does committee agree?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mr. Simpson): Thank you, committee. Moving on to activity four of six, management board secretariat. This is on pages 140 to 143, a \$63,000 activity. Management board secretariat, pages 140 to 143. Mr. Testart.

MR. TESTART: Thank you, Mr. Chair. I asked earlier about tax policies or tax changes. My question is more of a policy one, but it is related to this activity, and currently my understanding is that, if we were to change tax rates in the Northwest Territories, that needs to be done by legislative amendment to the Income Tax Act. Is that correct?

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Testart. Minister.

HON. ROBERT MCLEOD: Thank you, Mr. Chair, and, Mr. Chair, the Member is correct. For the income tax, that is what would have to happen. Thank you.

CHAIRPERSON (Mr. Simpson): Thank you, Minister. Mr. Testart.

MR. TESTART: Thank you, Mr. Chair. Thank you to the Minister for the clarification. Is there a hard and fast reason for doing that rather than putting tax into regulations so we would have flexibility in adjusting tax rates to meet the needs of economic conditions? We will start there. Thank you.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Testart. Mr. Stewart.

MR. STEWART: Thanks, Mr. Chair. I tend to agree with the Member on this. This is part of the reason for the changes to the Child Tax Benefit that are in the Income Tax Act. We are moving some of that from the legislation to regulation, which will make it easier to increase rates into the future. You know, I do not want to call it a historical artifact, but when these pieces of legislation were set up they often had that, and I think the concept that the Member is talking about makes good sense to make it easier to adjust these as you go forward. Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Stewart. Mr. Testart.

MR. TESTART: Thank you, and I do appreciate what Mr. Stewart is saying. I am familiar with the Income Tax Act amendments, and the numbers are moving out of legislation where they can be tweaked; but, you know, the other areas of tax are not moving in a similar direction, and I think my honourable friend the Member for Frame Lake has often raised the issue of creating a new tax bracket for the highest income earners. Those kinds of initiatives are somewhat inflexible using the current legislative process, and my fear is, if we wanted to move expediently on tax reform or tax improvements, we would have to go through the LP process, which can take a great deal of time. So how much time would it take to move all tax into regulation so we can have more flexibility to do that? Is that something the department has the capacity to do in the life of this government? Thank you.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Testart. Minister.

HON. ROBERT MCLEOD: Thank you, Mr. Chair. Mr. Chair, the department has the capacity to do the work. As for a timeline, I think we would have to have a look at it and see what it is exactly it encompasses, and then I think we will be in a better position to give a timeline as to how it would actually take to move from legislation to regulation. We have heard the Member, and we will go back and take a look at it. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Minister. Mr. Testart.

MR. TESTART: That is a great review. Thank you, Mr. Chair. Finally, the mandate commitment to lower taxes on small businesses, how is the department doing with that? Thank you.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Testart. Minister.

HON. ROBERT MCLEOD: Thank you, Mr. Chair. Mr. Chair, we have heard the Member, and we have heard his concern. I have read his pamphlet, and it's not something that we are contemplating at this particular time. Maybe there will be opportunities in the future, but, as of right now, no, we are not contemplating that. Thank you.

CHAIRPERSON (Mr. Simpson): Thank you, Minister. Mr. Testart.

MR. TESTART: Thank you. Does the Minister believe that he will get around to it by the end of the term? Thank you.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Testart. Minister.

HON. ROBERT MCLEOD: Thank you, Mr. Chair. Mr. Chair, we are developing a discussion paper. I know it is in the mandate that this is something that we have to have a look at by the end of the mandate of the 18th Legislative Assembly, so the commitment is there, and we are developing a discussion paper. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Minister. Mr. Testart.

MR. TESTART: Thank you, Mr. Chair. I look forward to the discussion paper. Nothing further, thank you.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Testart. Mr. O'Reilly.

MR. O'REILLY: Thank you, Mr. Chair. I have three things I want to pursue here. Maybe I will start with the easiest. I guess I have been on record as raising this issue of the need to index our Northern Resident Tax Deduction. We have gotten an increase in the last federal budget, but I know the Minister had made a commitment to continue to pursue this issue of indexing it. I wonder if he could just give us a little bit of an update of where that work is at. Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Minister.

HON. ROBERT MCLEOD: Thank you, Mr. Chair. In my meeting with the federal Finance Minister, I did raise the concern of indexing it. We actually have not heard back from them yet, but I will make a commitment then to follow up on that because there are a number of questions we have for the federal

Minister, and we have an FTP coming up. I think it's later on this year. I will try to make contact with them to see if there is any progress made on our request. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Minister. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. Yes, I think there would probably be -- I think I have raised this before -- greater strength in numbers, working with our colleagues in Yukon and Nunavut on this, as well. I am sure they share the same kind of concern, and I am sure we can work collectively, with them, to try to move that forward with the federal government. I see the Minister shaking his head, so I am not going to ask a question about it.

I did want to move on to the heritage fund on the next page. It's 142. I am glad to see that we continue to put some of our revenues in there. I just wonder whether there could be a separate page in the main that actually has a little bit more detail about the heritage fund. I don't even know how much is in the heritage fund right now, but maybe I will start with that. Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Minister.

HON. ROBERT MCLEOD: Thank you, Mr. Chair. Mr. Chair, that information is available in public accounts, but, realizing that public accounts is a fairly lengthy document, I will make a commitment to the Member that we will look at including that number in our business plans and our main estimate document. I think that answers his first question. I am sure he has another one. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Minister. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. The Minister is a good mind-reader today. How much is in the heritage fund now? Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Minister.

HON. ROBERT MCLEOD: \$10.6 million as of December 1st.

CHAIRPERSON (Mr. Simpson): Thank you, Minister. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. I appreciate that. Of course, I think we all wish it was a lot more. I know it's in our mandate to revise the heritage fund legislation. Can the Minister tell us where the update or the revisions to the legislation are actually at? Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Mr. Stewart.

MR. STEWART: Thanks, Mr. Chair. I think, for the Member, we will be in a position by the May-June session to provide a briefing to the standing committee. The issue really with the heritage fund -- there were two issues that were to be examined. One was around the overall governance of it and administration. The other was around some of the contribution levels.

The issue I think around governance, and we will get into this more, is really around some of the criteria on what kind of instruments we invest in. We are very conservative in our investments, and I think that is a smart strategy with this type of fund. Having an external management when you are mostly investing in government bonds and those sorts of things, there are some challenges in terms of why you might do that at that additional cost, but we will get into all that in the briefing that we provide as some of the options that we have looked at. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Stewart. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. I appreciate the answer from the deputy minister. I don't need to lecture him on this, but there are lots of great models out there. The Norwegian pension fund is over \$1 trillion now, and there are difficulties with the Alberta one; it's capped. In Alaska, they just give it away, which I don't think is an appropriate model. The governance issue is more than just having people watch over it. How the money is invested, I agree, we want to be fairly conservative because we do not want to lose the principle, but, at the same time, some funds have been placed in environmental social screens in terms of what they invest the money in and so on.

I think, by having some element of public governance, it will also elevate the profile of this fund and help us in terms of promotion of it and so on. My main concern is that right now we do not have a legislated revenue into it. It's by Cabinet policy, which is discretionary. I don't think there is any intention to change it, as far as I can detect, but that should be legislated, to take that option away or make it much more difficult, require public debate and discussion around that in the future.

In any event, I don't know if the deputy minister or the Minister has any further thinking on that, but I am happy to hear it. Then I have one other question, if I may, Mr. Chair. Thank you.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Minister.

HON. ROBERT MCLEOD: Thank you, Mr. Chair. Mr. Chair, we hear the Member's concern in regard to the governance of the heritage fund, and it would be nice to have a trillion-dollar heritage fund like they do in Norway. We would have no shortage of governors then, to govern over it.

This is a new process. I think we have been at it for about four years, so we are just working our way through it. I am sure that, as we work our way through it, there are opportunities to improve it or have public governance of it. We just have to be sure that there is not a huge cost factor in doing something like that. We will look at the options, and we will see what we can come up with. Of course, we will have discussion. We can have a discussion with committee and get their feedback, too, as to how they would like to see this, going forward. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Minister. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. I appreciate that. Certainly, I was advocating for a heritage fund before the diamond "gravy train" had even arrived. In any event, let's move on to the Mackenzie Valley fibre link. It looks like the project is going to be substantially completed in 2017-18. I just want to confirm that with the Minister? Also wondering when we can expect to see revenues from it and where they might show up? Sorry. It's a complicated question, but there you go. Thanks.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Minister.

HON. ROBERT MCLEOD: Thank you, Mr. Chair. Mr. Chair, as I think the Members have read in the paper or in the news, the line is being lit up all the way up to Fort Good Hope. One of the comments I remember is they don't have to wait for Netflix now. It is just "boom," they got it automatically. The last update we had was the crossings. I think they were doing okay with the crossings. They just have one more that they had to do. Then they should be connected all the way up to Inuvik. On the revenue side, my understanding is we have started seeing some revenue already. We will confirm that if the Member is interested in the numbers. We will confirm that and share it with committee. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Minister. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. I appreciate all of that. I am just curious, though: where would the revenue start to show up when they start to flow? Is it going to be in the Finance budget or the main estimates? Where are they going to show up? Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Minister.

HON. ROBERT MCLEOD: Thank you, Mr. Chair. The revenue would show up in Finance under revenue summary. If you look on page 128, you are going to see the number \$1,182,000. That is what we are anticipating for 2017-18.

CHAIRPERSON (Mr. Simpson): Thank you, Minister. Nothing further from Mr. O'Reilly. Mr. Thompson.

MR. THOMPSON: Thank you, Mr. Chair. Hopefully just one question. The Minister probably already knows what I am going to ask. Other program costs, could he explain what that is under the Mackenzie Valley fibre link? Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Thompson. Mr. Stewart.

MR. STEWART: Thanks, Mr. Chair. Thanks, Mr. Chair. The Member I think is looking at page 141. What we have done is, rather than just combine it under deputy secretary of the FMB, we separated out the Mackenzie Valley fibre link payments, which is the \$13,987,000. The other \$2.8 million is other costs related to the office of the deputy secretary of the FMB, so it is salaries and those sorts of things. The other thing it includes, as you can see it is significantly higher than last year, it also includes the amortization for the fibre link project in that value.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Stewart. Is there anything further from Mr. Thompson?

MR. THOMPSON: No, thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Nothing further from Mr. Thompson. I see Mr. McNeely. Mr. McNeely.

MR. MCNEELY: Thank you, Mr. Chair. Just looking at the fibre optic link, if you total over the last few years, it comes out to roughly \$30 million. The total project is \$18 million and this year 2017-18, it doesn't really amount to that. Is the rest being identified as holdback until the completion of this project is done? Thank you.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. McNeely. Mr. Kalgutkar.

MR. KALGUTKAR: Thank you, Mr. Chair. The \$18 million that the Member is referring to is the amount that we have in our capital estimates. It is the amount that will show up on our books once the fibre line becomes operational sometime in May or June of this year. The amount that is in our main estimates, \$14 million, that is our operating

payments that we will start to make once that line goes into operation. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Kalgutkar. Mr. McNeely.

MR. MCNEELY: Thank you, Mr. Chair. Is it expected on the operational side for 2017-18, assuming everything goes right, to have a clean bill of health, I would say, for an unclaim, unleave on this program transferred to our books within the fiscal year? Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. McNeely. Mr. Kalgutkar.

MR. KALGUTKAR: Thank you, Mr. Chair. If I understand the Member correctly, we will not certify that project complete until we have fully commissioned and fully tested the fibre link, that it is operating to spec. Once that is done, then we will accept the project and the payments will flow. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Kalgutkar. Nothing further? I see nothing further from committee. I will call this activity. Finance, management board secretariat, operations expenditure summary, total activity, \$63,372,000. Does committee agree?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mr. Simpson): Thank you, committee. On to the final activity found on page 144 to 147. Office of the Comptroller General. It is a \$68 million activity. Office of the Comptroller General, pages 144 to 147. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. It is on page 145, environmental liabilities. It is just a flat \$2 million. Are we not assessing these sites so that we understand the liabilities better? Are we remediating the sites and getting these liabilities off our books? What is happening here? Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. McNeely. Mr. Stewart.

MR. STEWART: Thank you, Mr. Chair. The way the environmental liabilities work for our own sites is we have a listing of all of the GNWT sites with liabilities. We have a liability fund of about \$48 million that is put away to clean up those sites. The \$2 million that you see in the main estimates reflects the changes on an annual basis that we would expect to happen as we either get better estimates of costs or that we clean up things or adjust them or, frankly, as new sites are identified and those sorts of things. The \$2 million is actually almost like a debt value, if you like, because there may be negative adjustments as well as positive

adjustments. It really is how we adjust that \$48 million liability fund as we clean up things and also then as we identify new sites or get further detailed estimates on the cost of cleanup and that sort of detail. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Stewart. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. Maybe I am just a little bit thicker today. This \$2 million, is this money that we allocate on an annual basis then into the liabilities fund? Is that what is happening? Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Mr. Stewart.

MR. STEWART: Thank you, Mr. Chair. I think the short answer would be yes, but it really is based on, as opposed to just going in with the \$2 million, it is as we refine estimates of cost and those sorts of things or identify new sites, it is sort of up to \$2 million. Although, obviously, if some event happened and you had to allocate more, then we would have to come back for a supplementary appropriation or those sorts of things. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Stewart. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. That is very helpful. Even the 2016-17 revised estimates, there is a two and then some very round zeros after that. I am not sure if that actually reflects the work that is done or is it just an estimate. Does it actually get reconciled in some way or does that happen through the public accounts? Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Mr. Stewart.

MR. STEWART: Thank you, Mr. Chair. That one is actually a very interesting case, because that was one where there was an offset of new sites identified and costs, as well as reductions as we cleaned up our sites, so it netted out to zero, the impact that year; but there was actually activity both positive and negative that led to that point. It wasn't that there wasn't anything going on. It just happened to net at that level for that fiscal year. Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Stewart. Nothing further from Mr. O'Reilly. Mr. Thompson.

MR. THOMPSON: Thank you, Mr. Chair. On page 145, on the line that shows interest for Deh Cho bridge, it's gone up \$200,000. So can the Minister explain if the cost for this bridge is going down? It

seems to be going up for the last couple of years. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Thompson. Mr. Kalgutkar.

MR. KALGUTKAR: Thank you, Mr. Chair. So for this year we're anticipating the interest costs for the bridge to go up slightly. The reason for that is the financing for the bridge was done through real return bonds. So real return bonds are linked to inflation, so our estimate is the CPI for the fiscal year is going to go up slightly so the interest costs for the bridge are anticipated to go up slightly. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you. Mr. Thompson.

MR. THOMPSON: Thank you, Mr. Chair, and I thank the assistant deputy minister for his answer. I guess, again, I see two areas of bank services, other program costs: can the Minister explain what these other program costs are? Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Thompson. Mr. Stewart.

MR. STEWART: Thank you, Mr. Chair. So again, you can see there is a whole list of detail provided out under "accounting services," and that's really the leftover amount that relates to the staff who are involved in government accounting operations and those sorts of things. So the bulk of that would be salary dollars for our accounting services division as well as a small amount of O and M. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Stewart. Mr. Thompson.

MR. THOMPSON: Thank you, Mr. Chair, and I thank the deputy minister for his answer. So I'm assuming that under Finance and Employment Shared Services other program costs are the same thing: salary and O and M? Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Thompson. Minister.

HON. ROBERT MCLEOD: Thank you, Mr. Chair. Mr. Chair, the quick answer is yes, and I've made the commitment before that I'm going to work with the department, because the word "other" does open it up for questions and we'll take steps to rectify that. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Minister. Mr. Thompson.

MR. THOMPSON: Thank you, Mr. Chair, and I thank the Minister for that commitment; it helps. I'm just trying to understand where it is, and I greatly

appreciate the Minister is going to make that commitment; it will help maybe eliminate some of the questions in the future. So thanks, Mr. Chair; I'm done with this page. Thank you.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Thompson. Next, Mr. Testart.

MR. TESTART: Thank you, Mr. Chair. What explains the variance in tax commissions between 2017 and this estimates document? Thank you.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Testart.

MR. KALGUTKAR: --- related to how we are now accounting for the commissions that we are going to collect from the legislative proposal that we're going to do on where we collect our Tobacco Tax. So currently, the Tobacco Tax is collected at the retail level, I believe, and the proposed legislative change is going to collect it at the wholesale level, and because of that change we do not have to pay commissions on the tax that we are collecting. Thank you.

CHAIRPERSON (Mr. Simpson): Thank you. Mr. Testart.

MR. TESTART: Thank you, Mr. Chair. So this does suppose the passage of Bill 15? Yes. Sorry, it presupposes the passage. Thank you.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Testart. Would the Minister like to comment?

HON. ROBERT MCLEOD: I'll just say yes, it does, with committee's support.

---Laughter

CHAIRPERSON (Mr. Simpson): Thank you, Minister. Mr. Testart.

MR. TESTART: Good answer. I just wanted to be clear on that. Nothing further. Thank you.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Testart. Mr. Vanthuyne.

MR. VANTHUYNE: Thank you, Mr. Chairman. On page 146 we have the description there for the power subsidy program, and it's the program that provides subsidy for the residential electricity consumers outside of Yellowknife. Further to that, with regard to the GNWT subsidy for GNWT-owned assets outside of Yellowknife, is there a line item for that and where do we or where would we find that in the budget? Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Vanthuyne. Mr. Stewart.

MR. STEWART: Thank you, Mr. Chair. I believe the Infrastructure Department would have the utilities budget for GNWT assets across the NWT, so I think that's where you would find the amounts that we're spending on utilities for our own assets. Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you. Mr. Vanthuyne.

MR. VANTHUYNE: That's great. I appreciate that. No further questions. Thank you

CHAIRPERSON (Mr. Simpson): Thank you. Seeing nothing further I will call this activity. Finance, office of the Comptroller General, operations expenditure summary, total activity, \$68,684,000. Does committee agree?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mr. Simpson): Thank you, committee. Please return to page 127 for the total department. Oh, thank you, committee. There are two information items related to the liquor revolving fund on pages 148 and 149. Is there anything further to the liquor revolving fund, beyond what we discussed in the activity? No agreement is required for an information item, so I will return to page 127. Mr. Testart.

MR. TESTART: Thank you, Mr. Chair. I neglected to ask about the NWT Child Benefit, so in the department total I'll just ask some questions about this.

So this is a new change that's coming forward again with the passage of a piece of legislation that is currently with committee at second reading in this House, and it will increase the benefits payable through the fund or, sorry, through the credit. How many families are going to benefit from the enhanced NWT child benefit? Thank you.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Testart. Mr. Stewart.

MR. STEWART: Thank you, Mr. Chair. We estimate that it will be over 2,000 families that will be eligible to receive the NWT child benefit. Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Stewart. Mr. Testart.

MR. TESTART: Currently how many families receive the benefit?

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Testart. Mr. Stewart.

MR. STEWART: Sorry, Mr. Chair. Could I get the Member to repeat the question?

CHAIRPERSON (Mr. Simpson): Thank you. Mr. Testart.

MR. TESTART: How many families are currently receiving the benefit under the current structure of the benefit? Thank you

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Testart. Mr. Stewart.

MR. STEWART: Thanks, Mr. Chair. The Minister will get back to the committee with the exact number, but my understanding it's approximately 800 to 1,000 is my memory of that. We will get the exact answer and get back to you on that one.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Stewart. Mr. Testart.

MR. TESTART: Thank you. I appreciate that. Personally, the approximate numbers are fine at this point as we'll be doing more review of this.

So 1,000 more families are going to benefit from this. What is the average increase to the benefit that families can expect to enjoy once the changes are made? Thank you

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Testart. Minister

HON. ROBERT MCLEOD: Thank you, Mr. Chair. Mr. Chair, we don't have that detail of information handy. I will commit to the Member that we can put something in writing and provide it to all Members. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Minister. Mr. Testart.

MR. TESTART: Thank you, Mr. Chair. That's satisfactory, but I will say this: this is a great idea, we've seen it be very successfully deployed on a national level, so I would encourage the Minister to both quantify how many more families this is going to benefit; the average costs that families will be able to gain monthly from this benefit or annually or whatever it shakes down to; and communicate that broadly with the public so they know exactly how much their government is giving back to them in the form of this NWT child benefit, and especially if you're doubling the amount of families who receive it. That's a very good thing. That's just a comment, but I'm sure the Minister will be pleased to hear it's not a criticism. Thank you.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Testart. Would the Minister like to respond?

HON. ROBERT MCLEOD: Sure. We appreciate the Member's advice, and the Member is correct. I do agree with him that sometimes one of the criticisms of this government is we don't tell the public a lot of the good stuff that we do. I think that

needs to change. We will provide the information that Members have requested and provide it to committee. We will improve our communication of this as well. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Minister. Is there anything further from Mr. Testart? There is nothing further from Mr. Testart. Oh, I do have Mr. O'Reilly on my list.

MR. O'REILLY: Thanks, Mr. Chair. I'm looking at page 128, which is the revenue summary. I see that Tobacco Tax revenues are \$15.6 million; liquor revenues are \$23.5 million. I add them up. Generally, it looks like about \$39 million in revenues there from tobacco and liquor. Then I look at the net resource revenues that we get to keep from mining and oil and gas. That is found on Roman numeral xii of the main estimates. It looks like the amount that we actually get to keep from non-renewable resource revenue, so that is mining and oil and gas, is \$13 million.

Look, I understand that 50 per cent of the non-renewable resource revenues go back to the feds and they claw that back through formula funding. We have to transfer some of the resource revenues to the Aboriginal governments, but my point here is we actually collect three times as much revenue from tobacco and liquor as we do from mining and oil and gas. That just doesn't seem quite right to me.

Courtesy of the Chamber of Mines today, I find out that the value of mineral production in 2016 from the Northwest Territories was \$1.276 billion. Something just doesn't seem quite right here to me. Is the department willing to look at other forms of taxation that would allow us to capture more revenues from mining and oil and gas? Whether it's a capital investment tax, a resource tax, what is it that we can do to try to retain more the benefits from oil and gas and mining and get the revenues from those activities? Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Minister.

HON. ROBERT MCLEOD: Thank you, Mr. Chair. Mr. Chair, I'm not sure where the \$13 million was. I was looking for it on the revenue page. I can say that the personal income tax of \$113,276,000, I mean, you can attribute a lot of that to the folks who are working at the mines and then the corporate income tax; same thing. A lot of that is from the mine. The fuel tax; I mean, they would pay a lot of fuel tax. Payroll tax, \$42 million. I'd like to know how much of that is from the mines. They do property tax as well. They pay property taxes.

If we were to do the work and add all these numbers up and see what indirectly we got from the

mines, I think it'd be a lot more than \$13 million. The Tobacco Tax, I'm sure there's a few of them up there who have a cigarette now and then. They would pay into a Tobacco Tax. Every one of these, I think, has a link to the mining companies and the employees that are out. I take the Member's point, and he makes it passionately, but we can't be giving the impression that the \$13 million quoted was the only revenue we got from the mines. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Minister. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. Yes, I'm not sure the Minister actually heard what I said. I never said that that was the only revenues we actually keep, from mining or oil and gas. I think what I'm trying to do here is show that the resource royalty rates that we've inherited from the federal government are quite ancient and maybe it's time that we actually look at those royalty rates. Alberta's done it a couple of times. Are we actually going to get around to looking at that in terms of our financial future?

The reason why I say that is, when I've raised this issue, we actually raised three times as much money from tobacco and liquor as we do from resource revenues that we get to keep. People are actually shocked by that. Are we going to get around to looking at the royalty rates for mining and oil and gas and help retain more of these benefits for programs and services in the Northwest Territories? Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Minister.

HON. ROBERT MCLEOD: Thank you, Mr. Chair. I will work with my colleague at ITI and see what plans they have for the future. Again, I take the Member's point and, yes, as we go forward, we may still have mines that we can tax. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Minister. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. I appreciate that. I fully recognize that the mining industry has made contributions beyond the resource revenues that we get to keep, but I think it is time that we did look at this issue, especially now that we have jurisdiction and control over it. It does need to be a comprehensive review. It is complex because you have to consider either taxes or forms of revenue, but we're beyond that now. We're three years into devolution. We haven't really looked at that, so I appreciate the commitment from the Minister to ensure that his Cabinet colleagues start the move on this. I look forward to the discussion and debate

around retaining more of the revenues for public resources from the resources that are flowing out of here. Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Do we have any further comments or questions for pages 124 to 130? Total department. Mr. Beaulieu.

COMMITTEE MOTION 75-18(2):
TABLED DOCUMENT 261-18(2): MAIN
ESTIMATES 2017-2018, DEPARTMENT OF
FINANCE, DEFERRAL OF FURTHER
CONSIDERATION OF THE ESTIMATES FOR
FINANCE,
CARRIED

MR. BEAULIEU: Thank you, Mr. Chair. I move that committee defer for further conversation of the estimates for Department of Finance at this time.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Beaulieu. There is a motion to defer on the floor that is being distributed. The motion is in order and non-debatable. All those in favour. All those opposed.

---Carried

Committee, we have deferred the Department of Finance. I will again ask committee -- oh, I'll thank the witnesses for appearing before us. Sergeant-at-Arms, would you please escort the witnesses from the Chamber. I'll ask, again, what is the wish of committee? Mr. Beaulieu.

MR. BEAULIEU: Marci cho, Mr. Chairman. Mr. Chairman, I move that you rise and report progress. Thank you, Mr. Chairman.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Beaulieu. There is a motion on the floor to report progress. The motion is in order. All those in favour? All those opposed?

---Carried

CHAIRPERSON (Mr. Simpson): I want to thank all the pages for all their hard work today. I will now rise and report progress.

MR. SPEAKER: May I have the report? Member for Hay River North.

Report of Committee of the Whole

MR. SIMPSON: Mr. Speaker, your committee has been considering Tabled Document 261-18(2), Northwest Territories Main Estimates 2017-2018, and would like to report progress with two motions being adopted. Mr. Speaker, I move that the report of the Committee of the Whole be concurred with.

MR. SPEAKER: Masi. Do I have a seconder? Member for Deh Cho.

---Carried

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

Orders of the Day

CLERK OF THE HOUSE (Mr. Mercer): Mr. Speaker, the orders of the day for Friday, March 3, 2017, commencing 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 Commissioner's Opening Address
11. Petitions
12. Reports of Standing and Special Committees
13. Reports of Committees on the Review of Bills
14. Tabling of Documents
15. Notices of Motion
16. Notices of Motion for First Reading of Bills
17. Motions
18. First Reading of Bills
19. Second Reading of Bills
20. Consideration in Committee of the Whole of Bills and Other Matters
 - Bill 7, An Act to Amend the Revolving Funds Act
 - Bill 13, Marriage Act
 - Committee Report 6-18(2), Report on the Review of Bill 7: An Act to Amend the Revolving Funds Act
 - Tabled Document 261-18(2), Northwest Territories Main Estimates, 2017-2018

21. Report of Committee of the Whole

22. Third Reading of Bills

23. Orders of the Day

MR. SPEAKER: Masi, Mr. Clerk. This House stands adjourned until Friday, March 3, 2017, at 10:00 a.m.

---ADJOURNMENT

The House adjourned at 6:13 p.m.

