

THURSDAY, OCTOBER 1, 1992

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MEMBERS PRESENT

Hon. Titus Allooloo, Mr. Antoine, Mr. Arngha'naaq, Hon. James Arvaluk, Hon. Michael Ballantyne, Hon. Nellie Cournoyea, Mr. Dent, Mr. Gargan, Hon. Stephen Kakfwi, Mr. Koe, Mr. Lewis, Ms. Mike, Hon. Don Morin, Mr. Nerysoo, Mr. Ningark, Hon. Dennis Patterson, Mr. Pudlat, Mr. Pudluk, Mr. Todd, Hon. Tony Whitford

ITEM 1: PRAYER

---Prayer

SPEAKER (Hon. Michael Ballantyne):

Good morning. Item 2, Ministers' statements. Mr. Arvaluk.

ITEM 2: MINISTERS' STATEMENTS

Minister's Statement 104-12(2): Education Meetings In The Sahtu Region

HON. JAMES ARVALUK:

Thank you, Mr. Speaker. Mr. Speaker, as I travel in the Northwest Territories, I am continually impressed by the commitment northerners have to education. This past weekend, I travelled to the Sahtu, with the Honourable Stephen Kakfwi, and learned a good deal about education in that region.

Today I would like to congratulate the people of Fort Good Hope for the way they have supported the grade 10 program, which began in that community this year. The school anticipated 18 students would enrol, but 47 are now in the program. They vary widely in age, but all of the students want to successfully complete their senior high school education. I am sure other communities in the Sahtu will soon follow this direction, and will want to offer senior high programs in their own communities.

The Sahtu Divisional Board of Education is currently developing a strategic plan, to guide the direction of education in the coming years. I would also like to congratulate the board for its work in this area, particularly in consulting closely with band councils, hamlet councils, and members of the public. This type of consultation is very important, if the

educational system is to continue to meet the educational needs of the people in the region.

Mr. Speaker, while Mr. Kakfwi and I were in the region, we visited Fort Franklin, Fort Norman, Norman Wells and Fort Good Hope. In each community we held meetings with the community education council, the band council, and the hamlet representatives. We were extremely pleased with the good turn out for each of those meetings, and the discussions we had on education issues.

Mr. Speaker, during the coming weeks and months, I look forward to more opportunities to visit other constituencies, in the Northwest Territories, to discuss educational issues. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER:

Ministers' statements. Item 3, Members' statements. Mr. Antoine.

ITEM 3: MEMBERS' STATEMENTS

Member's Statement On Economic Development In The Deh Cho Region

MR. ANTOINE:

Mahsi, Mr. Speaker. Later on this morning I will be travelling to Fort Simpson to attend the Community Justice Forum that has been going on for the last two days. Today will be the last day. Later on in the day, in the committee of the whole, we will be talking about the budget of Economic Development and Tourism.

I would like to say something about the economic development in the Deh Cho region, and Nahendeh constituency of six communities. The people in the communities, every time I travel to the communities, are very interested in the whole area of economic development. They feel that they have been left out, up to this point, and they would like to be more involved with that.

I would like to urge the Department of Economic Development and Tourism, to concentrate more on the smaller communities and change their attitude towards people, so that the people in communities have the opportunity to be provided with programs and services from this department. I, also, would like to let the House know, that the Deh Cho Tribal Council has, for one and a half months now, hired an economic development coordinator to help the

communities in the Deh Cho region. Their approach is a community-based approach to people in communities, what they want. This coordinator will help coordinate, and the idea is that they could work with the Department of Economic Development and Tourism to help these communities. This is the peoples' way to tell the government that they are very interested in economic development, and they are doing something about it, themselves, by hiring a coordinator. I would like to urge the Department of Personnel to work with these people so that economic development would happen in these communities.
Mahsi Cho.

MR. SPEAKER:

Members' statements. Mr. Nerysoo.

Member's Statement On Yellowknifer Editorial "Parliamentary Fun And Games"

MR. NERYSOO:

Thank you, Mr. Speaker. Mr. Speaker, I was intending to rise on a Point of Privilege, however, I believe my remarks go beyond, just the matter of privilege, with regard to an article that was in the Yellowknifer, under the editorial "Parliamentary Fun and Games" which suggests that the issues raised by Members are of no concern to our constituents.

To be more specific, Mr. Speaker, I want to address comments in the article related to a written question that I posed to the Government Leader. Mr. Speaker, the article suggests that this is an issue of fun and games. I would say it is too bad that the writer did not speak to my constituents in Arctic Red River, or within my constituency, who were, and have been, asked to

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pay as much as \$17,000 to have power poles moved from lots for which they applied.

Mr. Speaker, more importantly my constituents and those who have been asked to pay these exorbitant costs do not believe this to be frivolous, or fun and games. Mr. Speaker, in fact, the individual in one case applied for a new lot rather than being forced to pay these costs.

I want the writer to understand the same situation occurred as recently as last weekend, in Mr. Todd's constituency, in fact, where a private business owner had to move power poles at their own cost and pay the cost for hook-ups for electricity.

Maybe these are normal situations, and accepted arrangements, but I have been told that the N.W.T. Power Corporation has assumed in several instances total cost in the constituency of Nunakput.

Mr. Speaker, I ask, is this fair, or is it the truth? If it is true, then why does this policy, or situation, exist in Nunakput, and not in any other constituency? Further, if it is incorrect then this is where it ends. If not, you can be assured that Members of this Assembly will want to know why this type of preference is given in the Government Leader's constituency.

I know, Mr. Speaker, my constituents will thank me for raising these concerns on their behalf. More so, Mr. Speaker, all the people of the N.W.T., including residents of Yellowknife...

MR. SPEAKER:

Mr. Nerysoo, the allotted time has elapsed.

MR. NERYSOO:

Thank you, Mr. Speaker, I seek unanimous consent to conclude my Member's statement.

MR. SPEAKER:

The honourable Member is seeking unanimous consent. Are there any nays? There are no nays. Please proceed, Mr. Nerysoo.

MR. NERYSOO:

Thank you, Mr. Speaker. Thank you, colleagues. I know, Mr. Speaker, my constituents will thank me for raising these concerns on their behalf. More so, Mr. Speaker, all people of the Northwest Territories, including the residents of Yellowknife, will agree with my concern that any unfair application of policy has to be accounted for.

Financial expenditures without authorization are not acceptable by residents of the Northwest Territories, or in Yellowknife. It may not be important in Yellowknife, but then who does the Yellowknifer speak for, or account to? Mr. Speaker, unlike the media I am accountable to an electorate. The media, and should I be more specific, the Yellowknifer, can say what they want, publicly harm peoples' reputations, or impute motives without accountability, and never lose an argument.

Mr. Speaker, the editors, the writers and owners of the Yellowknifer, in my personal view, do not accept that Members may at times show their humanity or human faults. They are probably perfect, which I can say, I am not. Thank you, Mr. Speaker.

MR. SPEAKER:

Members' statements. Item 4, returns to oral questions. Mr. Kakfwi.

ITEM 4: RETURNS TO ORAL QUESTIONS

Further Return To Question O744-12(2): Utilization Of Court Sealed Documents

HON. STEPHEN KAKFWI:

I have two Mr. Speaker. The first one is in response to a question asked by Mr. Nerysoo, on September 11, on the use of court sealed documents. The Member asked me to clarify whether sealed court documents are not to be publicly utilized or transmitted until the court proceedings have been addressed.

On the Member's question, and the previous discussion in the Assembly, I can clarify what has not been sealed in the court action by the doctor against the Fort Smith Medical Centre Board of Management. It is my understanding that the court documents which have been filed to date have been sealed, but that a copy of the Report of the College of Physicians and Surgeons, has not been filed with the court.

When a court file is sealed it is in the custody of the court and is closed to the public and cannot be examined except by court order. Sealing of documents in a court file will not affect use of any copies available elsewhere, unless the court has made some order with respect to the use of them. In other words, a court order sealing its file is not the same as an order for non-publication of information or documents, or an order respecting confidentiality of documents or information.

Sealing only protects access to information, or documents, being gained from the court file. If the information or documents are available elsewhere, then access from these other sources would be governed by whatever rules, policies, discretion, or laws, that relate to these other sources. Thank you.

Return To Question O863-12(2): Progress With Moving Companies Regarding Proposed Tariff

The second response I have, is in response to a question asked by Mr. Dent, on September 28, in regard to progress with moving companies regarding proposed tariff. The moving companies have been formally notified of the delay of the implementation of the tariff to November 1, 1992, and of the extension of the closing date to October 15, 1992.

All northern moving contractors are currently being invited to meet, as a group, with officials of the Departments of Personnel and Government Services for consultation. This meeting is scheduled for the week of October 13, 1992. As I stated in the Legislative Assembly on September 17, 1992, I am prepared to further delay the implementation of the tariff to ensure both parties have adequate time for consultation if this cannot be successfully completed by October 15, 1992. Thank you.

MR. SPEAKER:

Returns to oral questions. Mr. Arvaluk.

Further Return To Question O887-12(2): Collection Of Student Loans

HON. JAMES ARVALUK:

Thank you, Mr. Speaker. This is a return to an oral question asked by Mr. Lewis on September 29, 1992. Student loans are not written off because of student requests. Only loans which are considered impossible, or uneconomical to collect, are recommended to be written off. The purpose of writing off loan accounts is to recognize, on the financial statements, that these accounts are extremely unlikely to be collected.

Loans are recommended to be written off after all means of collection are exhausted, including the use of the courts and collection agencies. However, when loans are written off these loans are still considered outstanding debts. If a loan which has been written off later becomes collectible, it can be collected by government. Thank you.

MR. SPEAKER:

Returns to oral questions. Item 5, oral questions. Mr. Nerysoo.

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ITEM 5: ORAL QUESTIONS

Question 910-12(2): Co-Defendants In Health Centre Court Case

MR. NERYSOO:

Mr. Speaker, I would like to ask the Minister of Health if he could confirm whether or not he and his public administrator at the Fort Smith Health Centre have been named co-defendants in a court case he referred to on September 10?

MR. SPEAKER:

Mr. Patterson.

Return To Question 910-12(2): Co-Defendants In Health Centre Court Case

HON. DENNIS PATTERSON:

Mr. Speaker, the answer is yes. Thank you.

MR. SPEAKER:

Oral questions. Mr. Ningark.

Question O911-12(2): Community Health Representatives

MR. NINGARK:

Thank you, Mr. Speaker. My question will be directed to the Minister of Health. Mr. Minister, a concern was brought to my attention by one of the community health representatives in the region of Kitikmeot in regards to the apparent lack of recognition for our community health representative. The community health representative plays a very important role in promoting health in the community. The community health representative feels that he was not being recognized as a professional at the community level by this government.

My question, Mr. Speaker, does the Department of Health have a job description in place for the C.H.R.? Thank you.

MR. SPEAKER:

Mr. Patterson.

HON. DENNIS PATTERSON:

Well, I would expect so, Mr. Speaker. I cannot say that I know for sure, so I had better take it as notice. Thank you.

MR. SPEAKER:

Question has been taken as notice. Oral questions. Item 6, written questions. Item 7, returns to written questions. Item 8, replies to opening address. Mr. Lewis.

ITEM 8: REPLIES TO OPENING ADDRESS

MR. LEWIS:

I am just trying to put a few notes here together, Mr. Speaker, but I promise to be very brief because we have lots of business to do. I have made it my priority that during the time that I am elected I will use every opportunity to respond to the issues on the order paper, including the budget address, and also the reply to the Commissioner.

Mr. Speaker, first of all, just to remind ourselves that this Assembly has been in operation for practically a year. It has probably been the busiest year of any Assembly, ever. If you look at the calendar, that has been distributed to Members, you will find that there is very little room on it for doing all of the things that people normally like to do in the so-called free time, because there is not much free time any more. The candour is crowded with committee work to such an extent, Mr. Speaker, that many of the committees of this House have reached the stature almost of the Executive Committee, and the Executive Committee is just one of the committees of this House. That is the way things are beginning to look, as I see the kind of work that goes on among ordinary Members. The major frustration for many of us, Mr. Speaker, is that the government is taking an awful long time to develop a budget. That has frustrated some people, because usually a budget gives you some indication of the kind of priorities that we can expect to follow over the next four years, one year at a time, this gives you a glimpse as to the thinking of the people we have chosen to be our Executive Committee.

Mr. Speaker, the new budget cycle should require a change to the N.W.T. Act, so that the Assembly could be dissolved in time for a spring election rather than an fall election. This would allow the government time during the summer to prepare its budget in time for the Standing Committee on Finance to review it in the fall, and for the Assembly to examine it during the winter session.

Now, the system is out of kilter with our election dates, and we do not have the flexibility that other Legislatures have throughout this country to decide

how it should conduct its business. As one step forward, if you like, in the evolution to have responsible government we should ask that change be made so that we can in fact set our date rather than be bound by the act which tells us we have to have a fall election.

---Applause

Mr. Speaker, the debate on the effectiveness on consensus government continues. I am not convinced that after more than four years, nearly five now, that it is any worse, or any better, than other democratic systems based on political party affiliations. I believe it is grossly unfair, however, that our own legislation does not allow for political parties to support candidates in elections. One day, and I do not know how soon it will be, Mr. Speaker, only men and women who can afford to lose \$20,000 will be able to afford to run in an election.

Our act should be changed, in my opinion, to allow political parties to be formed and to have the right to association because in this country it is a basic human right. The right of association is basic, and currently in our system, although you have the right to do something in the sense that you can associate, there is no point in doing it if you cannot follow your mandate. In other words, you cannot help anybody so what is the point of forming?

I believe, although it may not be followed that right should exist here in the territories as it does for all Canadians. Whether people pursue it is another issue. They should be given the right to support candidates if they wish, and it will be up to the public to decide whether that is the way they want to go.

Mr. Speaker, to turn from the Assembly to the government, I believe that one of the problems we have had to face over the last year is that our government is taking the position that the famous Strength of Two Levels Report should be the basis of where we spend our time, resources, energy, and so on.

In my opinion, when this work was undertaken, it was supposed to be a long range plan, and yet what I have seen happen in the public service is that they have tried to make large structural changes very quickly and it absorbs all the interest and all the resources of government to do something which can only be done over a period of time. I know governments like to put their stamp on things by doing

it quickly, the first hundred days of action, and so on. That is

okay if you are talking about programs, and you want things to be done, but when you are talking about fundamental change, that cannot happen in a democratic society in the same way that you can achieve fast program changes. So, my suggestion is that by navel-gazing, because that is what it has amounted to, it has been very difficult for the government to give a sense of focus of where it is going in terms of delivery of programs.

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It has not been looking outward, it has been looking inward, and my guess is that by looking inwardly, it has caused some degree of dissatisfaction. It gives the impression that the government lacks focus.

The major problem is not the structure of government, Mr. Speaker, but how, in fact, that direction is given. The public service will not be effective if it does not have a sense of where things are going. It seems to be continually changing. This will continue as long as the government invents its mandate as it moves along, and, of course, in our consensus government, it has always been pushed this way and that way by the Members on this side. So one day what may have been okay, suddenly is not okay, because there is a bunch of people telling the Executive Council that is not the way they want to go. Therefore, it is very, very difficult for people in the public service to have a sense of confidence that this is the path and it will forever shine, so we will follow it.

The next problem I see is that there is no bottom-line in government, because we all know, Mr. Speaker, that it is very difficult to measure the effectiveness of what governments do. It is even more difficult when this identification of what it does, changes all the time. So first of all you have the problem of how you deal with effectiveness when there is no bottom line, for instance, what is the product, what are you trying to achieve? It is even more difficult when that objective seems to be changing all the time.

My own guess, Mr. Speaker, is that you can judge how effective things are, by not just the calibre of the people that you have invited to join your public service, but how they feel about going to work everyday. I worked in the government for many, many years, and came to the conclusion that all these forms you filled in, where you had to assess performance, and you went through all these

wonderful complicated measures, that the best guide is how well the government was, to figure out whether people wanted to go to work every day, they were contented to come to work, and they were keen and eager. When you see people dragging you know that things are not good, and that is what I sense now.

I promised to be brief, Mr. Speaker, and I just want to raise three points which I have done before. When we look at the overall sense of direction of development of our government, it seems to me that there are three key features. First of all, investment, and money. What money is floating around there to get things done that you would like to have done. We have not been successful, in my opinion, in doing very much on the revenue side of things and that has to improve. There are kinds of ways in which we could do a lot better job in developing this other economy, which we talk about and never really are very successful. We are very, very good at spending the money we get, we are wonderful at it, but we are never very good at figuring out ways in which we can generate wealth because unless you do that, it is going to be very difficult for us to become independent of the public purse.

So my suggestion, Mr. Speaker, is that unless we get investment, I am talking about investment in the sense of a private sector, then we are not going to develop as a territory that the rest of the country is going to have much confidence in.

To do that, you are going to have to provide, and this is the second point I wanted to make, better infrastructure. We have talked in the past about roads, and so on, and my guess is if we do something of improving the basic infrastructure, it will become more attractive for people to invest in the Northwest Territories. Things like roads, for example, will happen if the government makes some commitments, so that investors will feel that the money that they place here is going to be used to develop the kinds of resources we have.

On a personal note, Mr. Speaker, I was not going to say this today, but when we had to make a decision, a year ago, about the kind of leader that we should have, I had a terrible time, and I normally do not agonize about what we should do. Eventually, I decided not to support Nellie Cournoyea even though I have a tremendous admiration for her. I believe that economic development in our system does not just depend on the non-renewable sector, and I looked at her career, and said, "this person is really committed to that kind of development." It is my own view that

kind of development would take place when the conditions are right. When the markets are right, the price of metals, or oils are right. Then those outfits that do that kind of work, can gobble up governments like this, just at breakfast time. We are nothing, if the markets are there, then those pipelines and everything else will be built, come hell or high water, and what we say is not going to make much difference.

I do agree though, with the view that having that kind of infrastructure in place, and having revenues coming in, in the long run, is to the advantage of our government. It give our government a sense of independence. The basic psychological problem is the not the independence of our government it is the independence of our people. The fact that the people know that they can get jobs that are going to last, not just beyond the boom, but will last for a long time in the future. Unless we can find a solution to that, we are not going to be successful in having a really independent population who know that the wealth that is generated will result in jobs, work for them, and for their communities.

It is on the basis of that, the Beaufort and the Mackenzie Valley, and that is the be all and the end all. It may give us the revenue for our government but that is going to happen anyway, when the conditions are right. The biggest problem that we face in economic terms, is to resolve our internal differences politically and constitutionally to try to find ways of getting wealth invested on the basis of renewable resources. The third thing is to find ways of really improving the ability of our people to take advantage of opportunities that come our way.

I want to say that in addition to infrastructure and investment, we have to find better ways of making our people stronger, healthier, better educated, so that they could have that drive to take advantage of the opportunities that will come our way.

Those three things are the key to the development of our economy, and the keys to our future. On that note, Mr. Speaker, I will sit down, but I would like to tell Madam Premier that I have tremendous confidence in her and I just do not do things under the table. I am blunt and straight out about the way I feel about things. We have to solve this problem of dependence on government if we are going to get anywhere. Thank you.

MR. SPEAKER:

Thank you, Mr. Lewis. Replies to opening address. Item 9, petitions. Item 10, reports of standing and special committees. Mr. Ningark.

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ITEM 10: REPORTS OF STANDING AND SPECIAL COMMITTEES

Committee Report 19-12(2): Standing Committee On Public Accounts: A Further Report On The Review Of The Financial Statements Of The Government Of The Northwest Territories And Report Of The Auditor General For Canada For The Fiscal Year Ending March 31, 1991

MR. NINGARK:

Thank you, Mr. Speaker. I will be presenting a report by the Standing Committee on Public Accounts. Mr. Gargan will complete the report on the behalf of the standing committee.

Mr. Speaker, your Standing Committee on Public Accounts has the honour of presenting the follow-up report on its review of the financial statements of the government of the Northwest Territories, and the report of the Auditor General for Canada for the fiscal year ending March 31, 1991.

Part one, introduction. In the Committee Report 13-12(2), tabled on June 25, 1992, the Standing Committee on Public Accounts indicated its intent to meet more frequently and to follow-up on the departmental commitments to take corrective action. With these stated intentions in mind the Standing Committee on Public Accounts has held a series of meetings to follow-up on the key recommendations and directions for the Report of the Auditor General On Other Matters.

Many of these were initially outlined in the standing committee's June report. The common report comments on outstanding issues relative to the Department of Health, the Department of Finance, and the Department of Justice, which have now been reviewed in additional detail.

The standing committee has always appreciated the assistance of the office of the Auditor General of Canada, and acknowledges the particular contribution of Mr. Dubois, Mr. R. Simpson, and Mr. Shier.

Part two, the committee's activity. Earlier public hearings held by the Standing Committee on Public Accounts in April and June, 1992, has been

summarized in the previous report. To follow-up on certain matters raised at that time subsequent public hearings were held for Health on August 10, 1992. At that time, the following witnesses appeared: the Department of Health, Dr. Kinloch, Acting Deputy Minister of Health; Mr. D. Bower, Director of Finance and Administration; Department of Finance, Mr. E. Nielsen, Deputy Minister of Finance; and, Department of Justice, Mr. G. Bickert, Deputy Minister of Justice.

In addition, the standing committee held planning sessions from August 11 to 13, 1992, and items included debriefing on public hearings held August 10, as well as discussion about the reporting framework and priorities for the views for consideration. Formal work plan for the future time of the review projects will be finalized and reported to the House at a later.

The standing committee met on September 14, 1992, to review the briefings from the Comptroller General and the Director of Government Accounting with respect to the public accounts appropriation schedule. The committee met again on September 21, 1992, to review for the briefing from the Deputy Minister of Justice with respect to administrative aspects of the legal aid system.

The Standing Committee on Public Accounts wishes to express its appreciation for all government officials who attended these meetings and hearings.

I will now ask the honourable Mr. Gargan to continue. Thank you.

MR. SPEAKER:

Mr. Gargan.

MR. GARGAN:

Thank you, Mr. Speaker. Part three, the health billing dispute.

The Report of the Auditor General On Other Matters for the year ending March 31, 1991, made notes of this dispute between the government of the Northwest Territories, the federal government, and D.I.A.N.D., over health care billing.

The amounts owing to the government of the Northwest Territories by the federal government have continued to increase and the reconciliation of the dispute to negotiate has not been possible. Correspondence has been exchanged for several months between the government and the federal

government. Meetings have taken place between Ministers and senior officials involved.

In the budget address on August 10, 1992, the Honourable John Pollard assured, in the Legislative Assembly, that he had written to the federal Minister of Indian Affairs and Northern Development to indicate that the government of the Northwest Territories would file court papers by today of this year.

In Committee Report 13-12(2), the Standing Committee on Public Accounts clearly indicated its position that government must keep the Legislative Assembly informed, through regular briefings about the progress of negotiations with D.I.A.N.D., and that they should tell the Assembly how the success, or failure, of the negotiation is affecting the governments overall financial situation.

Since that time, information has been forthcoming from the government when its officials have appeared before the standing committee at success of public hearings. Officials have also submitted detailed accounts of the negotiation process.

The standing committee takes the position that, just as it was important for the government to advise the Legislative Assembly of this committees progress during the negotiation phase, regular information updates on the status of the court proceedings should also be provided.

With respect to the substance of the issue, Members of the standing committee were of the opinion that the position taken by the government of the Northwest Territories in this matter should be strongly supported in principle. Clearly, there are issues in dispute which pertain to the very core of our framework for the delivery of health care to native people in the Northwest Territories.

Indeed, from the public accounts perspective, the standing committee was concerned about the cost to the Government of the Northwest Territories for participating in the failed negotiations and impending court action. Not only in the terms of specific expenditures but in person hours devoted by senior professional staff and departmental officials.

The standing committee was of the opinion that the Government of the Northwest Territories should consider including estimates of direct and indirect costs of these negotiations with its claim. Primarily for the purpose of accountability and the internal

information flow. The standing committee would suggest that, in any further negotiation of this type, the Government of the Northwest Territories should be more specific when informing the Legislative Assembly with respect to the composition and

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mandate of the formal negotiating team.

A chief negotiator should be designated and held accountable for results, and a proposed time frame should be announced at the outset to permit better evaluation of progress. The standing committee was also mindful that the Auditor General's report contained a reservation of opinion on the 1990-91 financial statement.

Relative to this issue, the Auditor General noted that, "We do not disagree with the calculations of the government's claim, but there is not enough audit evidence for us to conclude whether all of this money will be recovered. The government has not provided for any possible laws, as it also does not know the future outcome of its claim."

The Standing Committee on Public Accounts continues to regard the Auditor General's reservations as an extremely serious matter, and was of the opinion that the Government of the Northwest Territories must develop a plan for dealing with the issue, in its financial statement for the year ending March 31, 1992.

Ideally, this plan should be available for review at the time when audited financial statements are tabled at the end of September. The Standing Committee on Public Accounts will continue to monitor the matter as it pertains to the financial statement and fiscal position of this government.

Mr. Speaker, at this time I would like to ask Mr. Koe, to conclude the committee report.

MR. SPEAKER:

Thank you. Mr. Koe.

MR. KOE:

Thank you, Mr. Speaker. To continue, the public accounts report talked about some issues regarding operations in the Department of Finance, in terms of roles and responsibilities. Committee report 13-12(2) stressed the need for a full review of roles played by

senior managers in terms of the responsibility for government-wide financial management.

Specifically, the Standing Committee on Public Accounts stated, "Governments should strengthen the roles and responsibilities of the deputy minister of Finance and the Comptroller General. The role of the Comptroller General should be made more independent of Finance, and the accountability of the incumbent should be spelled out more clearly. Both the deputy minister and the Comptroller General, should become more active when dealing with spending problems, and they should ensure that all departments obtain value for money."

This recommendation was carried as a committee motion in the Legislative Assembly on June 25, 1992. However, the standing committee was concerned that government response in this area has been slow. At the August 10 public hearing the Deputy Minister of Finance indicated, "I can advise you that the concerns of the committee have been, and are being, considered by the political level of the government, and that no decision has been taken as of yet. I can advise you, simply, that it is at the political level."

The Standing Committee on Public Accounts reiterates that it is important to see these roles, and responsibilities clarified and restructured to deal more effectively with the financial restraint required in our current fiscal environment.

The committee will continue to pursue this issue actively and urges the government to complete its political level review of this matter, at the earliest possible opportunity.

The government will be held accountable for its decisions in this area, based on whether it is able to structure responsibilities within the Department of Finance, in a manner which ensures a more efficient and effective management of public funds.

I would like to talk about the earlier access to unaudited financial statements. Throughout its public review process the Standing Committee on Public Accounts has been eager to access some indication of the government's financial position, prior to the tabling of the unaudited financial statements on September 30 of each year.

To this end, the committee has reviewed the schedule used by the Department of Finance, in preparing financial statements and public accounts. Discussions were held with finance officers with

respect to acquiring summary information, in advance of the date required in the Financial Administration Act. These discussions are continuing and will be reported on at some time in the future.

Mr. Speaker, I would like to talk about legal aid. A number of problems were identified in the Auditor General's report with respect to program costs, and information systems within the legal aid operation of this government. The standing committee is aware that these problems are not unique to the Government of the Northwest Territories, but is concerned with the high cost of this essential program.

In seeking a solution, the standing committee noted that a number of studies and plans have already been completed at departmental request. While each of these make contributions to resolving the current financial situation, the standing committee felt strongly that there should be a single document which synthesizes the various viewpoints and provides a clear basis for planning.

The Department of Justice has provided the standing committee with a copy of its Legal Aid Action Plan which accomplishes that function. The standing committee has now reviewed that document, and has found that many of the needs outlined in the June committee report are addressed in the department's current action planning.

A note about adequate information systems. In Committee Report 13-12(2), the Standing Committee on Public Accounts made a number of recommendations, including the development of adequate information systems within the Department of Justice and the Legal Services Board. Members have been somewhat disappointed with the apparent slow progress made in this regard.

The standing committee noted that although the Legal Aid Action Plan does contain some discussion about the need for computerized information retrieval, no specific time lines have been established. It appears as though the development of the information system has been delayed as a result of difficulties encountered in recruiting for the vacant Executive Director position with the Legal Services Board.

While the standing committee has realized that input from this senior position would be beneficial in the development of a proposed information system, members wish to reinforce the earlier

recommendation that these systems should be developed at the earliest possible date.

Should it not be possible to recruit an executive director within the immediate term, the department should find a strategy to nevertheless proceed with the project, without further delay.

A note about eligibility criteria, and a means test. The Auditor General's report raised questions about client eligibility, and cost recovery. Eligibility criteria for

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accessing legal aid, and a means test to help determine how much individual clients can afford to pay for legal aid services were considered necessary. In reviewing the department's legal aid action plan, the standing committee was pleased to note that this issue was being addressed, and that the department itself had also recognized that. The criteria for receiving legal aid is very weak, and a great deal of discretion is applied. Due to other priorities, collection is not followed up as tightly as it should be, especially for civil matters where there is a delay in settlement.

Within the plan, recommendations are included for the development and implementation of strict guidelines, perhaps by way of a regulation to deal with these issues. The Standing Committee on Public Accounts wishes to urge the department to proceed with the development of these guidelines without delay. The standing committee will continue to follow up on this issue from the perspective of the government's public accounts, and we will be seeking to review the department's action on this issue in the months to follow.

Comments about the Code of Rights. The Standing Committee on Public Accounts continues to be concerned about the fact that many residents of the Northwest Territories are not aware of their rights and obligations within the legal aid system. In committee report 13-12(2), the standing committee recommended that a simply worded Code of Rights should be drawn up and be translated into all official languages. No progress has been made on this direction to date. The standing committee is still of the opinion that it is in the public interest to provide a single document which outlines what a legal aid recipient can expect with regard to confidentiality, quality of services, recourse to appeal decisions of the Executive Director, and so on.

Indeed, it might also be advisable to indicate the obligations which perspective clients have to the system, including the responsibility to provide correct information to legal aid officials, and so on. The Department of Justice and the Legal Services Board should proceed immediately with the preparation of this document, and should be mindful that the Standing Committee will follow up on the matter at subsequent review meetings.

Motion To Receive And Adopt Committee Report 19-12(2)

Mr. Speaker, that is the end of the report of the Standing Committee on Public Accounts. Mr. Speaker, I move that the report be received and adopted by this Assembly.

MR. SPEAKER:

Seconded to your motion, Mr. Ningark. There is no quorum. Ring the bells, please, Mr. Clerk.

Motion has been moved by Mr. Koe, seconded by Mr. Ningark. Motion is in order. All those in favour of the motion? All those opposed? Motion is carried.

---Carried

Reports of standing and special committees, Mr. Nerysoo.

Committee Report 20-12(2): Special Committee On Health And Social Services, Interim Report No. 2

MR. NERYSOO:

Thank you, Mr. Speaker. I have a second interim report from the Special Committee on Health and Social Services. Mr. Speaker, I can indicate to you that this particular report has been translated into Inuktitut.

This report summarizes our committee's activities during the 12 weeks since our first report was tabled. It also represents our plans for the period between now, and the start of the next session of the Assembly in November.

The primary focus of our work since June, has been to orient ourselves to the priorities we identified in our last report. As a start, we have taken steps to learn from those who have already examined these issues. We have reviewed and summarized the reports of the previous special committees, and other relevant bodies. In addition, we have spoken with some of

those who have been involved in these inquiries, to get their ideas about what may help ensure the effectiveness of our consultation process. Our work plans reflect their advice.

During the first week of September, we met with senior representatives of the Departments of Health and Social Services. They reviewed with us the major issues and priorities within their respective mandates, and how they see those issues best being addressed.

We also began to examine the important issue of the community transfer, by listening to people involved with their community control programs. Most of the health and social issues we face in the Northwest Territories are complex and interrelated with broader economic and political trends. To ensure that we have the comprehensive background information that we need to make effective recommendations, we will be carrying out a number of research projects.

One will be a survey of frontline workers to hear their concerns and ideas on how better to assist those in need. Others will focus on the lengths between housing and health, encouraging family and community healing, and the development of social health indicators.

We will also be examining aspects of the legislative framework in health and social services.

Mr. Speaker, our first regional consultation will take place the week of November 9 to 13 in Rankin Inlet, so as to hear the ideas of many people of the Keewatin who will be doing a number of different things. We will give workshops and public meetings, as well as make trips to various programs and services. Together with the local M.L.A.s, we will also visit one community in each constituency. We want to ensure that everyone young and old, male and female, who wishes to share his or her ideas about improving things in health and social services can do so.

As Members of this House, we are too well aware that there are many important issues that fall within the area of health and social services. The committee would like to bring the following concerns to the attention to the Members of the Assembly.

Care givers conference. Many northerners suffer physical and psychological pain. The causes are numerous and the effects are far reaching. People in pain are not well equipped to function effectively in their various roles, whether they are parents or

employees. Ignoring their distress, then, carries a high price. Seeking to help them is also costly and very challenging for those helping. All too often, such care givers are overwhelmed by the number, and extent, of demands placed upon them, and they end up burning out, or are unable to continue. When this happens, the clients lose out. In fact, we all lose and we all pay the cost of both continued disfunction, and the costs of recruiting, training, and orientating a replacement care giver. These caring people who work directly with those in pain, play a pivotal role in our efforts to help them. They, in turn, need substantial personal and professional support. Too often the support is not forthcoming.

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Recognizing this, a coalition of over 12 organizations concerned about the needs of victims of crime, has formed to start to do something about it. For the past two years they have been planning a gathering of care givers from across the Northwest Territories.

Seeking to plan the conference agenda, they carried out a survey of frontline care givers. They wanted to ensure that the program offered would truly meet the workers needs. Those who responded to the survey, told them exactly what they wanted. They also overwhelmingly confirmed their urgent need for the support and training such a conference could give them.

Our committee strongly supports this conference, as well as depend on having effective care givers. Unfortunately it has been delayed more than once due to shortage of funds. Thus far, only the federal government has shown considerable financial support having committed the bulk of the conference funds. Still more money is needed before all expenses can be covered. We, therefore, urge this government to clearly shows its support to our front line workers by making the necessary funds available, so that this important gathering can proceed February, without fail.

Mr. Speaker, the committee on a matter of a recommendation, the committee recommends that the Executive Council consider showing its support to the workshop and conference for care givers by providing adequate funding to permit the conference to proceed.

On the matter of the community transfer this government is in the midst of a major thrust to move decision making, and program delivery, closer to the

people served. While we agree in principle with this initiative, we see problems with its implementation. There is concern that there has been a lack of meaningful consultation at the community level. This must not be a talked down process, if it is to have any chance of success. Everything must be subject to negotiation. We must not just present communities with a "menu" from which to choose. The transfer must be an open process, driven by the needs, capabilities and interests, of the community or region. We see that input from all those affected, should be encouraged, facilitated, and not restricted. The constructive and informed comments from everyone involved are necessary as the basis for good decisions.

Our discussions with people who have been involved in the successful transfer of services to communities suggests that the transfer process is crucial to the success of the resulting programs. They pointed to the need for strong broadly based grass roots support for such moves. This means listening carefully to the concerns and ideas of the community members who will receive the services under consideration, and those who deliver them as well as those of local elected officials. To ensure informed debate and discussion, we see it as being crucial to share the experiences of people in places where such a transfer has occurred, with those in communities considering such a move.

With regard to the A.I.D.S. issue, recent incidents in the Inuvik region have reminded us of a crucial issue of the spread, and reporting, of H.I.V. infection and A.I.D.S. We urge the government to continue to work with local health boards and communities to develop appropriate steps that communities can take to prevent the further spread of this deadly disease.

On the matter of the social assistance allowance, or social assistance allowance increase, we note that the recent 1992-93 budget address includes an increase of five percent for food allowances for recipients of social assistance. On the surface this appears to be a positive step, however, closer examination shows that it at best is a symbolic gesture. First, the allowance still is not enough, as a chart and table on appendix one show, clients across the Northwest Territories will now receive an allowance that averages 60 percent of what the 1991 food price survey found was the cost of purchasing a nutritious family food supply.

We wonder where social assistance clients are to get the funds to make up for the average 40 percent

shortfall between what the food allowance covers and the cost of a basic diet for their families.

Second, disparities continue, across all communities. The shortfall in food purchasing power ranges, from a low of 28 percent to a high of 51 percent. People in those communities with more developed transportation links are better off than those in more isolated ones. In a time of restraint, and at a cost of \$1 million, was this "across the board" modest increase, the best option to have pursued. Our findings suggest otherwise, this increase only marginally improves the financial situation of any one family and does not address the inequities that currently exist between communities.

A more effective strategy may have been to reposition communities on the scales, based on the data from the 1991 food price survey, where a similar expenditure, substantial progress could have then been made towards reducing, if not eliminating the disparity in food allowances. Even a move such as this, however, amounts to mere tinkering with a program modeled and imported from the south that has not been very effective there, and has not been very effective here.

Our committee believes that the goal of social assistance should be to help people attain or regain their economic self-sufficiency. To be effective in that regard requires more than tinkering with the current program. A major overhaul is needed. We note that our neighbours in the Yukon have recently started a systemic review of their social assistance system. We will be consulting with them as they proceed. We also note with interest, this governments work in this area, and look forward to briefings on their progress.

As one aspect of a more integrated program, for example, we are interested in the contribution that encourages increased harvesting of country foods which could improve nutritional, and financial health of people receiving social assistance. Providing such help may prove to be more cost effective in ensuring people have nutritious food. This support could take the form of funds for the purchase supplies and equipment for hunting, or money for purchase of country foods from local H.T.A.s.

Similarly consumer education could be facilitated by encouraging the sharing among community members of expertise in the utilizations, preparation, and storage, of country foods harvested. The committee will be examining this area over the next few months

to be able to make recommendations on actions the government could take in this regard.

Mr. Speaker, in conclusion as we proceed through our regional consultations and other activities in the coming months we will report on our progress and recommend actions to the Assembly on the compelling issues that we have investigated.

Motion That Committee Report 20-12(2) Be Moved Into Committee Of The Whole

Mr. Speaker, that concludes the second interim report of the Special Committee on Health and Social Services. Therefore I move, seconded by the

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honourable Member for Yellowknife Frame Lake, that the second interim report of the Special Committee on Health and Social Services be received by the Assembly and moved into committee of the whole for consideration.

MR. SPEAKER:

The motion is in order. To the motion. Mr. Nerysoo. Secunder, Mr. Dent. You have the opportunity to conclude debate, Mr. Nerysoo. All those in favour? All those opposed? Motion is carried.

---Carried

MR. SPEAKER:

Committee report will be put on the orders paper tomorrow for committee of the whole. Report of standing and special committees. Item 11, reports of committees on the review of bills. Item 12, tabling of documents.

ITEM 12: TABLING OF DOCUMENTS

MR. TODD:

Thank you, Mr. Speaker. I have two documents I would like to table this morning. The first, Tabled Document 110-12(2), is correspondence dated September 30, 1992 from Mr. Ittinuar, President of the Inuit Cultural Institute, to myself, urging that the planning for the regional health facility proceed as soon as possible, and indicating that the institution's position is that, "All Keewatin communities support Rankin Inlet as a chosen location."

Mr. Speaker, the second Tabled Document 111-12(2) is correspondence from the President of K.I.A., dated September 30, urging the government to support the Keewatin regional health plan without delay. Thank you.

MR. SPEAKER:

Tabling of documents. Ms. Cournoyea.

HON. NELLIE COURNOYEA:

Mr. Speaker, I would like to table, Tabled Document 112-12(2), in response to written question 59-12(2), actions taken by the Government of the Northwest Territories regarding the labour dispute at Royal Oak Giant Mine. As well, I would like to table, Tabled Document 113-12(2), a document, pursuant to section 51(4) of the Financial Administration Act, the interim financial report of the Northwest Territories for the year ended March 31, 1992.

MR. SPEAKER:

Tabling of documents. Item 13, notices of motion. Item 14, notices of motions for first reading of bills. Item 15, motions. Mr. Lewis.

ITEM 15: MOTIONS

Motion 38-12(2): Tabled Document 100-12(2) "A Proposed Private Member's Public Bill" To Amend The Liquor Act

MR. LEWIS:

Thank you, Mr. Speaker.

WHEREAS a proposed private Member's bill, which would amend the Liquor Act, to allow for the establishment of breweries in the Northwest Territories, was tabled on September 29, 1992;

AND WHEREAS this session of the Legislative Assembly is due to prorogue when the business is concluded;

AND WHEREAS it is important to permit public discussion on this proposed amendment to the Liquor Act;

NOW THEREFORE I MOVE, seconded by the honourable Member for Yellowknife Frame Lake, that tabled document 100-12(2), a proposed private Member's public bill to amend the Liquor Act, be

referred to the Standing Committee on Legislation for review. Thank you.

MR. SPEAKER:

Your motion is in order, Mr. Lewis. To the motion. Question has been called. Secunder to the motion? Mr. Lewis has the opportunity to conclude debate. Question has been called. All those in favour? All those opposed? Motion is carried.

---Carried

Tabled Document 10-12(2), proposed private Member's public bill, will be referred to the Standing Committee on Legislation. Motions. Item 16, first reading of bills. Item 17, second reading of bills. Item 18, consideration in committee of the whole of bills and other matters: Tabled Document 9-12(2), Strength at Two Levels; Tabled Document 10-12(2), Reshaping Northern Government; Tabled Document 62-12(2), Report on Northwest Territories Operations at Expo '92 as at May 31, 1992; Tabled Document 66-12(2), "Working Toward a Common Future" Commission for Constitutional Development; Tabled Document 70-12(2), "The Justice House" Report of the Special Advisor on Gender Equality; Motion 6, Discussion on "Sobriety Clause in Contribution Agreements"; Committee Report 17-12(2), Report on the Review of the 1992-93 Main Estimates; Bill 33, Appropriation Act No. 2, 1992-93, with Mr. Ningark in the Chair.

ITEM 18: CONSIDERATION IN COMMITTEE OF THE WHOLE OF BILLS AND OTHER MATTERS

CHAIRMAN (Mr. Ningark):

Thank you. The committee will now come to order. Yesterday, we were discussing the Department of Economic Development and Tourism. We were on general comments. What is the wish of the committee? Mr. Nerysoo.

MR. NERYSOO:

We are going to introduce a motion accepting the budget. No.

---Laughter

You missed that, if you had heard that, Ms. Cournoyea, you would have been supporting it. However, Mr. Chairman, if I might suggest that we go back to the Department of Economic Development and Tourism and deal with the budget issue.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Nerysoo. Since we are moving along pretty smoothly this morning we will take a fifteen minute break and come back.

---SHORT BREAK

CHAIRMAN (Mr. Ningark):

Thank you, the committee of the whole will now come to order. We are on Economic Development and Tourism, page 17-8. General comments from the Members. Detailed, okay. Mr. Koe.

Department Of Economic Development And Tourism

MR. KOE:

Thank you, Mr. Chairman. Just a few comments on the presentation we heard from the acting Minister yesterday. It was a package expressing all the good works that have been done by the Department of Economic Development and Tourism, and very strategic use of numbers and percentages, while trying to present a picture of what is going on in the north.

It always amazes me how the use of statistics and percentages always enhances the picture in terms of what is going on and the advantages and benefits

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to northerners. We are all aware that many of our industries are very small, and an extra dollar given here or there can increase percentages significantly. My concern is in terms of some of these percentages that are being used in the presentation, I have real trouble in trying to figure out what that means in real terms.

How many real dollars were given, and to what persons? It never seems to come up, the statistics as to who is receiving the dollars, where are they, and what are they doing with it. It is nice to say, a 20 percent or a 40 percent increase here and there, but in terms of realistic numbers, dollars and cents, and to whom these dollars and cents are going, and what they are being used for, it would be nice to find out what is happening in our communities with our smaller businesses.

A couple other comments in terms of renewable resource development. There has been a lot of activity being done by the department in this area. My

concern is how much is being done in cooperation with other departments. Again, it always seems like one department tends to work in isolation of another, and I know that there has been some coordination. but I can never get a handle on what Economic Development is doing, what Renewable Resources is doing, or what are the federal departments that are involved doing in terms of, say, fisheries?

So these are just some general comments on the statements made yesterday. I am just trying to find the percentages here, but I have other comments I will make under the various activities, my general impression of the statement, and now I will let someone else speak. Merci.

CHAIRMAN (Mr. Ningark):

Thank you. General comments. Detail, economic development and tourism, directorate, O and M \$2.532 million. Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Mahsi. Mr. Todd, I see you have your hand up. Go ahead, Mr. Todd.

MR. TODD:

My little lady, can we get the Minister to sit over here and have the witness here so we can ask some questions, Mr. Chairman?

CHAIRMAN (Mr. Ningark):

Do we agree that Madam Premier will bring the witnesses in on behalf of economic development? Agreed?

AN HON. MEMBER:

Agreed.

CHAIRMAN (Mr. Ningark):

Proceed, Madam Minister. Madam Premier, for the record, would you introduce your handsome witnesses?

HON. NELLIE COURNOYEA:

Mr. Chairman, the acting Deputy Minister, Alan Vaughan, and the Director of Finance, Jim Kennedy.

CHAIRMAN (Mr. Ningark):

Thank you. Back to general comments, Mr. Todd. Directorate, Mr. Todd.

MR. TODD:

Thank you, Mr. Chairman. Actually, I would like clarification on behalf of my colleague, Mr. Antoine, and it is in the definitive objectives on page 17-5, the second paragraph is to assist the development of packaged tours from Nahanni Ram, a northwest passage destination in conjunction with two operators. I wonder if the Minister could put on record exactly what this means, who is involved, and what kind of local involvement there is? Has this being done in conjunction with external operators, has a consultation taken place with the community of Nahanni Butte, etc.? This is just on behalf of my colleague, Mr. Antoine.

CHAIRMAN (Mr. Ningark):

Thank you. On the directorate, Madam Premier.

HON. NELLIE COURNOYEA:

Yes, Mr. Chairman, I would like to assure the Member that yes, there is involvement. The idea is to establish a data base system of lodges and outfitters to enforce licensing and regulations, to assist in developing package tours for the Nahanni Ram and northwest passage destinations, and to complete interior exhibits for the visitor's centre in Baker Lake and Arviat.

CHAIRMAN (Mr. Ningark):

Directorate, a total O and M of \$2 million. Mr. Dent.

MR. DENT:

Thank you, Mr. Chairman. Just before we get into detail, I had a question I would like to request of the department. In the opening statement yesterday, the Premier noted that the department has a comprehensive arts and crafts marketing strategy developed. I was wondering if this strategy could be made available to all Members?

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Dent. Madam Premier.

HON. NELLIE COURNOYEA:

Yes, I believe the Minister had made a commitment to make that available, and we will make it available to the Members.

CHAIRMAN (Mr. Ningark):

Thank you. Detail directorate, total O and M of \$2.532 million.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Next page, policy and planning. Total O and M of \$673,000.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Correction. \$678,000. Now, over the page. Page 17. Mr. Koe.

MR. KOE:

Just a question, or I need some clarification. Where are the costs pertaining to Expo operations reflected, which activity?

CHAIRMAN (Mr. Ningark):

Thank you. Madam Premier.

HON. NELLIE COURNOYEA:

When we get to the section that identifies revolving funds, that is where it would be.

CHAIRMAN (Mr. Ningark):

Thank you for the clarification. Mr. Koe, policy and planning.

MR. KOE:

What page is that? Sorry.

CHAIRMAN (Mr. Ningark):

Madam Premier?

HON. NELLIE COURNOYEA:

Mr. Chairman, I am told that the actual revolving fund does not show up in here. It is in legislation, but if the Member is interested in asking questions, the closest appropriate area is in the business development area when we come to that.

CHAIRMAN (Mr. Ningark):

Thank you. Over to page 17-10. Tourism and parks. Mr. Koe, I see you have your hand up.

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MR. KOE:

Items or questions pertaining to business development fund, would that also be under the business development activity?

CHAIRMAN (Mr. Ningark):

Madam Premier.

HON. NELLIE COURNOYEA:

Yes, you can take that up in that section.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Dent, you have your hand up. Thank you. Page 17-10, tourism and parks. Total O and M of \$7.458 million. Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Koe.

MR. KOE:

Just a quick question. In terms of tourism and parks, what are the current roles of the Regional Visitor's Association in the planning and development of tourism activities within the specific regions? The visitor's associations, what are their current roles, and how does the department sponsor them?

CHAIRMAN (Mr. Ningark):

Mahsi. Madam Premier.

HON. NELLIE COURNOYEA:

Yes, I will ask the acting Deputy Minister Alan Vaughan, if he would respond to that.

CHAIRMAN (Mr. Ningark):

Mr. Vaughan.

MR. VAUGHAN:

Thank you, Mr. Chairman. The travel associations hand in a work plan annually to talk about the things that they would like to do during the year with the department, and through that process, they become involved in terms of influencing department activities.

CHAIRMAN (Mr. Ningark):

Thank you. Tourism and parks, Mr. Koe.

MR. KOE:

So, contributions are made through the department to specific visitor's associations, or through the N.W.T. Tourism Association?

CHAIRMAN (Mr. Ningark):

Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, directly to the specific associations.

CHAIRMAN (Mr. Ningark):

Thank you. Tourism and parks total O and M of \$7.458 million.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Next page. Business development. Total O and M of \$12.724 million. Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Mr. Koe.

MR. KOE:

A couple of comments here on the business development section. In yesterday's speech, the Minister talked about the Business Development Fund, I noted the general comments about percentages, and one of the paragraphs reads, "Since the new policy was introduced, approvals in level III communities have increased 76 percent, and those in level II have increased 13 percent, with an estimated 60 percent being for aboriginal businesses."

My concern is that it is nice to use percentages, but it would have been nicer to have the actual dollars, and maybe in some form later, to provide the information, because if you give somebody \$10.00, and tomorrow \$7.50, that is a 76 percent increase. I do not know what magnitude of dollars we are talking about in these instances. I just wanted to make that comment.

CHAIRMAN (Mr. Ningark):

Madam Premier. No question. Mr. Dent.

MR. DENT:

Thank you, Mr. Chairman. Just for the record, the sections of business development, in the Economic Development Agreement there is a potential for conflict of interest because of my business interests, so I will be withdrawing from the room during consideration of these two pages.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Dent. Business development fund. Mr. Nerysoo.

MR. NERYSOO:

Thank you, Mr. Chairman. If I might make two comments, I do not know if the Minister necessarily has to answer them, as opposed to maybe taking them as suggestions, more than anything else.

There has been, in some of the communities a concern about the development of arts or crafts, because number one, materials, is one issue and secondly, because buildings have not been established to accommodate the development of those products. I just want to ask the Minister, or the Government Leader, who is the acting Minister at this time, and the department, to review this situation and consider how we might be able to assist the communities in finding locations or purchasing bulk material, so they can, in fact, accommodate the requests that have been made in some communities.

I can say to you, in the case of being part of a community on the Dempster, that there was a desire for products, but we did not have them purchased, or the people did not have the materials to meet the market. I would ask you to maybe review that situation, and see how we might be able to address it in the short and the long-term.

Secondly, one other aspect that I know probably could have been dealt with under directorate, but I wanted to deal with it here, that is the matter of taxation. I know that it will be dealt with by Mr. Pollard, if he returns, or by yourself, Ms. Cournoyea, but the matter of taxation is pretty important in terms of ensuring that there is long-term viability for businesses in the community. I would ask in developing new businesses that you look at the consequences of new taxes and/or requirements to pay back the government.

I say that because if our intention is to improve the economy in the north, then we have to ensure that there is viability for the businesses that we put money into and encourage the establishment of them in and throughout the Northwest Territories. I just wanted to make that comments, and you can take it as maybe advice and review the situation, not necessarily today, but on an ongoing basis.

CHAIRMAN (Mr. Ningark):

Thank you. Member for Keewatin central.

MR. TODD:

Thank you, Mr. Chairman, Member for Natilikmiot.

---Laughter

MR. TODD:

I guess the concern that I would have, and it is something that we have spoken about before, with respect to the Business Loan Fund, or the

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Business Credit Corporation, as it is now called. I think there is a feeling, certainly amongst the standing committee, and I know at a personal level, that this Business Credit Corporation should really be at arms length.

It should not be necessarily Chaired by a bureaucrat, as it currently is. I think it not only has to be seen as independent, and the control the government has is

through its board of director appointees, it all has to be appointed by the Minister, anyway, and the same with its chairmanship.

While I appreciate, and I did say yesterday that I commended the department and the increased loan authority at the regional level, I still do not think it is satisfactory. \$50,000 really cannot do a heck of a lot, if you look at it in quantitative terms, and the cost of doing business in some of these Arctic communities.

While I applaud you for moving in that direction, and actually giving the authority to the regional superintendents, I understand, without having to say "please" to Yellowknife, I am not sure that \$50,000 goes a long way in today's world when you are trying to develop a small business.

Two things, on the loan board, Mr. Chairman. I would like to see an acceleration of it becoming more independent. I certainly want to see the Chair being a non-bureaucrat, because I think there is a sense of fairness then, an appearance of fairness, and there may be no political intervention, say, if it is bureaucrat reporting to the Minister. I would think that it would be in the best interest, frankly, of the Minister for that to happen.

I would also like to say that we need to clearly, again, in my opinion, increase the level of authority at the regional level. The frustration is felt by a lot of people, in my opinion, is that it is the small loans, it is up to the \$75,000 or \$100,000 loans, you hear every time you turn around.

A guy is trying to get a boat, it takes so long, by the time they get the boat, the ice is in, so you have lost a year. We have all got horror stories, and we have also got stories of success that the former Deputy Minister had alluded to when he defended the department in the committee.

I have the belief that if you expand the authority at the regional level, the real authority, where the guy can say, yes, this is good, I believe that things will run a lot smoother, and then we will get the statement which say the ones who care, rather than the ones who do not.

On natural resources, I think we have some exciting prospects out there in terms of the fishery. Of course, my friend from Pangnirtung has spoken eloquently about that. It is my understanding that in the project over in Cumberland Sound, there is somewhere

around 20 to 30 people employed in that fishery. I think we should see an expansion in that.

I know that some of that is currently being done by the E.D.A. in terms of the research, and if we are fortunate enough, and I hope we are fortunate enough, to find sufficient fish resources, then I think the department has got to be ready to gear up, because it does provide a significant employment component to people who want to earn a living in a somewhat traditional manner.

My third point, if I may, is in the business services task summary, and that is with respect to the S.T.E.P. program. I had spoken to the Government Leader earlier about this. The S.T.E.P. program provides money to do community-based employment programs. The department has cut it significantly, and we spoke about it yesterday.

We need to, I have said on a number of occasions prior to being elected, and now that I have been elected, develop programs that are going to provide employment opportunities for a number of people who are on social assistance, or cannot get into the government. This will, at least, provide them with sufficient employment opportunities that they can then seek, as every other Canadian does, access to the Unemployment Insurance Act.

The S.T.E.P. program, while it has small dollars in it, \$846,000 last year, is one example where that could take place. I think, you have to develop your fishery the same way, rather than paying a person per pound for fish, we should be paying them, hypothetically let us say, a fishermen comes in, he has one hundred pounds of fish, he gets a dollar a pound, he has \$100.00. We should develop, as we did in the old days, not that long ago, in the early 1970s, these impressed accounts at the community levels, where you would then provide him with a pay cheque, take the appropriate deductions, and 10 or 12 weeks down the road these people would then be able to access legitimately, unemployment insurance programs.

We have to think a little more creatively in terms of the way in which we do these programs. We have to look beyond the budget. We have to look at how can we tag people on to another program that is going to make them feel good about themselves, continue to pay their rent, and feed their families. I think this department has an equal responsibility, as other departments, and they should be looking at it. When they look at there fishery and there arts and crafts,

they should be looking at those kinds of fundamental changes.

Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, just for the record, the Minister responsible for Economic Development did make a commitment to look at increased authority at the regional level. In regards to the fishery, I think that the ongoing support from the Minister of Economic Development is certainly there.

On the S.T.E.P. program, that has been referred to the Department of Education, so official change has already taken place. As for the Business Credit Corporation, and the Standing Committee on Finance's very strong recommendation to make it arms length, I believe the Minister, Mr. Pollard, has made a commitment to move in that area as quick as possible, and also to replace the Chairman with an independent Chairman, as was suggested. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Madam Premier. Business development. Mr. Koe.

MR. KOE:

Thank you, Mr. Chairman. Can someone tell me where the cost of operating, managing and running the Expo '92 operations are recorded in this budget.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Koe. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, I am informed that if there is a profit or a loss, it would come under this section, business development. In this section here, however, there is a revolving fund that is a separate entity on how Expo was taken care of, in terms of their expenditures today, and the reporting nature of that particular fund. The Department of Economic Development would

have to report under the act. I would assume that now is the time to bring it up, because it is closest to the particular activity mandate of this section of Economic Development for the revolving fund.

CHAIRMAN (Mr. Ningark):

Thank you. Business development, total O and M. Mr. Koe.

MR. KOE:

Mahsi, there is no reference anywhere in this budget, under this section, to the revolving fund or to any of the expenditures or revenues from the operations. I am really curious if there is a separate entity called the revolving fund. Can we get documentation on that? Do you have documentation?

CHAIRMAN (Mr. Ningark):

Thank you. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, statements have been tabled monthly in this House regarding that revolving fund. The revolving fund is a separate piece of legislation, and we can provide additional information as well.

CHAIRMAN (Mr. Ningark):

Thank you. Business development, total O and M of \$12,724 million. Mr. Koe.

MR. KOE:

Thank you, Mr. Chairman. Will the monies being spent on Expo include the costs incurred by full-time staff, the resources, time, and energy, that they spent, will that be included in calculating the total costs of our Expo operation?

CHAIRMAN (Mr. Ningark):

Thank you. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, I would have to take that question, I know all direct costs are charged to that account, and I believe the question is if a person that is an employee, a regular employee, under the business development fund and salaried would that be charged against the account? I do not know that answer. I would have to find that out.

CHAIRMAN (Mr. Ningark):

Thank you. Business development. Mr. Koe.

MR. KOE:

Thank you. I did not expect an answer or numbers, but can the department then work out or inform this House sometime in the future of how much extra costs are being incurred by full-time staff, and other people in the territories devoted to Expo, the Expo operations.

CHAIRMAN (Mr. Ningark):

Thank you. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, I will make sure that those indirect costs get calculated for reference to this committee.

CHAIRMAN (Mr. Ningark):

Qujannamiik. Business development. Mr. Koe.

MR. KOE:

Just a couple of comments on the renewable resource sectors. In the speech yesterday mention was made of contributions to eight fishermen for turbot fishery, \$40,000 to seven char fishermen, and mention of the commercial fishery assistance to Great Slave fisheries, which I think is a freight subsidy.

What kind of priority does the department, or this government, have for the commercial fishing industry in Great Slave Lake?

CHAIRMAN (Mr. Ningark):

Thank you. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, because of the long-term establishment of the Great Slave Lake fishery, and because a subsidy has existed for some time, and the dependence of a number of fishermen, the Government of the Northwest Territories has always put the highest priority to maintaining that established fishery in Great Slave Lake.

CHAIRMAN (Mr. Ningark):

Okay, business development, Mr. Koe.

MR. KOE:

Why, then, earlier this spring before the summer fisheries started were so many of the Great Slave Lake fishermen concerned about the types of prices they were receiving for their catch? Many of the B class fishermen claimed that every time they went out they lost money, and they had to put up a lot of collateral, a lot of their own money to purchase new boats or new equipment, and they kept losing money. Why do they fish? I know that many of them are long-term residents, that is their whole livelihood, their whole life, and they are probably the hardest working people in terms of the type of industry they are in and, yet, we do not seem to give them direct support that, say, the turbot fisherman, or the char fishermen, get.

CHAIRMAN (Mr. Ningark):

Mahsi. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, I know over the years the Great Slave Lake fisheries development, as each year goes by, has a great deal of difficulty in keeping up with their net gain on a continuation of the fisheries. This year, there was \$700,000 in contributions, and this has been done annually, plus there has been capital assistance, and what is being maintained is that we are not keeping up. However, when I say the highest priority because the fishery was established, contributions have increased, and assistance has increased, however, the issue is it is very difficult for them to keep up and still be competitive with and through the Fresh Fish Marketing Corporation. There is still a problem here, there are continued meetings with the fishermen, and the department intends to continue to try to find ways and means where they can further be supported.

So it has been established for a long time, it is fisheries that have the longest ongoing contribution support on a yearly basis. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Business development, Member for Inuvik.

MR. KOE:

Thank you, Mr. Chairman. The fishermen, for many years, have raised the concern about the operations of the Fresh Water Fish Marketing Corporation and the prices that they receive from the corporation.

Some work or investigations were to be done on assisting the fishermen to look for new markets, or other ways of marketing their fish. What has been done in terms of those investigations?

CHAIRMAN (Mr. Ningark):

Thank you. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, there is a report that has been finalized, but in that report, there was not satisfaction that the work was not complete, so there is more work going on to try to reconcile that particular problem which I think that anyone who has been here, as far back as I can remember, has been struggling with this problem. The department can provide the Member with the work up to date, and they can assure you, that, certainly the fishermen are very actively pursuing, on a couple of fronts how they can gain a little more freedom in seeking their own market, and perhaps having a higher rate of return on their product.

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CHAIRMAN (Mr. Ningark):

Qujannamiik. Business development, Mr. Koe.

MR. KOE:

I would appreciate receiving that report. In terms of renewable resource strategy and our commercial renewable resource activities mention was made of several projects that are under way. It is an area that many of our people, uneducated people, who work with their hands and heads in terms of renewable resource products, depend on these resources.

There are more and, I guess, different types of strategies can be used to help these people develop and commercialize what they do best. I note in the changes to the operational plans for the department, there have been cuts, reductions in natural resources, deductions in the small tools contributions, and you have deleted the coordinator of Country Foods Position. All these, I assume, were there to enhance the development of commercial renewable resources. My question or concern is what strategy is being used by the department in the development of commercial renewable resource activities?

CHAIRMAN (Mr. Ningark):

Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, that position was a headquarters position, and the Department of Economic Development has devolved much of that responsibility to the various regions. The regions differ and vary in the stage of development of renewable resource production, and thoughts on marketing areas. There has not been anything taken away. It was an attempt to enhance the regional operations.

CHAIRMAN (Mr. Ningark):

Qujannamiik. Business development, Mr. Koe.

MR. KOE:

I do not assume a position was created in each region, or are there positions in each region to take over this one headquarters position?

CHAIRMAN (Mr. Ningark):

Thank you. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, in most regions these positions do exist, but not in all regions, and I just do not have that particular area. For example, in the Baffin there are extra resources put into that region in terms of the areas of fisheries development.

CHAIRMAN (Mr. Ningark):

Thank you. Business development, total O and M of \$12.724 million. Mr. Nerysoo.

MR. NERYSOO:

Thank you, Mr. Chairman. I just wanted to make a couple of comments, and I may, in fact, pose a number of questions. I want to make a couple of comments first.

I wanted, first of all, to deal with the matter of renewable resources. I, Mr. Chairman, and to the Government Leader, I have a bit of concern about the perception that we are creating a situation in the Northwest Territories where either groups or individuals are, in fact, developing monopolies on northern food products.

Now, maybe this is an incorrect perception, but I think we are asked to develop what we might say are our

special northern food products. We need an ability for as many of the people that can have access to northern foods to be able to access them. Now, I can say to you that each individual who wants to get involved in developing different types of products or specialized foods cannot do that without having access to the product. I would encourage our government to ensure, in fact I am going to probably be looking at a way where we do not have situation where there are monopoly circumstances that might exist, and if it needs to be legislated. I think that is what you are going to have to do.

I am not opposed to the idea of preferential treatments, however, I think that in circumstances and where it is possible, access to northern products has to be made available to as wide a range of people as we can. Firstly, those that want to be able to access the products have the capacity to do it, and those that we are selling it to, also have the ability to access those products.

The one other point I wanted to make, Mr. Chairman, is to the Government Leader. It is not for me to judge the character, or the ability of the Ministers to deal with the issues, that is not the issue I want to raise. I do want to raise a matter of fairness in the process of allowing individuals or companies to access dollars in the Department of Economic Development and Tourism. Particularly, as it relates to business development funding. I do not underestimate that there is fair consideration for all proposals, but I do want to try to encourage our government to get away from this idea of having the whole process of providing financial assistance whether or not it is in loans, contributions, or grants. Getting out of the political arena -- I say this because the most publicized loan authorization or financial proposal to date -- is one that has come out of Hay River, the Jane Groenewegen situation. I am not going to question how that certain situation was dealt with, but I would ask that our government deal with this issue, and try to resolve it one way, or the other. If there is a need to improve the proposal that has been made, then deal with that issue. I am just concerned. I do not for one minute suggest that there is no political consideration for proposals. I would be naive to make the suggestion that political circumstances may arise. I do say that in the case of business development in the north, that we, as a government, have to try to ensure the least amount of political interference, as possible. I do not question that judgement of our Ministers, it is their business and responsibility to make the decisions that are necessary. It does not

make any sense for us to be encouraging northern business development, if the proposals are going to be a matter of political debate. I just raise that to make sure in the future that you try to deal with these issues. I know that you have probably have been more successful in dealing with this issue, and keeping most other proposals out of the political arena, but I just ask that you try to address this particular matter. I assume that the Minister is trying to address it himself, and trying to resolve it fairly and reasonably. It is not a matter within my constituency, but it is a matter that has been raised publicly, and I would ask the Government Leader, and the Minister, to try to resolve this issue, one way, or the other. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

The time is 12:30 p.m. We will recess for lunch, and there is a meeting of the Standing Committee on Finance at 12:30. We will break for lunch until 1:30. I would like to thank the witnesses for this morning. We will meet back here at 1:30. Thank you.

---LUNCH BREAK

CHAIRMAN (Mr. Ningark):

Before we took time out for lunch, we were in the business development of Economic Development and Tourism. Madam Premier was in the process of responding to the honourable Mr. Nerysoo. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, I believe that the honourable Member was placing a situation before us that he felt should be looked at. I believe that it relates somewhat to the perception that, perhaps, a Business Development

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Corporation probably is not an arms length process. I do not believe that it had a requirement for an answer, but more of a statement that we should take into account.

CHAIRMAN (Mr. Nerysoo):

Thank you. Business development. Mr. Pudlat.

MR. PUDLAT:

(Translation) Thank you, Mr. Chairman. Regarding the Economic Development and Tourism budget, I

have seen some increases in the budget, but I have often thought, and my constituents have thought about the same thing, so I wanted to bring it up in this Session.

Hunters that hunt for food can utilize the food and they do not get any assistance. Trying to make it through carving, and I think in most of the communities in my constituency do try and make money out of carving, yet, there are a lot of people who do not carve, and they try and get welfare from Social Services. I do not want any of these programs to be cut.

This could greatly help the hunters, if they could start selling their harvest. For that reason, I would like to see more assistance given to the hunters who do not hold any jobs. It is very hard to try and earn a living. If we could start selling our harvest, this would help the hunters.

I have often thought about this, and I wanted to bring this issue, as to how we can, we have to try and have a study. Ever since I became a M.L.A. I have often thought of how I can help them. They have also been talking to me about how I can help my constituents. I have told them that I could try and help them, and try and give them more assistance, more financial assistance, especially to the hunters. If they could start selling their harvest, we have to see if we can get a feasibility study, and we have been told so many times, that we have to try live on our own. I have seen some reports, and we have often discussed those reports. We have often been told that we have to try and start living on our own, and I would be in support if we can start selling the harvest that the hunters obtain. It would greatly help them economically.

This is the comments that I wanted to make to the Department of Economic Development and Tourism. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

(Translation) Qujannamiik, Mr. Pudlat. Is there any more comments regarding the business development? (Translation ends)

Thank you. Business development, total O and M of \$12,724 million.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Economic development agreement, total O and M of \$9.367 million. Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Finance and administration, total O and M of \$1,469 million. Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Details of grants and contributions, grants \$410,000. Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Details of grants and contributions on page 17-17, contributions of \$14.872 million. Mr. Gargan.

MR. GARGAN:

Thank you, Mr. Chairman. Has the government come up with any programs to replace the Special A.R.D.A., or is there a new program within the department that is specifically designed for hunters and trappers.

CHAIRMAN (Mr. Ningark):

Mahsi Cho. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, the Special A.R.D.A. Program was a federal program that was not able to be renegotiated in the previous E.D.A. agreement. The federal government did not see fit to offer the option of renegotiating it. With the Economic Development Agreement there is a provision or a section in there that talks about traditional economy. So that can be accessed some of the particular programs that were done in the time that Special A.R.D.A. was there could be worked into this section under E.D.A. on traditional economy.

CHAIRMAN (Mr. Ningark):

Thank you. Contributions. Mr. Gargan.

MR. GARGAN:

Thank you, Mr. Chairman. This has been raised with the federal government, this program itself, like Special A.R.D.A. Did the department make no argument on why it should stay here or has there been any efforts made to try to keep the same kind of program as Special A.R.D.A.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Gargan. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, even though the program, Special A.R.D.A under that category, was not in the present E.D.A., the section under traditional economy does allow for a program similar to that, so we can give you the guidelines on that. It can allow for purchase of equipment and material for hunters and trappers.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Gargan.

MR. GARGAN:

Yesterday, Mr. Chairman, the whole question of traps was aired on C.B.C. with regard to the leg hold traps and carnivore traps. One of the things about those traps is that they big and they are bulky, and they are quite dangerous if you do not know how to handle it.

I am just wondering whether or not the government knows if they anticipated it being put into law, I believe, but have they ever addressed the issue of. You have a legal trap, it is just numbered different, like one, two, three traps, but they are not that bulky, and you could haul hundreds of them at one time. These convoy traps are pretty bulky things and they are heavy, and I am just wondering whether or not they did any review of the anticipation of that change that will take place. Will the department be able to assist those hunters and trappers that are going to be put in, this situation because of that change from leg hold trap to carnivore trap.

CHAIRMAN (Mr. Ningark):

Thank you. Madam Premier, are you responding to this?

HON. NELLIE COURNOYEA:

Yes. The question was brought and raised the other day. I have referred the question to the Minister of Renewable Resources who is preparing a response. There is a trapper exchange program, and an educational program as well, but some of that information will be given tomorrow. Apparently, there are some exemptions that will be helpful for the Northwest Territories, so there will be a

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statement tomorrow. In terms of trapper education there is a program available, and the exchange of traps also is a program that is made available. I know in discussing it with the Minister of Renewable Resources, he did say there were some exemptions, and I do not know if he is prepared to answer that now, or whether he will make a statement tomorrow if he gets the information together.

CHAIRMAN (Mr. Ningark):

Thank you. Contributions, Mr. Gargan.

MR. GARGAN:

Traditionally, hunters and trappers use toboggans, but with those new types of bulky traps, I would think they would have to use a citation, or a steel sled, or something, to carry all that bulky stuff. That was what I was trying to get at, but I do not know what she is referring to with "exemptions". I would think that because of the bulkiness, the wood tracking may be some way to assist the hunters and trappers get stronger equipment, so that they could maintain tradition.

The other thing is that with those new carnivore traps, you do kill the animal faster, but it also freezes faster too, so you are going to have bulky frozen animals that you try to fit into a sled, so that is different. The whole thing of trapping changes now because of the new method.

CHAIRMAN (Mr. Ningark):

Thank you. Contributions of \$14.872 million.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Over the page. Mr. Gargan.

MR. GARGAN:

With regard to community works programs, that S.T.E.P. program, it has been reduced by over half for this year. Is there a reason for that? Is it because of less applications, or less interest?

CHAIRMAN (Mr. Ningark):

Thank you. Madam Premier.

HON. NELLIE COURNOYEA:

From my recollection, Mr. Chairman, that figure you have in front of you is an ongoing figure and for the one year there was an increase, but it was only an increase for that one year. So the program has been transferred now, the base was always something like \$400,000, anyway, but last year we did top it up because of some of the concerns that the hunters and trappers were having. It was only for that one year so the base it still the same, but for one year we did put extra money in it. So the program now has been transferred to the Department of Education in the original amount.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Gargan.

MR. GARGAN:

So, this would not be reflected, this \$212,000 would not be reflected next year?

CHAIRMAN (Mr. Ningark):

Thank you. Madam Premier.

HON. NELLIE COURNOYEA:

The \$412,000, has been transferred to the Department of Education.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Member for Deh Cho.

MR. GARGAN:

Thank you, Mr. Chairman. The program itself, I do not know where the hunters and trappers come it, but it is the implement job creation projects in the communities, and I would think then that the program itself will change once it gets into the Department of

Education, right? It no longer would be job creation, but maybe a student job creation type of a program?

CHAIRMAN (Mr. Ningark):

Thank you. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, my understanding is the program has been transferred, and the terms of reference for that program have stayed the same.

CHAIRMAN (Mr. Ningark):

Qujannamiik. Contributions, Mr. Gargan.

MR. GARGAN:

The program itself, I agree, should stay in the Department of Economic Development and Tourism, but why Education?

CHAIRMAN (Mr. Ningark):

Thank you. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, I can bring you the reasons for that, there was a rationale that it should be Education, mainly with a lot of people going back to school, with adult education, trying to get back into jobs. So, because it was tied it appeared it would fit better there, because you are dealing with people newly into employment or seeking employment. The program remains the same.

CHAIRMAN (Mr. Ningark):

Thank you. Contributions of \$14.872 million. Mr. Gargan.

MR. GARGAN:

The Business Credit Corporation, last year it was over \$2 million, and this year it is \$154,000. What is the reason for that?

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Gargan. Madam Premier?

HON. NELLIE COURNOYEA:

Mr. Chairman, I will ask the Director of Finance, Jim Kennedy, to answer that question.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Kennedy.

MR. KENNEDY:

Thank you. During the 1991-92 fiscal year, there is a one time increase of \$2.4 million to cover the increase allowance for doubtful accounts, prior to the transfer to the Business Credit Corporation.

CHAIRMAN (Mr. Ningark):

Thank you. Contributions, Mr. Gargan.

MR. GARGAN:

So, the \$2.4 million from the previous year, then, was to cover unpaid loans?

CHAIRMAN (Mr. Ningark):

Mahsi. Madam Minister.

HON. NELLIE COURNOYEA:

Mr. Kennedy.

CHAIRMAN (Mr. Ningark):

Go ahead, Mr. Kennedy.

MR. KENNEDY:

We wanted to make sure that the loans were fully allowed for, so that the Business Credit Corporation would not inherit a white elephant. The loans that existed that were doubtful, were, in fact fully allowed for. So they are not written off, it is just that we made an excess allowance in the event that we do not collect on them. Right now we are still collecting on them, yes.

CHAIRMAN (Mr. Ningark):

Thank you. Contributions, on page 17-17. The total is \$14.872 million.

SOME HON. MEMBERS:

Agreed.

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CHAIRMAN (Mr. Ningark):

Mr. Gargan.

MR. GARGAN:

With regard to the Economic Development Agreement, Mr. Chairman, do you have a category to replace the special A.R.D.A. with the traditional economy, but you would not reflect that in this document. It is just a big number, like right now it is \$8.867 million. That is the overall agreement, but you do not section it off.

CHAIRMAN (Mr. Ningark):

Thank you. Madam Premier.

HON. NELLIE COURNOYEA:

Yes, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Contributions, \$14.872 million.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Grants and contributions of \$15.282 million.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Next page. Information item. Business loan. Mr. Gargan.

MR. GARGAN:

With regard to the provision on direct loans for business enterprise or loan guarantees, two financial institutions support the business community to develop in the N.W.T. economy. Last year you had \$20,000, for authorized limits, \$15 million for operating results, and this year there is nothing. Why is that?

CHAIRMAN (Mr. Ningark):

Thank you. Madam Minister.

HON. NELLIE COURNOYEA:

It has changed from the Business Loan Fund to the Business Credit Corporation, so that section does not exist anymore, it is in another section.

CHAIRMAN (Mr. Ningark):

Thank you. Information item, Business Loans and Guarantees Fund. Mr. Gargan.

MR. GARGAN:

Okay, since it has been changed from the Business Loan Fund to the Business Credit Corporation, why is it that it is zero according to the business loans, but 154, when it was transferred to the Business Credit Corporation?

CHAIRMAN (Mr. Ningark):

Thank you. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, I would like the Finance Director to answer that question. Mr. Kennedy.

MR. KENNEDY:

The Business Credit Corporation is a Crown corporation so it will show up in separate financial statements, as opposed to the Government of the Northwest Territories. It no longer exists as part of the G.N.W.T. accounting records.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Gargan.

MR. GARGAN:

Was this where we purchased that sawmill too, under this category?

CHAIRMAN (Mr. Ningark):

Mahsi. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, no. The sawmill was under the Business Development Corporation.

CHAIRMAN (Mr. Ningark):

Thank you. Information item, Business Loans and Guarantees Fund.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Next page, details of work performed on behalf of third parties.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Revenues, recoveries and transfer payments.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Page 17-22, distribution of budget.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Now back to page 17-7, program summary, total O and M \$34.228 million. Mr. Gargan.

MR. GARGAN:

Thank you, Mr. Chairman. Mr. Chairman, can I ask the Minister to provide me with information with regard to the Business Development Credit Corporation. I want to find out what the differences are.

CHAIRMAN (Mr. Ningark):

Thank you. Madam Premier.

HON. NELLIE COURNOYEA:

Yes, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. Program summary, total O and M \$34.228 million.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Now does the committee agree that we conclude with this budget.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Estimates, yes. What is the wish of the committee? Mr. Todd. Pardon me, I would like to thank the witnesses for spending this very valuable time with us. Mr. Todd.

MR. TODD:

Thank you, Mr. Chairman. Can we proceed with the next department, the Department of Finance, please?

CHAIRMAN (Mr. Ningark):

Does the committee agree that we proceed with the Department of Finance?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Madam Premier, you have opening remarks on behalf of the department. Mr. Todd.

MR. TODD:

I just want to be assured that it is not 55 pages, before she starts her opening remarks, Mr. Chairman.

---Laughter

CHAIRMAN (Mr. Ningark):

Thank you. I will leave that up to Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, it is 53.

---Laughter

Introductory Remarks, Department Of Finance

No, it is not that long. Thank you, Mr. Chairman. The 1992-93 budget of the Department of Finance

contains very limited forced growth funding. No new initiatives are being proposed.

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The department's service responsibility to all departments, and to many boards and agencies continues to be of high priority. During the upcoming year, the procedures and computer systems that support the financial operations of the government will need to be revised to accommodate the extensive reorganizations and decentralizations planned by many departments. These systems must be revised to ensure the processing of financial transactions in an efficient manner, and to meet the needs of the government.

Mr. Chairman, the department's budget reflects growth in the following areas:

- Interest expense related to borrowing to cover the projected cash deficit during the latter part of the 1992-93 fiscal year;
- Increased funding for power subsidy programs arising from volume and price increases in electrical power used by Government of the Northwest Territories' consumers outside of Yellowknife; and
- Increased cost in computer usage due to rate and volume changes being experienced by the central accounting system. This system is used by all departments, however, the budget is located in the Department of Finance.

In an effort to minimize the impact of these forced growth areas, a total of \$399,000 and 5.9 person years cuts were made to the department's budget.

An additional funding decrease of \$596,000 resulted from the reduction in interest required for the bonds issued to purchase the N.W.T. Power Corporation, since each year 10 percent of the principal is repaid.

In total, the department's budget will increase by only \$553,000 over the original 1991-92 Main Estimates.

Mr. Chairman, this budget represents a significant decrease in activity by the department over the 1991-92 fiscal year. In total the budget represents a decrease of \$1.975 million from the revised 1991-92 budget. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Madam Premier. Does the Standing Committee on Finance have any comments, on behalf of the Finance Committee?

MR. TODD:

Mr. Chairman, let me start off by saying that I am impressed. I hope the rest of the departments are that short and to the point.

Mr. Chairman, there are no real general comments with respect to the Department of Finance. We have three or four general motions, that we would like to approve this afternoon, and then we can get on to general comments and line by line, if I may.

CHAIRMAN (Mr. Ningark):

Mr. Todd, what was that, I was counting the Members. What was that? Proceed, Mr. Todd.

MR. TODD:

Thank you, Mr. Chairman. We have no general comments for the Department of Finance. We have a number of small motions that we would like to pass, then we can get on to general comments and line by line, if we can, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Proceed, Mr. Todd.

MR. TODD:

Thank you. I was curious, Mr. Chairman, I wondered when the former department was up, when there was some morse code going on between the red lights, we should vote for this, vote for that.

One of the concerns expressed by the Standing Committee on Finance, and not only with the financial department, but with other departments, was the managing for results system. The last Legislative Assembly approved two motions to integrate the management for results system with the main estimates process and human resource management system, and to engage the necessary expertise to evaluate the reasons why the M.R.S. has not yet been successfully implemented and take the necessary corrective action.

The government has agreed with both of these motions, however, they are not shown as objectives in the 1992-93 Main Estimates.

Committee Motion 197-12(2): To Adopt Recommendation No. 36

Therefore I move that the committee recommends that the Department of Finance list the following objectives in their 1993-94 Main Estimates.

1. To work with the Department of Personnel and develop a government wide human resource management system, complementary to the management for results system and its implementation;
2. To integrate the management for results system with the main estimates process, and;
3. To take the necessary corrective action to successfully implement the management for results system throughout the government.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Todd. Your motion is in order. To the motion. Question has been called. All those in favour? All those opposed? Motion is carried.

---Carried

Proceed, Mr. Todd.

MR. TODD:

Thank you, Mr. Chairman. One of the concerns expressed by the Standing Committee on Finance, not only with the Department of Finance, but with other departments, was in the computerization of government.

It seems to us that there is an enormous duplication of effort and as they say, the left hand did not seem to know what the right hand was doing. The committee is pleased to see that the Department of Finance is coordinating the development of a government wide informatics strategy. However, concern was expressed that the Department of Government Services, system and computer services division, seemed uninvolved. Further, that costs seemed to have gone out of control.

When we were going through department by department, there were enormous expenditures in computers in all the departments. It appeared to us that there was not an integrated approach to the thing. Clearly there is a need for a review. For example, the user costs for the government's financial information system has increased dramatically, and

departments reported that they are not getting the information that they require to properly manage. There must be some control on the cost increases. There must be an integration of the systems and it must be more effective.

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Committee Motion 198-12(2): To Adopt Recommendation No. 37

Therefore I move that the committee recommends that the Department of Finance prompt greater involvement of the systems and computer division in the development of an informatics strategy. Further, the Department of Finance should include an objective in the 1993-94 Main Estimates to review the cost efficiency of computer systems, integration and whether there are any abuses.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Todd. The motion is in order. To the motion. Question has been called. All those in favour? All those opposed? Motion is carried.

---Carried

Proceed, Mr. Todd.

MR. TODD:

On the boards and agencies liaison team, I could not even figure out what the heck this team did. Under the Department of Finance, there is a board and agencies liaison team, the committee believes that the further need for the board and agencies team has not been demonstrated.

Committee Motion 199-12(2): To Adopt Recommendation No. 38

I move that the committee recommends that the Department of Finance discontinue funding this board and agencies liaison team in the 1993-94 Main Estimates.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Todd. Your motion is respectfully in order. To the motion. All those in favour? All those opposed? Motion is carried.

---Carried

Continue, Mr. Todd.

MR. TODD:

As with all other departments, there is a clear requirement for measuring output and the effect. The committee wishes to know what the department is going to accomplish with the money put into the finance programs.

Committee Motion 200-12(2): To Adopt Recommendation No. 39

Therefore I move that the committee recommends that the Department of Finance report as a minimum, the following performance measurements in the 1993-94 Main Estimates:

1. An indicator of level of satisfaction of departments and agencies with the Finance Departments support;
2. Success of accessing new resources of revenue and capital;
3. Success of managing for results on a government wide basis, including results of program evaluations; and,
4. The production of timely and accurate financial statements and forecasts.

CHAIRMAN (Mr. Ningark):

Thank you. The motion is in order. To the motion. Question has been called. All those in favour? All those opposed? Motion is carried.

---Carried

Mr. Todd.

MR. TODD:

No, Mr. Chairman, I have no further motions. If we may, I would like to proceed with the general comments, and then line by line.

CHAIRMAN (Mr. Ningark):

Department of Finance, general comments? Line by line, page by page, thank you. We are on page 4-8. Department of Finance, activity summary, directorate, total O and M of \$2.306 million. Mr. Todd.

MR. TODD:

Could we ask the Minister responsible to sit in the witness chair and bring along her witnesses?

CHAIRMAN (Mr. Ningark):

Thank you. Can we have the concurrence of the committee to have Madam Minister bring in her witnesses.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Proceed, Madam Minister. Madam Premier, for the record would you introduce the witnesses to the committee?

Department Of Finance

HON. NELLIE COURNOYEA:

Mr. Chairman, we have the Secretary to the Financial Management Board, Lew Voytilla, and the Deputy Minister of Finance, Eric Nielsen.

CHAIRMAN (Mr. Ningark):

We are on the directorate, total O and M of \$2.306 million. Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Revenue and asset management, total O and M \$2.285 million. Mr. Nerysoo.

MR. NERYSOO:

Thank you, Mr. Chairman. I have to go back and read some of the comments that have been made with regard to revenue, I hope that this Assembly or this government has not started implemented or made any remarks to maybe, Mr. Bush, and that is that there are no new taxes, because I think that, in fact, the payroll tax is a new tax. It could cause concern, I know that there are some who will argue for it, and then there are many who will argue against it. The suggestion that some make is that it is a good tax because it applies to everyone, but that is simply not good enough. I would always assume that the payroll tax was intended to apply to those who were non-residents and were working in the north, and would be actually paying money back into the Northwest Territories.

If that is the case, then I may not have a problem with it, but I do have a number of concerns. Firstly, the credit issue has not been clarified for us. It has not been made public in terms of the process, the issues that were related to the credit, how people could apply for it, and how people would have it paid back to them. That has not been cleared up, it has not been stated in this Assembly.

The other point is if you are now developing a new form for small businesses then I hope that it is a simple form, that it is not complicated. I would have hoped that maybe the department could have researched whether or not there were computer systems, or packages, that could have been used to implement the tax, so that it would make it very simple for northern businesses to implement the tax, and the costs would be reduced.

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The other point is, in the long-term is whether or not we have done the assessments or research on businesses to find out if the implementation of this tax would not be a financial burden on those small companies. In some cases you are talking about a small company in my community, and I know that the Government Leader knows the individual, Neil Colin, for instance, who does not have a great deal of financial expertise.

Well, these are people who still have to pay these taxes because they are paying individuals out of their companies. I am not sure, and I have not heard yet, how we were going to deal with those types of companies. Maybe at some time, and I do not know if it is necessary today, there should be a clear statement in the Assembly to the people of the Northwest Territories as to how this is going to work and how they intend to implement it, the forms that are going to be made available to the small business community.

It is not clear yet, for me, how this will be implemented. I think it is necessary and only fair, if we are to support the tax, that it is incumbent upon us to, at least, inform our small business community. I do not know if that has been done yet, I do not know if notices have been sent out.

I believe that the implementation date is July of next year, so it gives us time between now and then to work all of these problems out, but I am just saying to you that it has not been clear. I hope that, between now and the budget session, all of these things can

be worked out, so that the small business community in the north, or all of the business community, never mind just small business, but all business can be aware of what it is they have to do, the most simple terms available.

That is all I wanted to say, I am not opposed to it. I just wanted to make those remarks about the implementation of the tax that you are proposing.

CHAIRMAN (Mr. Ningark):

Thank you. Revenue and assets management, total O and M \$2.285 million.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Over the page. Government accounting, total O and M \$8.945 million.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

The next page. Fiscal policy, total O and M \$730,000.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Debt financing, total O and M \$4.160 million.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Tax administration, total O and M \$504,000. Mr. Dent.

MR. DENT:

In tax administration, I was wondering if the department had made an estimate of the cost of administering the payroll tax yet?

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Dent. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, the preliminary estimates on the intelligence that can be gathered, because we have not done it before, is \$200,000.

CHAIRMAN (Mr. Ningark):

Thank you. Tax administration. Mr. Nerysoo.

MR. NERYSOO:

Thank you, Mr. Chairman. Maybe we will have to deal with it under Municipal and Community Affairs, the ongoing property and assessment tax and the rebate. I will just leave that until Municipal and Community Affairs. The other point I wanted to make is in terms of estimated costs. I hope that if we are continuing to proceed with the payroll tax, that there is an advantage to us. We do not want to have a situation where we pay a great deal of cost in administration, as a government, or for that matter in the small business community, and there is no value to implementing this particular tax.

CHAIRMAN (Mr. Ningark):

Thank you. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, if the honourable Member may recall, about three years ago, there was a tax reform paper circulated quite widely. Although there were not as many responses as a government would like to see, certainly in the feedback, all of the points that the honourable Member has given this afternoon, the responses have touched on that. We are aware that this has to be simplified, and it should not be complicated.

Certainly, in the government's ability over the number of years to try to raise some revenue, or place some revenue initiatives, we have had a difficult time. Often times, when you are netting out, you are really causing more difficulty than benefit. What was projected, as a net benefit, after the necessary top was taken off, is \$11.500 million, so that is what the net benefit is estimated as, at this present time.

CHAIRMAN (Mr. Ningark):

Thank you. Tax administration, total O and M \$504,000.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Management accounting services, total O and M \$1.260 million.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Financial Management Board Secretariat, total O and M \$1.483 million.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Details of grants and contributions. Contributions, \$3.5 million.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Grants and contributions, \$3.500 million.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Okay. Detail of work performed on behalf of third parties.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Next page, revenues, recoveries and transfer payments.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Distribution of budget.

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SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Back to 04-7, program summary.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Where are we? Program summary.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Total O and M of \$21.673 million.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

It was not my fault. Somebody forgot to mark it for me. Thank you. Is the committee agreed that this item be concluded?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, on behalf of our not-too-well Minister of Finance Mr. Pollard, and the staff, we would like to thank the Standing Committee on Finance on generating where we are to this day. I would like to thank everyone who took the time and effort to take us this far in our overall government financial planning. Thank you.

---Applause

CHAIRMAN (Mr. Ningark):

Thank you. On behalf of the committee, I would like to thank the witnesses. Now what is the wish of the committee. We seem to be moving along smoothly today. Mr. Todd.

MR. TODD:

Mr. Chairman, let us keep it moving. Let us proceed to the N.W.T. Housing Corporation, and I would think the gang of eight, I believe. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Is the committee agreed that we will be dealing with the N.W.T. Housing Corporation?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Mr. Minister for Housing, please, your opening remark.

Opening Remarks, Northwest Territories Housing Corporation

HON. DON MORIN:

Thank you, Mr. Chairman.

I am pleased to appear before the committee of the whole today to present a 1992-93 Main Estimates for the N.W.T. Housing Corporation.

The mandate of the N.W.T. Housing Corporation is to help the people of the N.W.T. acquire and maintain adequate, suitable and affordable shelter, in accordance with their needs and at a reasonable cost.

All social housing programs delivered by the N.W.T. Housing Corporation are designed to provide housing that meets these basic criteria. In the current climate of fiscal restraint, it is very important that the N.W.T. Housing Corporation deliver its programs in a way that makes the most and best use of its resources, to provide as much housing as possible.

Earlier in this session, I tabled the results of the 1992 Housing Needs Survey. I would like to take a few minutes to talk about the needs survey because it will help explain how the corporation makes decisions about where houses are needed most.

The 1992 Housing Needs Survey is the most comprehensive survey of housing ever undertaken in the Northwest Territories. I am very pleased with the quality of information contained in the study, Mr. Chairman, and I am confident that it provides an objective and accurate description of northern housing requirements.

Before talking about the results of the survey, I would like to acknowledge the tremendous effort made by communities across the N.W.T. to provide good information for the survey.

Members are probably aware that local people were hired to go door-to-door in communities with staff from the corporation to collect information.

CHAIRMAN (Mr. Nerysoo):

Excuse me, Mr. Morin. Would you slow down, please?

HON. DON MORIN:

Thank you, Mr. Chairman.

The surveyors managed to contact over 90 percent of all households in the N.W.T., a total of 14,536 households in all. I think the surveyors did a tremendous job and they deserve credit for making sure the corporation got complete and accurate data from their communities.

In analysing the results of housing surveys, it is standard practice to make assumptions about what the people who were surveyed need. A classic example is the assumption that every adult couple needs a house of their own. The 1992 Needs Survey did not make this assumption, Mr. Chairman. Instead, people were asked to indicate their housing preference, and many of them said that they prefer the living in extended family situations. This makes a real difference in the size and number of houses allocated to the community, and I think it is a big improvement on past methods of determining the size of the units required.

Every Member in this House know a lot about housing problems, because we hear about them and see them in each of our constituencies on a regular basis. The value of the survey lies in the fact that it provides a fair basis for making decisions about which communities get housing, how much, and of what type. Money for housing programs is scarce, and demand is high, so we must make sure that the dollars are spent where they are most needed.

The survey results also deliver a serious message, Mr. Chairman, and it is this, despite the considerable effort made by this government in partnership with Canada Mortgage and Housing Corporation to deliver 400 new units per year for the last two years we are still in need of over 3,500 units.

The last housing survey conducted by the corporation in 1990 identified a territorial shortage of 3,136 housing units. The 1992 survey found 3,584 households in need. This represents an increase of about 14 percent. Part of the reason for this increase is because more households were surveyed this year than in 1990, but there is no doubt that the number of households in need has grown.

This new number, 3,584 households, also includes houses that could be brought up to standard through repair, rather than replacement.

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The shortage of housing causes me great concern, and I know it is of concern to every Member of this House. We are not making the gains on the housing shortfall that we expected, although this government commits more of its budget to housing than any other jurisdiction in Canada.

Members know that it is very expensive to deliver housing in communities. We are looking at our housing designs and standards to make sure we are doing all we can to minimize the costs that are within our control.

In addition to escalating costs, our population is growing. The N.W.T. birthrate is twice the national average. The needs survey confirms the 1991 census figure that about 40 percent of the N.W.T. population is under the age of 19. These young people are growing up and having families of their own, and so the demand for more housing is increasing.

The downturn in the N.W.T. economy is also contributing to the need for more social housing. Unemployment is a serious problem in many communities, and unemployed people generally do not have enough income to get into, or sustain, private homeownership.

Mr. Chairman, I could spend more time talking about the unique conditions we have here in the N.W.T., that make the delivery of social housing so challenging, particularly in these times of tight money.

Many of these concerns have already been expressed by Members during this session, in response to the recent decision by the federal Cabinet to proceed with substantial reductions in C.M.H.C.'s contribution towards new social housing construction in the N.W.T. over the next two years.

Members are aware the C.M.H.C. reduced the N.W.T.'s allocation of new units by 15 percent in 1990-91. In 1991-92, C.M.H.C. also implemented a new way of funding housing programs. In the past, the corporation negotiated with C.M.H.C. to provide funding for a certain number of units per year.

The new funding model is based on a capped, total dollar commitment, not on the number of units. This means that C.M.H.C. gives us a certain amount of money, and no more, and it is up to us to build as many units as we can with it.

In February, 1992, Mr. Chairman, the federal budget cut social housing programs back even more. Right across Canada, the federal government has reduced its contributions to social housing programs and the cutbacks are significant.

These reductions will:

1. Hold growth of the federal social housing budget to a maximum three percent increase, with no allowance for inflation. The cost of inflation must be funded from within the three percent growth factor;
2. Reduce the funding available for new social housing construction by 22 percent in 1992 and a further 36 percent in 1993; and,
3. Place ceilings on the amount of funding to operate and maintain both existing and new social housing stock.

Mr. Chairman, I cannot overemphasize how serious these federal spending cuts are. If C.M.H.C. funds decrease to the extent expected, the result will be immediate, and it will be dramatic.

I want to assure Members that we have been working hard on several fronts to get our funding reinstated to its former levels. When I met with the Standing Committee on Finance, in July, to review these main estimates, I told Members that we were engaged in serious and intense negotiations with C.M.H.C..

These efforts began right after the cuts were announced in the federal budget. In April, I attended a special meeting of provincial and territorial Housing

Ministers to discuss the implications of the cuts. This was followed in June by a meeting between myself and the federal Minister responsible for C.M.H.C., the Honourable Elmer MacKay. Minister MacKay listened carefully to what we had to say about our unique situation in the N.W.T., and we were able to convince him that our needs were urgent.

Other Ministers in this government including the Government Leader, the Finance Minister, and the Minister of Intergovernmental and Aboriginal Affairs, have made extraordinary efforts to seek help from their federal counterparts in this very important matter.

Also in June, at a meeting of federal, provincial and territorial housing Ministers, I urged the federal Minister and my colleagues in other jurisdictions to recognize the unique and urgent housing requirements of the N.W.T. We got a positive and supportive response at that meeting, and this helped persuade the federal Minister responsible for C.M.H.C., the Honourable Elmer MacKay, to ask Cabinet to address the funding shortage for new housing construction for the N.W.T., and the Yukon, on a priority basis.

I received word of federal Cabinet's decision not to reinstate social housing funding on Tuesday, September 15. As Members are aware the federal Cabinet's decision was communicated to Members the next day in my emergency statement to this House.

Although the response from the federal Cabinet was negative, we are not giving up.

I have written to my federal counterpart, the Honourable Elmer MacKay to ask for his continued support as we pursue this matter with his Cabinet colleagues. Madam Premier has written to the Prime Minister to request an urgent meeting to impress upon him, and the Cabinet, the devastating impact that these budget cuts will have on needy people in the N.W.T. We are moving quickly to build support for our case on a number of fronts, and we will keep on fighting for full reinstatement of the social housing budget for the N.W.T. We cannot give up, Mr. Chairman, and with the support of this House I hope we will ultimately be successful in restoring the much needed funding for social housing in the N.W.T.

Despite the uncertainty surrounding future funding, Members will not see any impact of the federal cuts in the 1992-93 main estimates before them. When the

federal government's intention to cut back the social housing budget was first announced last February, many of the 1992-93 projects had already been committed.

We made the decision to proceed with the delivery of 372 cost-shared units this year, for the simple reason that we need each and every one of those units now. If our funding ends up being cut after all, we will all have to work hard to come up with creative solutions to what will be a very difficult problem. The corporation is already working on a strategy for maximizing delivery under reduced funding conditions in 1993-94, should it prove necessary. For 1992-93, however, the corporation is ready, and able, to deliver all of the planned units and they are all needed now.

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Although we are faced with challenges and difficulties, I am confident that we will continue to make progress in 1992-93, through a number of positive initiatives.

I have directed the corporation to explore new options for providing housing. This year, the corporation is reviewing all its programs. There has been some consultation with communities on housing matters in the past, and there will be more in the future.

As new housing options are developed by the corporation in the months ahead, I will continue to seek the advice of Members of this Assembly, and people in the communities.

I have also directed the corporation to develop a framework for increasing consultation with housing associations and authorities, community governments, band councils and M.L.A.s. I want to ensure that the new programs we develop are acceptable to people, and will address their real needs.

People in the communities, and many Members in this House have told me that new homeownership programs are needed. Mr. Chairman, I completely agree, and it comes as no surprise that the survey has also confirmed this. People who rent their housing were asked whether they would like to become home owners in the future. The answers to that question were compared with people's income information, to determine how many could actually afford homeownership.

This is important, because we have many people who want to gain the independence and security of

homeownership, but they earn too much, or too little income, to be eligible for the H.A.P. program, in its current form. In response to public demands for greater access to homeownership programs, the corporation has been revising the H.A.P. program so that more people can become home owners. As with all the corporation's programs, assistance will be given in accordance with individual need.

I am a firm believer in the benefits of homeownership for those who can afford it, Mr. Chairman. Homeownership offers people independence and security, but we must recognize that there are many people in our communities who simply cannot afford it. For these people, public housing must continue to be available to ensure families have decent housing, at a reasonable cost.

I have asked the corporation to look at how it can strengthen its relationships with communities, so that more responsibility for managing public housing can be transferred to the local level. The corporation is coordinating its work with the G.N.W.T.'s overall community transfer initiative.

I expect our work on this priority issue to be completed in 1993-94, and I can assure Members that consultation at the levels I mentioned earlier will be an important part of the process.

The way housing is delivered to communities is vitally important. One of the initiatives we are implementing in 1992-93 is an expansion of the rent supplement program, which will be delivered in Yellowknife, Hay River, Fort Simpson, Fort Smith and Iqaluit.

Under this program, the corporation can guarantee a long-term lease to a private landlord for a specific number of public housing units. These units can be detached or in apartment buildings. The corporation pays the landlord the lease price for the units, and charges tenants rent according to income. The difference in the rent charged by the landlord, and rent collected by the corporation, is cost-shared, with C.M.H.C. picking up 75 percent of the subsidy.

Depending on location, delivering housing through the rent supplement program can be cheaper than having the corporation build and own new housing units. There are obvious incentives for private developers under the program, as well.

If we can stimulate private sector development through the delivery of social housing, I think this provides a great benefit to the community as a whole.

Earlier this year, I was pleased to announce in this House that we had been successful in convincing C.M.H.C. to allow the application of the G.N.W.T. Business Incentive Policy on cost-shared housing contracts. This has resulted in increased opportunities for Northern and local businesses, and we should start seeing results in 1992-93.

The corporation is monitoring the application of the B.I.P. on its projects, and I look forward to reporting later to this House on the benefits received.

Housing construction must provide more jobs to local people in the communities. To achieve this, I am wearing my two hats, for Housing and for D.P.W., and working with the Minister of Education and the N.W.T. Construction Association. We are developing a strategy for G.N.W.T. capital construction projects for training northerners in the construction trades. By combining the efforts of all government departments involved in capital construction with private sector contractors, we will be able to provide expanded trades training and certification for local residents.

This will help create a skilled local work-force for the construction industry. The corporation will be expanding this initiative in 1993-94. Our goal is to ensure that communities get the maximum economic benefit out of housing construction projects, not just in the short-term through seasonal employment, but also in the long-term through the development of the construction industry.

We are also tendering our projects in a number of ways, Mr. Chairman, to maximize opportunities for local involvement. Projects are being delivered in a number of ways, labour only, ship and erect contracts, design/build contracts and projects where the corporation will be the project manager.

Mr. Chairman, I am asking Members today to approve a total 1992-93 O and M budget for the N.W.T. Housing Corporation in the amount of \$98.493 million. The G.N.W.T.'s share is \$53.732 million, as we expect a contribution from C.M.H.C. of \$42.351 million, and miscellaneous revenue of \$2.4 million.

The corporation is doing a lot of developmental work in 1992-93, and many of the initiatives and improvements I talked about today, will not be implemented until 1993-94. However, it is important to lay a solid foundation to allow us to face the challenges of today and tomorrow. With the support and advice of Members of this House, and all the people of the N.W.T., Mr. Chairman, I am confident

that we can meet these challenges creatively and effectively. Thank you, Mr. Chairman.

---Applause

CHAIRMAN (Mr. Nerysoo):

Thank you. Mr. Dent, the Standing Committee on Finance.

MR. DENT:

Thank you, Mr. Chairman. My remarks were a lot more complimentary before we had to listen to 47 pages. Mr. Chairman, the Standing Committee on Finance is generally very supportive of the manner

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in which the corporation is operating.

It has demonstrated a refreshing openness, and willingness, to react to changing conditions and needs. We particularly appreciate the nickname given the Minister in the press. We think, Mr. Teflon is quite appropriate.

The corporation appears to take its responsibilities seriously and understand the need to get more northerners involved in the business of building houses. We think that is extremely important. We have heard the corporation agree that standards need to be re-examined, and changes need to be made to ensure that we build the largest number of houses for the best possible cost, both social housing, and H.A.P. units.

Given the recent allegations in the press about H.A.P. houses being over designed, we will, at the committee, be watching with interest to see how the corporation reacts.

Mr. Chairman, we do not have a great number of comments to make, but we do have some resolutions that we would like to present regarding the Housing Corporation budget.

The first one has to deal with their corporate plan or strategy. The committee has previously recommended the development of:

1. A ten year plan to eliminate the public housing shortage;
2. A credible housing needs survey to ensure equitable allocations of housing units;

3. An action plan to ensure problems in the corporation are corrected;
4. A plan to build more apartment type units;
5. A pilot project to devolve responsibility for the construction of public housing to authorities and associations; and
6. A plan to amalgamate housing associations with municipalities.

Mr. Chairman, except for completion of the survey, none of these items are reflected in the corporation's goals or objectives in the main estimates. The corporation has indicated that these are in various stages of review or completion, but no deadlines have been given.

While the committee is pleased with the corporation's progress, it feels there needs to be some finality. The committee continues to have concerns with the equitable distribution of housing units and dollars, and feels that devolution of headquarters and district functions, to associations authorities is not receiving a high enough priority.

Committee Motion 201-12(2): To Adopt Recommendation No. 64

Therefore I move that the committee recommends that the 1993-94 Main Estimates of the Housing Corporation include completion of the following items, or follow through in its objectives by October, 1993:

1. A 10 year plan to eliminate the public housing shortage;
2. A credible housing needs survey and plan to ensure equitable allocation of housing units;
3. A plan to ensure problems in the corporation are corrected;
4. A plan to build more apartment type units;
5. A plan to devolve more responsibility, for example, the construction of public housing to authorities and associations; and
6. A plan to amalgamate housing associations with municipalities.

CHAIRMAN (Mr. Nerysoo):

Thank you. The motion is in order. To the motion. Question has been called. All those in favour? All those opposed? Motion is carried.

---Carried

Mr. Dent.

MR. DENT:

Thank you, Mr. Chairman. Our second resolution has to do with new sources of financing public housing. The Minister referred to his statement a couple of weeks ago, announcing that the federal government had severely cut back on their financing for social housing. I think we are all aware of how serious this situation is.

Currently the supply of public housing resources falls far short of the demand in the Northwest Territories. The committee believes there is a need to explore creative ways that we can raise financing. For example, the committee has taken the initiative to look into the possibilities of attracting offshore investment for badly needed public housing across the Northwest Territories. Other sources include expansion of the rent supplement program, and encouragement of the development of local housing markets.

Committee Motion 202-12(2): To Adopt Recommendation No. 65

Therefore I move that this committee recommends that the N.W.T. Housing Corporation initiate objectives, in the 1993-94 Main Estimates, to actively pursue new sources of financing public housing and expand the rent supplement program.

CHAIRMAN (Mr. Nerysoo):

Thank you. The motion is in order. To the motion. Question has been called. All those in favour? All those opposed? Motion is carried.

---Carried

Mr. Dent.

MR. DENT:

Thank you, Mr. Chairman. The third resolution from the Standing Committee on Finance has to deal with what we see as a system lacking incentive to going to work. Currently there is a minimum public housing rent of \$32 per month for the unemployed, a

maximum of the lower of fair market rent, or 30 percent of gross income for the employed. Some tenants may find that the way the current system is applied, it offers no incentive to go to work.

Committee Motion 203-12(2): To Adopt Recommendation No. 66

Therefore I move that this committee recommends that the N.W.T. Housing Corporation policies be redesigned, incorporating public participation and community development strategies to encourage employment and homeownership.

CHAIRMAN (Mr. Nerysoo):

Thank you. Motion is in order. To the motion. Question has been called. All those in favour? All those opposed? Motion is carried.

---Carried

Mr. Dent.

MR. DENT:

Our next resolution, Mr. Chairman, has to do with measuring output and effect. The committee wishes to know what the corporation will accomplish with

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the money put into public housing programs.

Committee Motion 204-12(2): To Adopt Recommendation No. 67

Therefore I move that this committee recommends that the N.W.T. Housing Corporation report as a minimum the following performance measurements in the 1993-94 Main Estimates:

1. Public housing demand, supply and shortfall, shown as historic, current and projected, in units and dollars;
2. Average public housing, capital and operating costs by community;
3. Extensive local employment and expenditures in public housing construction;
4. An indicator of the level of user satisfaction with public housing; and

5. An indicator of the level of performance of associations and authorities and their satisfaction with corporation support.

CHAIRMAN (Mr. Nerysoo):

Thank you. Motion is in order. To the motion. Question has been called. All those in favour? All those opposed? Motion is carried.

---Carried

Mr. Dent.

MR. DENT:

Thank you, Mr. Chairman. That completes the resolutions from the Standing Committee on Finance.

CHAIRMAN (Mr. Nerysoo):

Thank you. If I could indicate to Members in the House that we have visitors in our Gallery, there are students from the Sir John Franklin High School, grade 10 English class, they are accompanied by their instructors, Marilyn Colborne and Lynn German. Welcome.

---Applause

That concludes the remarks from the Standing Committee on Finance, and the Minister. Is it the wish of the committee that we bring in witnesses?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Thank you. Mr. Sergeant-at-Arms, can you escort the witnesses in, please?

Thank you. If I could call the committee to order. Mr. Minister, could you introduce your witnesses, please?

Northwest Territories Housing Corporation

HON. DON MORIN:

Thank you, Mr. Chairman. To my left is Larry Elkin, President of the Northwest Territories Housing Corporation. To my right is Jim Pratt, Vice-President of Finance, Housing Corporation.

CHAIRMAN (Mr. Nerysoo):

I was on the verge of sneezing here, but there is no sneezing allowed in this Assembly. Just one comment I wanted to make, there are basically two pages of activities here, I should say, one page and then one dealing with contributions. However, what I will do is go to the information items, where it deals with the Housing Corporation, broken down into its departments, and we can go through that, and then come back and conclude the actual activity, itself.

Is that okay with the committee?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Thank you. We will deal with general comments. Are we agreed, there are no general comments? Mr. Todd.

MR. TODD:

He may be Mr. Teflon, but we are not going to let him get away with it.

---Laughter

He brought so many people here, the least we could do is ask them questions. Mr. Chairman, I think that most of this has been said in the past, and some in resolutions. I think that it is important, at least in my perspective, that one of the directions that we gave to the Housing Corporation is that we have got to look at alternative sources of funding.

I do not think we can down play that, I do not think it is just the Housing Corporation, I think it is the whole G.N.W.T. We have been too long, wards of the state, as they say. I think it is important that, at the senior management level, they find the time and energy to try and determine how other jurisdictions go about building housing.

If we continue on the same track that we are going, there is no resolve to the current problem, we are just going to be in a chaotic mess. Never mind the human costs of not being able to provide housing for people, there is an economic component attached to it. Let us not discount that. You know what kind of jobs, what kind of economic activity, takes place when you are building these houses in the small communities, that will undoubtedly not be there, therefore somebody has to pick up the slack, therefore, it is a cost to the G.N.W.T.

From my perspective, I feel that should be on the top of the list of priorities. As was indicated earlier, by Mr. Dent, the Standing Committee on Finance is looking, at the present time, at some creative ways in which to provide the Housing Corporation with some advice on alternative sources of funding.

With respect to more cost-effective design, we all read the newspapers, but some of us who are more knowledgeable, know that we can, in fact, build houses cheaper than how we have built them in the past. There has to be a more open attitude to this.

More importantly, one of the frustrations that I have had over the years, in my former life as a contractor, was the total lack of involvement of the contractors when you were trying to determine how you can more cost-effectively build housing. I found it very frustrating, why would not you go to the people who know most about how to build houses?

I understand that the Minister is putting forward workshops, I will beat you to the punch there, Mr. Elkin, to determine this, but the fact of the matter is, in the past it has not happened. I am pleased to see that it is going to happen in the future, and I hope it will be an ongoing process.

I think, if we stick to what we are doing, and modify it, make some of the changes that are necessary, we are a long way in terms of making housing more cost-effective. I think we are on the right track, when it comes to involving northern contractors, I have said that to the Minister before, and I hope he will continue the way he is going.

Clearly, and I can say here publicly that I am as guilty as anyone else in the past of perhaps not involving northerners as much as we should. With this new integrated approach, I hope that the current trend

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towards ensuring that northerners get the opportunity to build these houses, with some important conditions, continues.

Again, I think the Minister and Mr. Elkin should be congratulated for those efforts and it is not often that I give out compliments. I am not convinced however, that the previous staff necessarily saw this as a priority. I think that, under the previous jurisdiction they saw their mandate as merely building houses, rather than looking at the greater good of the Northwest Territories.

I did express in committee my concern with respect to the H.A.P. houses versus the public housing, and I know you did address it in your speech. I am concerned that we must ensure that there is adequate public housing for those that cannot afford to be in the homeownership program, and there are many of them in all of our jurisdictions.

The desire to build eight H.A.P.s versus one public house, I can understand, but it should not be to the detriment of those who need it most. I cannot stress that enough. I think we need to ensure that we do not get carried away with trying to build more houses, to the detriment of the people who desperately need housing.

I have two questions. One is, I would like to know at what point the Minister will be in a position to tell us how many public housing and H.A.P. units are going to come forward. The second would be the new criteria that you are setting for H.A.P., when will that come forward. These are two, very important, fundamental questions that have to be answered. I wonder if I can get those answered first, Mr. Chairman.

CHAIRMAN (Mr. Pudluk):

Thank you. Mr. Minister.

HON. DON MORIN:

Thank you, Mr. Chairman. Within the next month, we will be coming forward with how many houses we are building next year. As well, the new programs should be within the next six weeks. We have to do community consultation on everything. That takes some time, but it is good time spent, so that you do develop programs that will meet people's needs. People should have some input, as well as Members of this Assembly.

The route I am taking is to design these programs is to get the community consultation, and put them into gear for next year. It is a pilot project type arrangement, but it will be done throughout the Northwest Territories, fine tune them, and then implement them fully for the following year.

Let me assure you that there will be changes to the program, and they will take into consideration all of the issues Members have brought up. I also would just like to say that I am looking forward to this advice and financing from the Finance Committee, that the Member mentioned, and alternate ways of financing

some of the programs, and some of the housing, as we are working on design change. There are some things that can be changed in the design of our units, we should be able to build them cheaper. We are going to have a workshop in the east, and in the west. We will be inviting contractors, private business men, H.A.P. supervisors, that actually put the units together, to get their input into it, so that it will make them easier and cheaper to build.

Let me assure you that these initiatives, that we have stated, are high priorities of the Housing Corporation.

CHAIRMAN (Mr. Pudluk):

Thank you, Mr. Todd.

MR. TODD:

Thank you, Mr. Chairman. I do not want to go on with the debate. There are just one or two other issues that I think are important also.

One of the areas I think, I am a strong regionalist, as most people know, and I think that the Housing Corporation, in an effort to improve its efficiency, particularly at these levels, have to give more authority.

I have talked about this in economic development, and in my opinion, it is no different in the Housing Corporation. You cannot have project managers supervising million dollar jobs, having \$1500, or \$5000, spending authority. They simply cannot effectively manage the projects, and I can tell you through talking from experience, I know this, and I know it well. You have to give serious consideration to improving the spending authority, if you want, and I think ultimately that will increase your efficiency, because decisions are made in the area where they are most knowledgeable, in my opinion.

On the ultimate sources of funding, I am not sure if this is going to get me in hot water or not but there is a \$20 million shortfall right now, and we are sitting with \$125 million in the W.C.B. It may be appropriate that you talk to the Minister of the W.C.B., and see if you can convince him to give you \$20 million. After all, most of that money was contributed by northern business. I think that sometimes we look so far, yet if we look a little nearer, we, in fact, may find a solution to our problem. Maybe with some guarantees, the Board of Directors for the W.C.B. may be prepared to lend money to the Housing Corporation to build the 253 units that appear to be short.

So that is just one little, in my opinion, area that I think, with some creative thinking, we could possibly do that. Let me say, at the risk of sounding benevolent, I personally have been a strong antagonist of the Housing Corporation for years, prior to being elected as an M.L.A. I am pleased with the current leadership, both in terms of yourselves politically, and the steps you have taken to provide direction and instruction to the staff. I am also pleased with the fact that Mr. Elkin is now the President of the N.W.T. Housing Corporation. That way maybe we will get some sense of fairness and some sense of stability into that operation so it can move forward and do the job it is supposed to do. To provide houses to people in an economic and cost effective way, and at the same time ensure there is maximum benefits derived from objectivity to northerners.

In my opinion, that simply has not happened in the past to the degree in which it should have. Thank you.

CHAIRMAN (Mr. Pudluk):

Thank you. General comments, Mr. Nerysoo.

MR. NERYSOO:

Thank you. I am not sure I should follow those remarks made by Mr. Todd. I might be a bit critical here.

No, I would never think of being critical after Mr. Todd. Mr. Chairman, I wanted to make a couple of remarks here. I know that what I will say initially will be complimentary. I will raise a couple of concerns later on, but I want to say to Mr. Morin as the Minister, and Mr. Elkin, I am not going to forget those who were responsible before you. I think I can say how appreciative my constituency is in terms of, particularly, Fort McPherson, who has worked with the Housing Corporation to develop a working relationship, particularly the projects that you have undertaken. I thank you and the officials that have been involved in that particular project. I think without any question, after last summer's project, the initial one that occurred in Fort McPherson, that we were successful. I do not doubt for one moment after the work, and the reassessments that have been done

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by the corporation that, you will again be more successful this year.

In fact, in my view, you are going to have trained qualified people who are going to be able to build other units for you according to the standard that has been set by either C.M.H.C., or yourselves. I think that I can only compliment the staff, the Minister, and the President, and all those that have been involved. I know that there have probably been times when things have not been so smooth, even in developing the project, nonetheless, it is now going to be a success story. It is one that the corporation and this government can be extremely proud of. I hope that it will set the trend in other areas, and other regions, because I think it is an example worth following.

I did want to raise a couple of points. I know that there is a need in many communities to continue with improving, or increasing, the numbers of houses. I hope that in our own zest to build detached homes, we have not forgotten those who may not require detached units, and that we look at the continuation of the programs that you have pursued, particularly single parent units, apartments, or the potential of a duplex, depending on how you want to deal with that issue. Let us not forget that those are housing options that are worthy of our consideration, and, in fact, worthy of our continuation in terms of projects that we are proposing.

I want to say to you that we still, of course, have to utilize our creative thinking abilities to find some of the solutions to more problematic areas. In many respects, some of the problems that we have a tendency of encountering in terms of dealing with people in the communities happens to be just the way we deal with people, how we talk to them, how we try to communicate with them, and sometimes that is more of a problem than we really want it to be. It creates problems for us that does not necessarily need to exist.

Particularly, since we are moving ahead in terms of our ability to respond to the needs of the people in the communities, with regard to housing needs. I wanted to also say that I hope, in our own areas, that we base our crisis for financing, and that we do not try to move away from the idea of homeownership. I think it is important in the N.W.T. It is one area that can create at least in many communities a sense of responsibility for your own well-being and a responsibility for your family. I hope we do not embark on a policy initiative, or direction, that does not consider that as a liable program because it has been, in my experience, in this Assembly, since I came here in 1979, probably the most successful program, setting aside some of the more recent problems.

Other than that, we have moved a long way in the program. Maybe some people say we are overspending the dollars in terms of the units we are building, but I can assure you that when people in the communities have constructed their homes, and have moved into them, they appreciate greatly the support and the financial commitments that this government has made to them. They, themselves, assume a great deal of the financial responsibility afterwards.

We have a lot to be proud of despite all of the criticisms that even I have directed towards the Housing Corporation at times. There is a lot that we have to be proud of in terms of the programs and services we offer. I do ask of you, that in your own assessment, you try to address the whole matter of dealing with people in the communities, and in the regions. There is a great need to improve the communication between the communities and the regional district offices.

I wanted to point out the matter that was raised by Mr. Todd about the authority of the project managers with regard to spending authority. I think it is necessary to consider some way of allowing those project managers to make some decisions, with regard to spending. Particularly since the projects have been approved already. I do not say this to give project managers carte blanche authority, but if there are ways of cutting the costs of the project itself, then we should, in fact, look at that, and if this spending authority issue will help in reducing costs, then try addressing immediately a need at the project. We should deal with that issue.

Mr. Chairman, just one particular issue, and it results from a motion that I introduced in this House about developing a strategy to address the financial shortfall. One concern that I do have, is that I would hope, and I know the whole budget has taken up a lot of the time and concern of the Executive Council and the Minister, but I do want to ask you to try to move on the development of the strategy that would involve Members of this Assembly, the Standing Committee on Finance or the Ordinary Members' Committee, and other committees. To move as quick as you can in trying to develop that particular strategy, and also the documentation, so that we can be more helpful and more supportive in terms of trying to help this government bring this matter of our housing shortfall to the attention of the federal government or other organizations across the country that would be helpful to us.

That is all I have to say, thank you, Mr. Chairman.

CHAIRMAN (Mr. Pudluk):

Thank you. Mr. Minister.

HON. DON MORIN:

Thank you, Mr. Chairman. I would just like to assure the Member that we will be continuing to look at housing for units for single people in the communities. The survey that was done specifically says there is a need. For example, in Fort McPherson, 40 percent of extended families, 16 percent couples, who could be housed in a triplex, or a duplex, or whatever, two people, five percent seniors, nine percent singles are eight percent. Those figures, once verified by the community through the next phase of consultation, would be used in the allocation, so there would be a mixture of units allocated to that community. That is how we would do it.

We will be expanding the homeownership program. There are people, presently, that live in public housing. Their income says there is enough income for them to be able to afford their own home, and because of the way the existent H.A.P. program is they cannot tap into that program. We changed the program. That will free up a public house. For example, if we were to take seven people out of public housing and put them in H.A.P., you would free up seven public houses for those in need of it, who have a low income. There would be no need to build any public houses, so you would get a better bang for your dollar.

CHAIRMAN (Mr. Pudluk):

Thank you. Before I recognize the next speaker, let us take a 15 minute break. I would like to remind the Members there will be a full Caucus meeting during our break.

---SHORT RECESS

CHAIRMAN (Mr. Pudluk):

I would like to call this committee back to order. Mr. Lewis. General comments.

MR. LEWIS:

Thank you, Mr. Chairman. Mr. Todd is not here now, but he is always referring to his former life and it bothers me a little bit. It makes me wonder what all those former lives of his were like.

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The concern I have, Mr. Chairman, is that we have received some bad news about the kind of allocation that we are going to get in housing, as a result of the three percent federal cap, on all federal departments.

I happen to know, first hand, that two particular agencies of the federal government immediately went for exemptions on this three percent, and they were turned down the same day that they tried to get them. What concerns me is that the Minister may be very aggressive, and he may convince us that he is going to fight to the last drop of his blood to get the federal government to change its mind about the way we are treated, in the terms of allocation of money for housing.

At the same time, I would hope that in his back pocket he will have an alternative plan and not just simply depend on S.C.O.F. to come up with all the answers. Although I do agree that the committees of this House is where the action should be, in this whole budget session. I believe that since 1979, S.C.O.F. has played a lead role of informing Members on the implications of the budget. We have not just listened entirely to departments and taken all their words at face value without checking them with our own people.

That is the concern that I have is that we seem to be holding out some promise that maybe we have some strategy to get the federal government to change its mind, but I am not too optimistic that is in the cards. In fact, I am sure it is going to be impossible to do that.

I said the other day that although I have been very much in favour of balanced budgets and making sure that we kept our accounts straight, and that we did not mortgage the future for our young people, and carry debts that we can never get out from under, I still feel that on some things you are quite justified in going to the marketplace to get money to do the things that matter to you. You do not need S.C.O.F. to tell you that. If there is a problem that has to be resolved, then you have given it some priority, as long as you know that over a certain period of time, you can discharge that debt, and it is planned properly I see no problem at all in going to the market to borrow money to do the work that you need to get done.

I say that for one reason. Six years ago, there was a special committee on housing with over a 100 recommendations. It was debated, and it was clear from that document, as well as from the more recent needs survey, that we still have a very heavy demand

for quality housing. I said earlier today, in my response to the Commissioner's Address, that if we are going to develop as a territory, we have to do something about infrastructure.

People do not think of a house as infrastructure, but that is the most basic infrastructure there is. Unless you can have a family with a decent roof over its head, with some space where kids can grow up in a healthy fashion, some place for kids to study if they want to, you have a place where a worker can feel comfortable. That is the most basic infrastructure that exists in the world, your home, the place that you live. You are not going to go anywhere until you say, that is where we start, infrastructure starts at home.

So, if you have to borrow money to do it, you do not have to wait for S.C.O.F., you do not have to say, well, magically I am going to convince that guy, MacKay, that I need more money, and he is going to listen to me. The sob story that used to work a long time ago, does not work anymore. It is always good politics, I suppose, and it is very theatrical, and it worked at one time, to tell people that you cannot just go and sleep in Stanley Park and put a blanket over yourself and survive. Try doing that north of 60 and see where you get. Those stories about the terrible harsh conditions that we live under, just does not wash any more.

As far as I am concerned, if we really want to be a responsible government, we cannot just simply expect that we are going to get sympathetic treatment. That everybody is going to rush forward and recognize how unique, and different we are, and how our needs are so different to everyone's needs, because there are other parts of this country, where there are also people that need housing. In many rural parts of Canada there is desperate demand for housing.

My suggestion is that if we really believe that we are a responsible government, we should look at that issue, and say okay infrastructure is important. The basic form of infrastructure is a house, and we look at some way in which somebody can get, preferably ownership. A house that you actually have, that is yours, and find some way of financing it. That would be my suggestion, Mr. Chairman, and I do not think you need to wait for S.C.O.F. in order to give you wonderful ideas about how you get the money.

CHAIRMAN (Mr. Pudluk):

Thank you. Mr. Minister.

HON. DON MORIN:

Thank you, Mr. Chairman. We have already initiated other ways of funding units. We have expanded already the rent supp program. My officials from the Housing Corporation are already meeting with the lending institutions of Canada to explore funding there. I still feel that maybe if you look at it one way as trying to convince Ottawa that we have unique needs, and that we need sympathy. I am also looking at the obligation that the federal government does have to aboriginal people for housing, to explore that more. I may be a little naive, Mr. Lewis, but I feel that if you hammer home a point long enough and hard enough, and if you explain the everyday living in the Northwest Territories, and the things that we are going through, we are unique. There is no way that I ever tried to compare us to the south, it is like comparing apples to oranges, and I never use that in my arguments with them, because we are, a lot of people sitting around this room, are first generation off the land, and I use that argument. In the south, they do have the luxury of Stanley Park to sleep in, we do not. I will continue to pursue that, but let me assure the Member that I am not waiting and holding my breath on S.C.O.F. recommendations either. That is one avenue only, there are many other avenues open to us.

I agree with the Member that if it means we have to go out and borrow money, then that is what we will have to do.

CHAIRMAN (Mr. Pudluk):

Thank you. Are there any other general comments? Mr. Gargan.

MR. GARGAN:

Mr. Chairman, one of the things I want to raise, with regard to housing, is that when we talk about housing we automatically think of infrastructure. That is one way of thinking, but for aboriginal people, housing is important. It should not just be important so that it is designated only to communities, or centres.

We have people that still live off the land, and we still have people who live full-time out there, but the kind of help that they get is limited, nothing at all. During the summer months, they do come and live in the community, but the association should not just restrict itself to developing infrastructure in the community.

They should also think about assisting aboriginal people so that they do not have to live in the community. Right now, the insistence is to live in the community. It is important that we do not lose sight of that. I have been, for some years now, trying to help

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some people in that area, but we do not have any programs, and if they do, it is because of the H.A.P. houses in the community.

We have units now, in Fort Providence, that are quite old units and a lot of emphasis has been on building new units and really not repairing. We have about twelve basement units in Fort Providence that are now going through a stage where the basement is not effective any more, it is leaking. The same people are living in there, these are thirty year old units.

People have talked to me, including Johnnie Nadli, requesting that they repair his unit, because it has not been repaired since he moved into the unit. With the exception of that most of the units in Fort Providence had retrofit. All the roofs are fixed, but nothing has been done to the interior to make the unit that much better.

I support the program with regard to the special projects. I appreciate that the Minister is continuing that program. Just a couple of weeks ago, the two individuals who were designated in Fort Providence are now living in their new units. In Kakisa, there were three elders who were supposed to get units this summer. Three months ago, when I visited there were indications that they were going to do the pads, but with regard to the actual construction, it was kind of iffy.

Kakisa is a traditional community and I think that if emphasis is put on also encouraging traditional activities, we should allow some latitude so that if a member of a community decides that community living is not the best for himself, or his family, then he should be given the opportunity to live in his traditional place.

All the communities know where their traditional areas are. It would not be as if you pick a piece of land and build anywhere you want to. If I was to do that, I would have to move back to Red Knife. There are people that live in Horn River and Axe Point. There are all kinds of places where people actually live and they know who they are, and where they live.

That is all I have to say, I have not got anything else. Except to say, Mr. Minister, you did not say that you were going to change the criteria on that, has the criteria not been changed, is it now called alternate housing, as opposed to H.A.P. housing?

CHAIRMAN (Mr. Pudluk):

Thank you. Mr. Minister.

HON. DON MORIN:

Thank you, Mr. Chairman. I agree with the Member that there should be some assistance to help people to continue their traditional lifestyle on the land. I do not know if we can build units out on the land, as well as a unit in the community, for one individual. I remember that there was a Harvester's Support Program that was put together where people would actually stay out on the land, and they would be able to get assistance through Renewable Resources.

I do not think that program is in place yet, or has been moved on. I do not have any answers for the Member right now on whether or not the Housing Corporation would look at putting units out on the land for people. It is something that can be explored, I would not rule it out either.

There always has to be a good mix of building new units, as well as fixing up the older units. If the houses are salvageable, there is a program that can be accessed to fix those older units in the Member's riding, they just have to apply for that.

As far as those units in Kakisa for the three elders the band in Kakisa requested that they be put off until the spring so that they can build them and they could benefit from the economics of building them themselves, so we agreed to that. It makes common sense to do that.

Special needs projects, next year that program will be rolled in with the rest of the programs being revised. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Pudluk):

Thank you. Mr. Gargan.

MR. GARGAN:

On a final note, Mr. Chairman. The only reason I brought up the whole thing about housing assisting people who are living off the land is just to remind the Members. We keep saying that we care about the

aboriginal people, their traditions, their music, their practices, but we do not seem to be doing anything, even though we are concerned about it.

I just wanted to bring it up as a concern, so that we do not lose sight ever. This whole social housing program just started recently, and I appreciate the government's assistance for that, but I think that there are people who still do not feel comfortable with living in a centralized location and pursuing a traditional way of life. As opposed to being right where you are and pursuing a traditional way of life.

That is all I have to say, Mr. Chairman.

CHAIRMAN (Mr. Pudluk):

Thank you. General comments. Before we go into detail, I would like to recognize Mr. Dent.

MR. DENT:

Thank you, Mr. Chairman. There may be a potential for conflict of interest, I will not be participating in any discussion or voting on detail on any of the budget items here.

CHAIRMAN (Mr. Pudluk):

Thank you. Would this committee like to go to details now?

AN HON. MEMBER:

Agreed.

CHAIRMAN (Mr. Pudluk):

Thank you. Okay, we are on page 3-11, directorate total O and M \$567,000.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Pudluk):

Policy and evaluation. Total O and M \$332,000..

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Pudluk):

Thank you. Human Resources. Total O and M \$1.280 million.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Pudluk):

Thank you. Community and program services. Total O and M \$2.237 million.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Pudluk):

Thank you. Finance and Cooperative Services. Total O and M \$16.691 million.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Pudluk):

Thank you. Construction development. Total O and M \$1.840 million.

SOME HON. MEMBERS:

Agreed.

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CHAIRMAN (Mr. Pudluk):

Thank you. District operations. Total O and M \$7.750 million.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Pudluk):

Thank you. Housing associations. Total O and M \$67.858 million.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Pudluk):

Thank you. Operating and contribution from the G.N.W.T., page 19, 20, and 21. Contributions.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Pudluk):

Thank you. Then we will go back to page 3-8. N.W.T. Housing Corporation total O and M of \$53.732 million.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Pudluk):

Details of grants and contributions page 3-9. Contributions \$53.732 million.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Pudluk):

Grants and contributions. \$53.732 million.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Pudluk):

I am on page 3-7. Program summary total O and M \$53.732 million.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Pudluk):

Mr. Gargan.

MR. GARGAN:

Thank you, Mr. Chairman. Just before we conclude, one of the things that happened in my community this spring was that some individuals from my community brought in some proposals in regard to the building of the H.A.P. units, and to include a training component so that actually people would be trained as they work. Well, it did not turn out to the individual's satisfaction. All of the contract houses that were awarded in Fort Providence, for example, were all awarded to people from outside the community and really the only work that was available was on those H.A.P. units. How flexible is this government with regard to allowing the corporation to do sole source contracts? In other

words, I think we have about five duplex units that are being built in Fort Providence, and public houses, private contractors are not working on those. We also have, I think, five H.A.P. units and those units are also being built with no real training or anything of that sort included with it.

I would like to eventually see the corporation being able to say, you know these are the people that do the contract work in the communities, and we should negotiate the H.A.P. units with them to see how they might best be utilized, and maybe put a training component in there, and at the same time, allow them the same opportunities to do the same thing with public units.

So, just something that I wanted to mention, because I was quite disappointed that the individual who submitted a proposal, never got the necessary support to even get it off the ground.

CHAIRMAN (Mr. Pudluk):

Thank you. Mr. Minister.

HON. DON MORIN:

Thank you, Mr. Chairman. We are quite flexible in how we deliver our programs, and we do consultation with the communities. Block funding arrangements are being revised this year for H.A.P. packages. The difference is that public units, are public units and H.A.P. are homeownership, so there is a certain amount of sweat equity needed in those units.

We will be looking at how we are building those units next year. With our training packages, we are going to have a comprehensive training package developed by the Housing Corporation, D.P.W. and Education, so that some of that could possibly be tapped into H.A.P. buildings.

We still must never take away from the homeowner being responsible for a certain amount of the building; a certain amount of the sweat equity; or a certain amount of cash equity into that building. I am not a strong believer in just giving something away for nothing. People are going to work or pay for part of their buildings.

Sole source contracting, Mr. Gargan, I have a difficulty with that because if I was to do that, for example, if you have five units in your community, and let us say, there was \$1 million to build, and I sole sourced it, then N.W.T. picks up 100 percent of that tab. If I go tender, then C.M.H.C. will split it 50-50 or

75-25; 75 percent C.M.H.C. monies, 25 percent ours. They do not allow sole source contracts under C.M.H.C. rules, so in order to tap into C.M.H.C. money we have to go to public tender. We also have the project management which is what you are doing in your riding on their warehouse. That is similar to a sole source contract, but it is where the Housing Corporation jointly manages the project with the Community Development Corporation or the band or whoever they are working with to ensure that everything stays in the community.

CHAIRMAN (Mr. Pudluk):

Thank you. Mr. Gargan.

MR. GARGAN:

Well, okay. I have no difficulty with the response. However, can the Minister consider maybe giving the local contractor at least 20 points, so that he has a chance to win the contract.

CHAIRMAN (Mr. Pudluk):

Thank you. Mr. Minister.

HON. DON MORIN:

Thank you, Mr. Chairman. The Business Incentive Policy, C.M.H.C. has agreed for us to apply it now, starting this year. We managed to apply it to some. I think your tenders are out too soon, so it did not get applied to yours, but it is 15 percent northern and 5 percent local, and this is for equalization; this is not to give anybody a competitive edge. It is for equalization. Thank you.

CHAIRMAN (MR. Pudluk):

Thank you. Program summary. Total O and M \$33.732 million.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Pudluk):

Thank you. Does this committee agree that this department, the N.W.T. Housing Corporation is concluded?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Pudluk):

Mr. Minister.

HON. DON MORIN:

Thank you, Mr. Chairman, on behalf of my staff at the N.W.T. Housing Corporation, I would just like to thank the Members for their kind comments and their sound advice. Mahsi.

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CHAIRMAN (Mr. Pudluk):

I would like to thank your department and your witnesses at this time. Mr. Todd.

MR. TODD:

Mr. Chairman, I wonder if we could proceed with the Department of Public Works?

CHAIRMAN (Mr. Pudluk):

Is this committee agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Pudluk):

Thank you. The Department of Public Works, page 10-10. I wonder if the Minister has opening remarks.

Introductory Remarks, Department Of Public Works

HON. DON MORIN:

Thank you, Mr. Chairman. I am very pleased to appear before this committee today to review with you the proposed 1992-93 operations and maintenance budget for the Department of Public Works.

The mandate of the department is to design, build, lease, operate and maintain facilities required by the government to carry out its programs and services. In providing this infrastructure, the department ensures that to the maximum extent possible benefits of its expenditures go to northern and local residents and businesses.

In July, Cabinet approved the revised Business Incentive Policy, enabling us to increase local and northern content in the government's contracting and purchasing of goods and services. The department is

responsible for administration of the policy. Assisting in this effort, is an advisory committee which includes representatives from the N.W.T. Construction Association and the N.W.T. Chamber of Commerce.

Through a series of workshops and attendance at trade shows, government staff and business people throughout the territories are being informed about the policy. Appropriate publications are also being prepared.

I believe these revisions will help to further reduce the leakage of G.N.W.T. contracting and purchasing dollars to southern Canada. In response to a question from the honourable Member for Natilikmiot, I recently advised this House that over 84 percent of the department's contracted construction dollars in the first quarter of this fiscal year, have gone to northern contractors.

---Applause

While significant information has not yet been assembled to show the actual increase in northern content since the revisions to the Business Incentive Policy, I believe that there has been an effective increase in the number of awards to northern companies, as a result of increasing the preference premiums to 15 and 20 percent. I will report more fully on the statistics when they have been developed.

Mr. Chairman, even though we do have a high level of contract awards to northern contractors, I do not believe that this is an accurate reflection of the level of participation by northern residents in the jobs that these contracts create. We must do more to train our people to take advantage of these employment opportunities.

As I stated in my opening remarks to the Housing Corporation's main estimates, in building the government's facilities we must ensure that more jobs go to local people. To this end, I am working with the Minister of Education to develop a long-term, comprehensive strategy for training northerners in the construction skills needed for employment on capital projects. Through better coordination of all G.N.W.T., federal, municipal and private sector initiatives that can impact on training and employment in construction, we can speed up the development of this important northern resource.

As Members have been previously advised, a number of pilot projects were also established to test a new construction worker training program. The program

was developed by D.P.W. and the N.W.T. Construction Association with funds from D.P.W., M.A.C.A., Education and the Housing Corporation. The N.W.T. Construction Association is administering the program which is being run on six projects with 16 northern residents receiving training. We are still early in the program but are encouraged and believe that it will probably be a key plank in the training strategy.

This year we have reorganized the two divisions at headquarters that come under the project management activity. In place of the architectural and engineering divisions, a technical services division and a construction management division have been established.

We believe that our project management delivery process should better reflect the importance of the design and the construction activities themselves, to the development of the northern construction industry, rather than to the end product, that is, the building. Project management staff will continue to coordinate and manage the design and construction process. However, the construction management division will provide a better focus to the priority objective of northern and local involvement in the construction phase. The technical services division will focus more on establishing design and operating standards that better address the unique needs of the northern construction industry and the construction and operating environment.

With the exception of the project management activity, the delivery of all of the departments services are fully decentralized to the regions. The project management activity is, however, already highly decentralized, with over 60 percent of the staff resources committed to project management, now located within the regions. Nine of the positions deleted this year are in the project management activity in Yellowknife. Continued transfer of responsibility for the delivery of the construction program to the regional operations remains a priority. While we are concerned about the potential impact of reductions in staff in all activities, we feel continued decentralization will bring about economies through better coordination with communities and reduced travel time and costs.

Toward increasing the efficiency and effectiveness of service delivery to other government departments, considerable effort is being directed at the current consolidation of the Departments of Government Services and Public Works. This will result in a better

coordination of internal government service functions. Eight divisions within Public Works, four divisions from Government Services and one division from the Department of Culture and Communications are affected. The regional offices of Public Works and Government Services are also being consolidated into one office. Most of the direct savings that will eventually result from the consolidation are achieved by reducing the numbers of senior managers. Larger savings will occur over time through better coordination of services to departments. These savings will however, begin to be reflected in the 1993-94 Main Estimates.

In response to the Auditor General's recent report to the Public Accounts Committee, the department is acting to respond to concerns about G.N.W.T. assets

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management. The department is working with Municipal and Community Affairs and other departments to see if a common inventory system can be used. A complete assessment of the department's computer-based inventory systems has started and the data on those systems is being updated.

The Department is also actively participating in a number of other key interdepartmental initiatives including:

- developing a long term staff housing strategy,
- land claims negotiations and implementation,
- community transfer initiatives,
- capital needs assessment and capital plan reviews,
- a number of expenditure reduction committees, and
- international and circumpolar relations.

The department's request for its 1992-93 operations and maintenance budget is \$119 million, compared with last year's budget of \$121 million. To meet the government's guidelines for expenditure reductions, the following cuts were identified:

- 26 person years were cut to save \$1.5 million. This represents a 6.2 percent of the department's total PYs;
- \$2.13 million dollars cut from buildings and works programs;

- \$1.25 million cut from operations;
- \$340,000 cut from the directorate;
- \$225,000 cut from vehicles and equipment;
- \$80,000 cut from project management.

These decreases, combined with a \$2 million surplus from the utilities budget, total about \$7.5 million. The 26 person years reduction was achieved by deleting positions not currently staffed, sixteen of those were in Yellowknife and 10 were in regional centres.

Offsetting these reductions, the department has about \$5 million in forced growth, mostly in leases and increased maintenance and utility costs.

Some service reductions should be expected. The level of some maintenance will be slightly reduced. For example, painting cycles will be lengthened a little, and floor coverings will not be replaced as often. Reductions in service levels will be done recognizing priorities, for example, to health and education facilities. The inventory of vehicles is being examined to identify ways to reduce the numbers and usage of vehicles. Generally, reductions will be managed to minimize service disruptions.

In closing, you can see that this will be a year of change for the department. It will result in a stronger orientation to community needs, closer links to northern businesses, a higher percentage of the government's dollars being spent in the north, and a more efficient administration.

That completes my opening remarks. I now look forward to Members' questions and discussion on the department's proposed budget. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Nerysoo):

Thank you, Mr. Minister. Mr. Dent.

MR. DENT:

Thank you, Mr. Chairman. The Standing Committee on Finance certainly welcomes the Minister's commitment to ensure the benefits of government spending in the Department of Public Works, accrued also to improving the northern business climate. The revised Business Incentive Policy is an important aspect of ensuring that northern businesses have a fair chance of succeeding.

I hope the Minister will be very careful to ensure there is no fiddling around with the B.I.P., that it is applied fairly, to ensure its purpose is met. The department has to remember that part of its mandate must be to improve the opportunities for northern business, which will provide more northerners with jobs.

I must say, Mr. Chairman, the Minister, to date, has indicated that he understands that to be part of the mandate, we will be watching to ensure that he maintains that point of view.

Mr. Chairman, just a couple of resolutions on behalf of the Standing Committee on Finance. The first has to do with staff housing inventory. The Department of Public Works manages an inventory of approximately 2,000 houses valued at well over \$200 million. This is one of the reasons there is very little of a housing market in the communities.

In the past, there was a need to offer staff housing to attract southerners to move north to run the government. Again, times have changed. The committee questions the need in maintaining a staff housing inventory to continue to provide housing to civil servants. The local housing markets and economic development can be created, and a large one-time infusion of investment capital obtained for public housing or other infrastructure, by selling off the staff housing stock. However, care must be taken so that current markets are not adversely affected.

Committee Motion 205-12(2): To Adopt Recommendation No. 77

Therefore, I move that the committee recommends that the Department of Public Works accelerate development of a cost benefit study of the sale and privatization of staff houses, and provide a plan with the review of the 1993-94 Main Estimates.

CHAIRMAN (Mr. Nerysoo):

Thank you. Motion is in order. To the motion. Question has been called. All those in favour? All those opposed? Motion is carried.

---Carried

CHAIRMAN (Mr. Nerysoo):

Thank you. Mr. Dent.

MR. DENT:

Thank you, Mr. Chairman. The second and final motion from the Standing Committee on Finance has to do with measuring output and effect. The committee wishes to know what the department will accomplish with the money put into public works programs?

Committee Motion 206-12(2): To Adopt Recommendation No. 78

Therefore, I move that this committee recommends that the Department of Public Works report as a minimum, the following performance measurements in the 1993-94 Main Estimates:

1. An indicator of the level of satisfaction of departments and agencies with Department of Public Works support;
2. Construction cost, per square foot, by community;
3. Rental costs, per square foot, by community;

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4. Achievement of cost savings;
5. On time, on budget project management; and
6. Local employment in public works projects.

CHAIRMAN (Mr. Nerysoo):

Thank you. Motion is in order. To the motion. Question has been called. All those in favour. All those opposed. Motion is carried.

---Carried

Mr. Dent. That concludes the comments from the Standing Committee on Finance. Is it agreed that the Minister invite witnesses? Are we agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Thank you. Mr. Sergeant-at-Arms, can you escort the witnesses, please.

Thank you. Mr. Minister, could you introduce your witnesses, please.

Department Of Public Works

HON. DON MORIN:

Thank you, Mr. Chairman. I would like to introduce, on my left, the Deputy Minister of Government Services and Public Works, Bob Doherty, and on my right, Mr. Dave Waddell, Director of Finance.

CHAIRMAN (Mr. Nerysoo):

Thank you. Are there any general comments with regard to the Department of Public Works. Is it the wish of the committee that we go into detail?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Agreed. Mr. Dent.

MR. DENT:

Mr. Chairman, because of a possibility of a conflict of interest, I will not participate on discussion on the page involving directorate.

CHAIRMAN (Mr. Nerysoo):

Thank you. Noted. Let us get on with detail then. Directorate, total O and M \$6.478 million.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Agreed. Project management, total O and M \$6.525 million. Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Thank you. Accommodation services, total O and M \$39.649 million. Are we agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Thank you. Buildings and works, total O and M \$26.208 million. Are we agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Thank you. Vehicles and equipment, total O and M \$3.774 million. Are we agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Thank you. Utilities, total O and M \$34.956 million. Are we agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Thank you. Operations. Mr. Gargan.

MR. GARGAN:

Thank you, Mr. Chairman. Mr. Chairman, with regard to the utilities, I am just wondering whether or not the department has been looking at ways of not only taking care of the environment, but also looking at ways of cutting costs on utilities. Have there been any initiatives made in that area?

CHAIRMAN (Mr. Nerysoo):

Thank you, Mr. Minister.

HON. DON MORIN:

Thank you, Mr. Chairman. That is ongoing all the time. We have a program to make houses more energy efficient, as well as replacing obsolete furnaces, putting in energy efficient furnaces, windows, and just generally informing people on how to save power as well as cut down on fuel. We will, this winter, be trying to encourage staff people to bank their units where possible.

CHAIRMAN (Mr. Nerysoo):

Sorry, Mr. Minister.

HON. DON MORIN:

Yes, and the funding is in the capital to do that.

CHAIRMAN (Mr. Nerysoo):

Thank you. Mr. Gargan.

MR. GARGAN:

Yes, I am aware of what the Minister is saying with regard to public awareness, but is the government telling the government on how he might be able to save? We do have a lot of buildings in Yellowknife, and I would think that \$34 million is a lot of lights and a lot of fuel. What is this government doing with regard to themselves being energy efficient?

CHAIRMAN (Mr. Nerysoo):

Thank you. Mr. Minister. Mr. Doherty.

MR. DOHERTY:

Yes, Mr. Chairman. We have a utilities management program that tracks all the utility costs for all our buildings; plots averages, and identifies problem buildings for us, and when we see problem buildings, we respond with our staff using our funding out of the capital program if necessary, or maintenance funding, to deal with the deficiencies that might occur.

CHAIRMAN (Mr. Nerysoo):

Thank you. Utilities. Total O and M \$34.956 million. Are we agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Thank you. Operations. Total O and M \$1.59 million. Are we agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Thank you. Details of grants and contributions. Contributions, directorate -- contributions \$90,000. Are we agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Thank you. Total grants and contribution \$90,000.
Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Information items, schedule of lease budget requirements, are there any questions?

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SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Thank you. Information item. Granular program revolving fund. Any questions?

SOME HON. MEMBERS:

Nay.

CHAIRMAN (Mr. Nerysoo):

Thank you. Detail of work performed on behalf of third parties. Any questions?

SOME HON. MEMBERS:

Nay.

CHAIRMAN (Mr. Nerysoo):

Detail of work performed on behalf of third parties. Total department \$10.998 million. Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Distribution of budget. Are we agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Thank you. There is an urgency, I think in the Minister's supports.

---Laughter

It should be noted.

---Laughter

Program summary. Total O and M \$119.177 million.
Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Is it agreed that the Department of Public Works is concluded?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

I would like to thank you, Mr. Minister, and your witnesses. The next department will be ... Mr. Minister?

HON. DON MORIN:

Thank you, Mr. Chairman. I would just like to thank the Members for this speedy passage of this budget, and I would just like to thank them on behalf of the staff of Department of Government Services and Department of Public Works. Thank you.

CHAIRMAN (Mr. Nerysoo):

Anything for the teflon Don.

---Laughter

The next department is the Department of Government Services. Thank you. Mr. Morin.

Introductory Remarks, Department Of Government Services

HON. DON MORIN:

Thank you, Mr. Chairman. I am pleased to present 1992-93 Main Estimates for the Department of Government Services.

The main estimates requirement for the department is \$14.581 million in O and M. An estimated \$14.985 million will be generated in revenue. The proposed budget represents a nine percent decrease over the main estimates for the previous fiscal year.

The department's mandate is to provide specialist services to government departments, boards and agencies. It also makes certain products available for sale to the public, such as fuel products and liquor.

Another role of the department is to act as an advocate for communities that have problems with NorthwTel or Canada Post. In this House, we have talked about the provisions of telephone services for currently unserved communities. The department is working with representatives of Northwestel to look for ways to speed up the development of telephone services to these communities.

The department provides centralized purchasing, warehousing, mail delivery, and transportation of goods. To improve the access by northern business a phone link to a computer now allows companies to access information on current tenders. In support of northern business, the public stores inventories in Iqaluit and Cambridge Bay are being reduced, strengthening private retail prospects in these communities.

Budget requirements in the supply services activity are driven to a large degree by the activity levels of other departments. A decrease in costs in the area of freight and mail is anticipated for 1992-93. 3.5 person years will be deleted. These are a result of reductions to other departments' activities.

Reduction in the proposed budget for systems and computer services result from reduction in the number and type of telephones. The department is implementing a program to reduce the inventory of telephone lines and specialized rental equipment in headquarters departments. Savings are expected to be about \$400,000. each year.

The petroleum products division, through a revolving fund, provides heating oil, gasoline, naphtha or white gas, and aviation fuel to 45 communities not served by private sector. All fuel is delivered by local contractors who will earn about \$7 million in commissions during 1992-93. The proposed budget for P.O.L. shows a decrease in the cost of the product for 1992-93.

The 1991-92 budget was based on expected high fuel costs due to the Gulf Crisis. However, these increases did not materialize and the world price of oil has stabilized at \$23.00 per barrel.

The liquor revolving fund provides a varied selection of alcoholic beverages to the residents of the N.W.T., and administers the licensing, inspection and local options functions under the Liquor Act. Net revenues for the fiscal year 1992-93 are estimated at \$14.935 million.

A notable change to this revolving fund is the transfer into the fund of the liquor licensing, inspections and local options functions. The previous structure for the administration of the Liquor Act, consisted of three separate units, and resulted in inefficiency and duplication of effort. As a result of the consolidation of Government Services with the Department of Public Works, headquarters administrative divisions and regional offices have been joined together.

The three liquor units are being moved to Safety and Public Services. The total reductions for this department are \$1.477 million, and 10 PYs. The reduction of 10 PYs represents 7.1 percent of the department's total PYs.

This completes my opening remarks, Mr. Chairman. Thank you.

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CHAIRMAN (Mr. Nerysoo):

Thank you. The Standing Committee on Finance, are there any remarks with regard to the Department of Government Services? Mr. Dent.

MR. DENT:

Thank you, Mr. Chairman. The Standing Committee on Finance has no comments that were not covered already in our general comments. We did have a number of resolutions that we wanted to present, so I will proceed with those, if I may, Mr. Chairman.

CHAIRMAN (Mr. Nerysoo):

Thank you. Proceed, Mr. Dent.

MR. DENT:

Mr. Chairman, the first resolution has to do with the objectives of the department and we noted that no objectives were provided for the systems and

computer services division, or liquor commission for 1992-93.

Committee Motion 207-12(2): To Adopt Recommendation No. 40

Therefore, Mr. Chairman, I move that this committee recommends that the Department of Government Services provide objectives for the systems and computer services division and liquor commission in the 1993-94 Main Estimates.

CHAIRMAN (Mr. Nerysoo):

Thank you. Motion is in order. To the motion. Question has been called. I just want to indicate to you, Mr. Dent, that there is no quorum in the House at this particular time.

Thank you, there is a quorum now. Mr. Dent. Question. Thank you. To the motion. Question has been called. All those in favour? All those opposed? Motion is carried.

---Carried

Mr. Dent.

MR. DENT:

Thank you, Mr. Chairman. At the Standing Committee on Finance meetings, concerns were expressed by the committee that the systems and computer services division seem uninvolved with the informatics strategy being developed by the Department of Finance and with the cost effectiveness of the current system.

Committee Motion 208-12(2): To Adopt Recommendation No. 41

Therefore, Mr. Chairman, I move that this committee recommends that the Department of Government Services work with the Department of Finance in the development of an informatics strategy and review the cost effectiveness of computer systems across government.

CHAIRMAN (Mr. Nerysoo):

Motion is in order. To the motion. There is not a quorum, Mr. Dent.

Thank you. I recognize a quorum. Mr. Dent. To the motion. The motion is in order. Question has been

called. All those in favour? All those opposed? Motion is carried.

---Carried

Mr. Dent.

MR. DENT:

Thank you, Mr. Chairman. The third motion, from the committee, involves forms. Mr. Chairman, the Assembly approved a motion that the department study, redesign and simplify government forms with the objective of overall productivity improvement and cost savings. While the government acknowledged the validity of this motion, they passed the responsibility from the forms management section to individual departments, and no action has taken place.

What is important here is that the department has ignored a direction given by the Assembly. The committee wants the department to know that the Assembly wants them to accomplish something.

Committee Motion 209-12(2): To Adopt Recommendation No. 42

Therefore, Mr. Chairman, I move that this committee recommends that the Department of Government Services include an objective in the 1993-94 Main Estimates to lead and monitor all departments and agencies including the setting of time lines in the study, redesign and simplification of government forms with the objective of overall productivity improvement and cost savings.

CHAIRMAN (Mr. Nerysoo):

Thank you. To the motion. The motion is in order. Question has been called. All those in favour? All those opposed? Motion is carried.

---Carried

Mr. Dent.

MR. DENT:

Thank you, Mr. Chairman. Our next motion has to do with the G.N.W.T. contract listing. The committee was pleased with the government's progress in the production of a listing of all G.N.W.T. contracts, indicating southern and northern sourcing. This is a valuable tool in holding departments accountable for buying north, and identifying opportunities for import

substitution. Now government must work on getting it out on a more timely and manageable basis.

Committee Motion 210-12(2): To Adopt Recommendation No. 43

Therefore, Mr. Chairman, I move that the committee recommends that the Department of Government Services publish the G.N.W.T. contracting listing sorted by department, in descending order of contract value within 90 days of year end. One listing of all contracts over \$5,000 let during the fiscal year should be published.

Further, the committee recommends that Government Services work with departments, agencies and industry towards import replacement.

CHAIRMAN (Mr. Nerysoo):

Thank you. The motion is in order. To the motion. Question has been called. All those in favour? All those opposed? Motion is carried.

---Carried

Mr. Dent.

MR. DENT:

Thank you, Mr. Chairman. Our next resolution has to do with government warehouses. The Standing Committee on Finance questions the need for government owned warehouses, given the privatization possibilities.

Committee Motion 211-12(2): To Adopt Recommendation No. 44

Therefore, Mr. Chairman, I move that this committee recommends that the Department of Government Services prepare a paper showing a phased privatization of government warehouse services for the 1993-94 Main Estimates review.

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CHAIRMAN (Mr. Nerysoo):

Thank you. Motion is in order. To the motion. Question has been called. All those in favour? All those opposed? Motion is carried.

---Carried

Mr. Dent.

MR. DENT:

Thank you, Mr. Chairman. Our next resolution has to do with liquor revenues. The committee noted that the government receives \$15 million in net liquor revenues. Total revenues are \$30 million before products costs. On the other hand, 85 percent of N.W.T. crimes are alcohol related. In some areas 25 percent of the children are affected by parental alcohol abuse, including fetal alcohol syndrome, and community alcohol and drug workers are grossly under funded.

Only about \$7.5 million of these revenues goes directly towards alcohol and drug programs. Additional related costs of the justice, corrections, health and social service programs are staggering. The committee feels that it may be necessary to directly link funding levels for alcohol and drug treatment programs to liquor revenues.

Committee Motion 212-12(2): To Adopt Recommendation No. 45

Therefore, Mr. Chairman, I move that this committee recommends that the Department of Government Services, with input from the Department of Social Services, prepare a proposal to increase liquor revenues to fund alcohol abuse prevention programs for the 1993-94 Main Estimates review.

CHAIRMAN (Mr. Nerysoo):

Thank you. Motion is in order. To the motion. Question has been called. All those in favour? All those opposed? Motion is carried.

---Carried

Thank you. Mr. Dent.

MR. DENT:

Thank you, Mr. Chairman. The next motion has to do with petroleum products. Mr. Chairman, the previous Assembly approved a motion that petroleum rates be subject to the Public Utilities Board approval. The government has indicated that this issue is being considered as part of an overall review of the petroleum delivery function.

However, this was not shown as an objective of the department in the 1992-93 Main Estimates. The committee is also concerned that the division should have an independent review of its costs effectiveness.

Committee Motion 213-12(2): To Adopt Recommendation No. 46

Therefore, Mr. Chairman, I move that this committee recommends that the Department of Government Services include objectives in the 1993-94 Main Estimates to review the petroleum delivery function, conduct an independent review of its cost effectiveness and subject petroleum rates to the Public Utilities Board, akin to the Power Corporation.

CHAIRMAN (Mr. Nerysoo):

Thank you. Motion is in order. Question has been called. All those in favour? All those opposed? Motion is carried.

---Carried

CHAIRMAN (Mr. Nerysoo):

Mr. Dent.

MR. DENT:

Thank you, Mr. Chairman. The Standing Committee on Finance's final motion regarding this department has to do with, as usual, measuring output and effect. The committee wishes to know what the department will accomplish with the money put into government service programs?

Committee Motion 214-12(2): To Adopt Recommendation No. 47

Therefore, Mr. Chairman, I move that this committee recommend that the Department of Government Services report as a minimum, the following performance measurements in the 1993-94 Main Estimates:

1. An indicator of the level of satisfaction of departments and agencies with the Department of Government Services support;
2. Purchasing turn around time;
3. Import replacement;
4. Achievement of cost savings; and
5. Petroleum product customer satisfaction.

CHAIRMAN (Mr. Nerysoo):

Thank you. Motion is in order. To the motion. Question has been called. All those in favour. All those opposed. Motion is carried.

---Carried.

That concludes the report of the standing committee. Is it agreed that the witnesses be brought into the committee?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Sergeant-at-Arms, can you escort the witnesses, please?

Mr. Minister, could you introduce the witnesses, please?

Department Of Government Services

HON. DON MORIN:

Thank you, Mr. Chairman. I would like to introduce Mr. Bob Doherty, Deputy Minister on my left, and Mr. Lee Horn, Associate Deputy Minister, Government Services and Public Works.

CHAIRMAN (Mr. Nerysoo):

Thank you. Are there any general comments? Is it agreed that we get into detail?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Thank you. Page 09-8, government services, total O and M, directorate, \$2,494 million. Are we agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Thank you. Systems and computer services, total O and M \$4.040 million. Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Thank you. Supply services. Mr. Gargan.

MR. GARGAN:

Mr. Chairman, every year we have been purchasing computers, and I am just wondering if the

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government is getting more modern equipment, is that why the cost is so high, with regard to computers?

CHAIRMAN (Mr. Nerysoo):

This is the O and M, I believe the capital is the matter of purchasing. However, Mr. Minister.

HON. DON MORIN:

Thank you, Mr. Chairman. Under systems and computer services, the departments pay for their own computers, and it is modernization, as well, computers wear out and blow up.

CHAIRMAN (Mr. Nerysoo):

Thank you. Mr. Gargan. Okay, thank you, very much. Total O and M \$4.040 million. Are we agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Thank you. Supply and services, total O and M \$8.047. Mr. Gargan.

MR. GARGAN:

What is this, to provide funding for the transportation assistance program in Pelly Bay, Snare Lake, Colville Lake, Fort Franklin?

CHAIRMAN (Mr. Nerysoo):

Thank you. Mr. Minister.

HON. DON MORIN:

Thank you, Mr. Chairman. It is a subsidy paid to those communities for higher freight costs, they are not serviced by barge, or road.

CHAIRMAN (Mr. Nerysoo):

Thank you. Mr. Gargan.

MR. GARGAN:

There are a lot more communities than this that are not serviced either. Why these communities?

CHAIRMAN (Mr. Nerysoo):

Thank you. Mr. Morin.

HON. DON MORIN:

Thank you, Mr. Chairman. I do not know of any other ones.

CHAIRMAN (Mr. Nerysoo):

Thank you. Mr. Gargan.

MR. GARGAN:

Yes, by road or by barge? Okay, well, there a lot more communities that are not serviced by either. Barge and road he said, did he say air, too?

CHAIRMAN (Mr. Nerysoo):

Mr. Morin.

HON. DON MORIN:

Thank you, Mr. Chairman. Maybe I did not answer the question right. Just for clarification, supply services gives the subsidy for transportation to Pelly Bay, Snare Lake, Colville Lake, and Fort Franklin, because those communities are only serviced by air. Every other community in the territories either has barge service once a year, or road service in the winter, or year round.

CHAIRMAN (Mr. Nerysoo):

Thank you. Mr. Gargan. Supply services, total O and M of \$8 million, sorry, Mr. Lewis.

MR. LEWIS:

Thank you, Mr. Chairman. My question is about computers. I know that over the last few years we were doing several things with computers. We were trying to standardize them and organize things so that we had compatibility with different models that were being bought by the government. Also, for a period of time, we bought a lot of computers because it just seemed like a good idea. They were not manufactured in Hay River, but they were

components that were stuck together in Hay River and we purchased them. So, I would like to ask the Minister, have those worked out well? Are we still buying them? Are they still operating? Are they still on our list of suppliers? Those computers were put together with components, they were purchased elsewhere and assembled in Hay River, to make a manufacturing plant. It seemed like a good idea at the time, and I want to know what the experience has been?

CHAIRMAN (Mr. Nerysoo):

Thank you, Mr. Lewis. We were dealing with supply services and had concluded the matter on computers, but you would allow me to conclude total O and M for supply and then we can return back to computer services to answer your question. Mr. Lewis.

MR. LEWIS:

I will not challenge you, Mr. Chairman, but I assumed that this item dealt with procurement of any item.

CHAIRMAN (Mr. Nerysoo):

Mr. Morin.

HON. DON MORIN:

Thank you, Mr. Chairman. That business in Hay River is out of business now. We did buy from them. He had problems buying those components. He could not get the supplies to continue, so he went down. There are still some of those computers, and they are functioning quite well.

CHAIRMAN (Mr. Nerysoo):

Thank you. Supply services, total O and M \$8.47 million.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Thank you. Information item, petroleum products revolving fund. Are there any questions? Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Liquor commission revolving fund, are there any questions? Mr. Gargan.

MR. GARGAN:

What is the L.L.B. revenue?

CHAIRMAN (Mr. Nerysoo):

Thank you. Mr. Morin.

HON. DON MORIN:

Thank you, Mr. Chairman. Liquor Licensing Board revenue.

CHAIRMAN (Mr. Nerysoo):

Thank you. Liquor commission revolving fund, any other questions? Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Public stores revolving fund, are we agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

No questions? System on computer services, information item. Any questions? Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Detail of work performed on behalf of third parties, are there any questions? Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Total department, \$1.893 million. Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Revenues, recoveries and transfer payments, any questions? Agreed?

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SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Distribution of budget, any questions? Agreed? Mr. Koe.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Program summary, page 09-7. Total O and M \$14.582 million. Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Does the committee agree that we have concluded the Department of Government Services?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Thank you. Mr. Morin.

HON. DON MORIN:

Thank you, Mr. Chairman. I would just like to thank the Members for the passage of Government Services' budget. I would like to thank the Members on behalf of the staff of Government Services.

---Applause

CHAIRMAN (Mr. Nerysoo):

Thank you. Is the committee agreed that the next department will be the Department of Health?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Nerysoo):

Before we proceed with that. Mr. Todd.

MR. TODD:

No, I was just going to say with a great deal of reluctance, yes, Mr. Chairman, we will move forward with the Department of Health.

CHAIRMAN (Mr. Nerysoo):

Thank you. That is to be noted, of course. Thank you, Mr. Todd.

Introductory Remarks, Department Of Health

HON. DENNIS PATTERSON:

Mr. Chairman, I cannot pretend to be made of Teflon, in fact, if I were to describe myself today, it would be something like "devastated Dennis". However, bloody and battered as I may be, I am still unbowed. I am pleased to be introducing the budget for the Department of Health.

I would like to confirm the department's commitment to providing quality accessible programs and services, and to developing stronger links with communities.

For the 1992-93 fiscal year, an increase of \$25.3 million is anticipated, offset by departmental reductions of \$1.1 million compared to last year's main estimates.

The issue of the disputed D.I.A.N.D. billing remains outstanding, and of course has the potential of affecting this government's ability to deliver programs.

As the Minister of Finance has indicated, the government has reached an impasse in negotiating a settlement and will now bring the matter before the courts.

Mr. Chairman, the budget presents several hurdles for the department, foremost among them being our reduction option of \$650,000 and eight person years for the restructuring of headquarters, and a reduction of health board costs of \$339,000.

The non-insured services budget requires amending to reflect the new contract recently negotiated between the G.N.W.T. and Health and Welfare Canada. All eligible expenditures are fully

recoverable. I guess the question with this one is what the federal government defines as eligible, Mr. Chairman, and that is the concern.

Extended and chronic care budget requires amending to reflect increased use of this service by patients. Union contract settlements and rising premiums in the south are expected to drive prices even higher this year.

I would like to say that the following issues are not addressed in the 1992-93 Health Budget. Firstly, the merger of the departments of Health and Social Services. No specific direction has been given by the government as to the date and the substance, although the merger is scheduled to take place in the 1993-94 year, some resources may be needed during the fiscal year 1992-93.

Decentralization. The implications of the decentralization initiative of the government in relation to the Health Insurances Services Division of the Department to Inuvik and Rankin Inlet are currently being assessed.

Mr. Chairman, I would now like to speak on the six key result areas identified for 1992-93.

Firstly, planning for health. The department will on the basis of continuing assessment of health status and health risks, identify healthy public policy and interdepartmental initiatives in order to improve the health of residents.

Financial planning and control. The department will continue to develop and maintain fiscal planning and budgetary systems in support of health and health service related activities.

Health promotion and education. The department will encourage health promotion and education strategies in areas where potential effectiveness has been demonstrated.

Reproductive health. The department will coordinate efforts to improve reproductive health and patient sensitive medical interventions. I should mention on this one, Mr. Chairman, that as soon as we have the translation concluded, and I hope it will be within days, I will table the response to the medical review of abortions in this House.

Environmental health. The department will, in collaboration with other agencies, attempt to reduce environmental threats to health, whether from local or

long range adverse influences, through education, research, and cooperative health risk management.

Human resource planning. The department will propose a mix of care providers and support staff based on health needs, and the aspirations of residents to play a larger role in the N.W.T. health system.

Mr. Chairman, in closing, every effort will be made to maintain current programs from within existing resources. A renewed spirit of cooperation amongst the public, the government, and health boards, is required to achieve this. I will endeavour to establish this cooperation with your assistance. Qujannamiik.

CHAIRMAN (Mr. Pudluk):

Thank you. I wonder if the Chairman of the Standing Committee on Finance would like to have a comment, or opening. Mr. Todd.

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MR. TODD:

Thank you, Mr. Chairman. I will try my best to be objective today. It all becomes difficult. I think we all recognize, and certainly the Standing Committee on Finance recognized the enormity of the problems associated with health, and the rising costs, and the demands that are currently being placed on the system.

However, the Standing Committee on Finance still fundamentally believes, that health services have to increase in the communities, not decrease. There is a tremendous, myself included, amount of feelings out there that, perhaps, some of the departmental plans have been done in isolation of regional and community input, and I am certainly talking from my own region that has a feeling of unease about the manner in which we are dealing with the fundamental issues.

I will not spend a lot of time on it today. We will deal with it probably in capital and future budgets. I am of the belief, as I said earlier, that this budget is six or seven months spent anyway.

We have two motions with respect to the Department of Health. One is in the value for money audit. The committee understands that the results of the value for money audit for the Department of Health will soon be concluded. However, we have not had the benefit of reviewing this document, and relating it to social

requirements. It is our hope that it will be tabled at the current session of this Assembly, who knows, and will be reflected in the development of the 1993-94 Main Estimates.

Committee Motion 215-12(2): To Adopt Recommendation No. 48

I move that the committee recommends that the 1993-94 Main Estimates of the Department of Health reflect the results of the value for money audit.

CHAIRMAN (Mr. Pudluk):

Thank you. Motion is in order. To the motion.

SOME HON. MEMBERS:

Question.

CHAIRMAN (Mr. Pudluk):

Question has been called. All those in favour? All those opposed? The motion is carried.

---Carried

Mr. Todd.

MR. TODD:

In reviewing the budget there were a number of concerns whether it was the cutting of PYs, or the increase or decrease in costs on the funding for A.I.D.S. The committee is genuinely and sincerely concerned that the possibilities of the spread of A.I.D.S. in the Northwest Territories.

There is nothing specific in the objectives in the 1992-93 Main Estimates that deals with this. We feel there is clearly a need to accelerate preventative action, and support increase funding. For example, if we do not stop the spread of A.I.D.S., what will be the cost in the next 10 years both from a human perspective and a financial perspective.

Currently, in the eyes of this committee, there seems to be little action taking place in the communities at the community level, to increase knowledge levels and attempt to change attitudes and behaviours. We are fully aware it is a difficult task, but in reviewing this concern the committee simply cannot comprehend what the economic costs will be, should there be a significant increase in the H.I.V. and A.I.D.S. disease.

Committee Motion 216-12(2): To Adopt Recommendation No. 49

I move that the committee recommends that the Department of Health include preparation of a comprehensive A.I.D.S. preventative action plan in the objectives of the 1993-94 Main Estimates, and seek increased funding for the implementation of this plan.

CHAIRMAN (Mr. Pudluk):

Thank you. Motion is in order. To this motion.

SOME HON. MEMBERS:

Question.

CHAIRMAN (Mr. Pudluk):

Question has been called. All those in favour? All those opposed? Motion is carried.

---Carried

Mr. Todd.

MR. TODD:

Thank you, Mr. Chairman. Measuring output and effect is important to the Standing Committee on Finance. The Committee wishes to know what the department expects to accomplish with the money put into health programs? The department is to be congratulated as the only government department that provide key result areas in the main estimates. Now the department must be encouraged to provide measurable indicators, so that we will all know how successful they are in achieving results with the resources provided.

Committee Motion 217-12(2): To Adopt Recommendation No. 50

Therefore, I move that the committee recommends that the Department of Health support as a minimum, the following performance measurements in the 1993-94 Main Estimates:

1. Mortality and sickness statistics and trends;
2. Public satisfaction with health programs and services;
3. A backlog of statistics;
4. Local employment in health care;

5. Health costs containment; and
6. Health facility utilizations.

Thank you.

CHAIRMAN (Mr. Pudluk):

Thank you. Your motion is in order. To the motion. Question has been called. All those in favour? All those opposed? Motion is carried.

---Carried

Does that conclude the recommendations from the Standing Committee on Finance? Mr. Todd.

MR. TODD:

Yes, Mr. Chairman, that concludes the recommendations.

CHAIRMAN (Mr. Pudluk):

General comments? Mr. Nerysoo?

MR. NERYSOO:

Thank you, Mr. Chairman. I do not want this government to get a sense of security by all the complimentary remarks that have been made today.

CHAIRMAN (Mr. Pudluk):

Order, please, order. Mr. Nerysoo.

MR. NERYSOO:

I do have some remarks to make here in this department. First of all, I know that the Minister knows full well that I was concerned, and I am not going to hide the fact, I did not hide it from him,

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and I did not hide it from the board and I did not hide it in the meetings that we held in Inuvik last weekend about the process that has been used to select the Chairman of the Inuvik Health Board.

When I was first notified, I believe that it was clear that I did not support the selection. Not so much the individual, and that is the problem with the process. Criticism of the process points to the individual, as though the person is incapable of doing the job. The fact is, that was not my argument. The Minister knows that to ensure that there is a certain amount of

success in the appointments to hospital boards, whether or not you are involved, or others are involved, that all M.L.A.s that are, in fact, affected by a particular appointment and should be contacted. Even more so, those Members who are on the hospital board should either have a say or an input to determine who the health board chairperson should be. I think, that has been overlooked.

I also suggest to the Minister, if you are going to make decisions about hospital board Chairs, you also contact the regional organizations or the aboriginal organizations in that region that are affected by those boards. At least receive some input from them, and some advice. That did not happen in this particular case, so I want to raise with you, that I am not going to argue against the appointment that was made, but simply voice my concern about the process that lead up to the appointment, and the fact that some of the Members of this Assembly were not even contacted, until after a decision was made. I hope that does not occur with other appointments, and other Members of this Assembly, because I do not think that is the way to do business.

Secondly, Mr. Chairman, I want to point out, and the Standing Committee on Finance has already pointed this particular matter out, on a number of occasions, and it is with the non-insured health benefits, Mr. Chairman, Mr. Patterson knows that I have raised this particular concern on a number of occasions. The whole matter of the administrative agreement that we have reached, or that we negotiated and concluded with the federal government, has put us in a position where we are having to pick up the responsibility for the federal government, in a program area which I believe, and I think that most people can argue from a constitutional perspective, that this responsibility clearly lies within the jurisdiction of the federal government.

I do not think that the intention of the agreement was to replace the jurisdiction of the federal government. I think that is occurring. The federal government is beginning to off-load to this government, and it is a concern that I have, and I hope in your own deliberations, Mr. Minister, that you will try to find someone that will deal with this matter, at least negotiate this particular matter, and I am not being critical, or maybe I am, I should be critical, but I think it should be someone from outside the department. The department has been involved in this process all along, and for me, they have not done a very good job. Maybe it is the advice they are receiving, but they have not, clearly, in my opinion, helped this

government at all. I think it should be the Minister who should try to find a way, either of resolving this particular matter, or at least finding someone that understands the whole issue, and has something to lose by this program not being under the jurisdiction of the federal government.

I want to say, and make the point that I made at the Inuvik Regional Hospital Board meeting, that this issue of non-insured health benefits is not an Indian issue, it is not simply an Indian issue. It is an Inuit issue as well because the federal government pays for non-insured benefits for Inuit men and women. If the federal government is now off-loading that responsibility to this government, then they are truly off-loading a responsibility, that, in my view, is under the responsibility of section 91.24 and other agreements that they have reached in this country. I want to make that point to people here.

My issue is not simply a matter of speaking from a Status Indian perspective, but also making it known that those Inuit Members here for which the government of Canada picks up the health costs, could possibly lose those services, if the federal government does not continue to pay for those benefits. As such, your communities are going to suffer.

I have more serious concerns, Mr. Chairman, and I will deal with them as we get into the detail of the Department of Health.

CHAIRMAN (Mr. Pudluk):

Thank you. Before I ask the Minister to reply to those comments. Mr. Minister, would you like to bring your witnesses in at this time.

HON. DENNIS PATTERSON:

Yes, thank you, Mr. Chairman, I will.

CHAIRMAN (Mr. Pudluk):

Is this committee agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Pudluk):

Thank you, proceed, Mr. Minister and invite the witnesses at this time.

Department Of Health

HON. DENNIS PATTERSON:

Mr. Chairman, I would like to invite Dr. David Kinloch, Deputy Minister and Mr. Wayne Overbo, Manager of Budgeting Services.

CHAIRMAN (Mr. Pudluk):

Thank you, Mr. Minister. Do you want to respond to Mr. Nerysoo's comments? Proceed.

HON. DENNIS PATTERSON:

Thank you, Mr. Chairman. I share Mr. Nerysoo's concern. Our department is basically the patsy on this non-insured services issue. I have a terrible feeling that at times, we are getting between the federal government and the understandably irate patients, and boards. It is true that the federal government is putting the squeeze on us, and I believe it is happening in other parts in the country, off-loading and reducing these important non-insured services. We are the provider of those services, therefore, we get blamed when we have to either inform people that we cannot afford to pay the services, because we are not going to be funded by the Government of Canada, or when we go to the Financial Management Board, and say we are incurring over-expenditures, because we did not get reimbursed adequately by the Government of Canada for services we deliver in the region. I have a strategy that I am proposing to develop with aboriginal organizations in the Northwest Territories, and at the national level, to deal with this problem. Recently, with the help of the Keewatin Regional Health Board we have tackled the issue of dental services, which is also an issue of dental services in the whole Northwest Territories. It is going to be a difficult battle at the bureaucratic level, and I am not optimistic that we will achieve the kind of breakthroughs that we want in restoring services to the previous level. I think it is critical that there be a territorial/political strategy developed with aboriginal organizations from the Northwest Territories. I have talked to some organizations already about convening a meeting before the end of this calendar year to develop this strategy. Also, it is important that there be a national/political strategy. I have had the opportunity to discuss that matter with Ovide Mercredi, and Rosemarie Kuptana. They agreed, along with the Premier, that we also have to take this battle to the highest levels of decision-making in the country, and it

may well have to be discussed at the First Ministers' Conference as a major emerging issue which

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really affects aboriginal rights. Thank you.

CHAIRMAN (Mr. Pudluk):

Thank you. Are there any general comments? Mr. Koe.

MR. KOE:

Thank you, Mr. Chairman. I am also concerned, as all of us are, about the increasing health care costs. I have mentioned on more than one occasion, regarding the costs that are in dispute with the federal government, and the impact it will have on our bottom line. I am not satisfied that accurate numbers are being used. I have never been given proper estimates. It is my opinion that no one really knows what the actual costs are. It is a legal case now, and hopefully it will be resolved soon.

I am also very concerned about the potential off-loading on various coverage for aboriginal people, and I have always been concerned that we do not have equivalent coverage for Metis people. The issue has been raised many times in this Assembly, I am not sure what stage that it is in, and I am not sure it is in this budget. I somehow doubt it.

I have also looked at the terms and conditions of the Health Transfer Agreement when this government took responsibility for health transfers. One area of concern, is the provisions in the agreement for a new hospital in the Inuvik region. The Minister and I have had discussions on it during his visit to Inuvik, and I think there is room for new planning and incorporation of a lot of the ideas that were brought up with the board, and other organizations. Decisions have to be made very quickly as to how, and when, planning and start up for a new hospital begins. I know it is a capital item, but there is much impact on the O and M, and the planning of the department involved in this. Those are just some of the areas of concern that I have, I think they are broad, and I will leave it at that. Thank you.

CHAIRMAN (Mr. Pudluk):

Thank you. Mr. Minister.

HON. DENNIS PATTERSON:

Thank you, Mr. Chairman. To Mr. Koe, about his question regarding what is in the budget for Metis health benefits. There is \$200,000 in the current budget, to do the enumeration of the Metis. This is a critical requirement, before we look at enhanced health benefits, and we are going to do that in cooperation with the Metis Nation. That is under way in the current fiscal year.

I just want to say on the non-insured, I have noted Mr. Nerysoo's advice about the need to have negotiators who may be independent from the process.

As far as planning for health care needs in the Inuvik region, I did have good discussions with the board and executive recently about their desire to make this a priority. We are hoping we can get the first phase under way, as early as January. This would be the needs assessment, the profile of the region, health status, what the wishes of the people are for health services, and it is clearly a priority of the board, and I will be working with them in that connection.

Mr. Chairman, I should not ignore Mr. Nerysoo's critical comments about the process for appointment for the board chair. Let us say that I have learned something from this experience. I have had an opportunity to work with the Gwich'in Tribal Council, and the I.R.C. while in Inuvik, and encouraged them to become involved in the restructuring of the Inuvik board, which is being considered. I hope that I will have their input, and cooperation in developing a new, and more effective board. It seems that we are pointing towards a strong executive committee mechanism. I hope their concerns about involvement, and representation, can at least be addressed as we look at restructuring the board.

CHAIRMAN (Mr. Pudluk):

Thank you. General comments? Mr. Ningark.

MR. NINGARK:

Thank you, Mr. Chairman. I am sure the Minister is aware of the important role played in our communities, by the community health representative, as I indicated early this morning. Mr. Chairman, it is well trained individuals who work very, very hard to provide community health education, deliver family counselling, and support, carry out inspections, consult with the various health professions. They are a very important part of the health care team in almost every community across the territories.

Yet, the salary paid to these talented, and hard working individuals is clearly, as indicated earlier, inadequate. Mr. Chairman, we should be encouraging aboriginal people to pursue careers in the health field, not discouraging them with salaries that are unrealistically low.

I want to ask the Minister of Health to assure me that he will carry out an immediate review of the salary framework available to community health representatives, and make sure that compensation, Mr. Chairman, reflects the role which they play in the communities. To me, they are very important people. Thank you.

CHAIRMAN (Mr. Pudluk):

Thank you. Mr. Minister.

HON. DENNIS PATTERSON:

Mr. Chairman, yes, I will undertake that review, and I certainly do agree with the Member that the C.H.R.s are vital in delivery of health services at the community level. I agree with everything the Member said about that. If you are not adequately recognizing that in the classification that is presently in place, then I would certainly be willing to examine and review that. Thank you.

CHAIRMAN (Mr. Pudluk):

Thank you. General comments, Mr. Arngna'naaq.

MR. ARNGNA'NAAQ:

Thank you, Mr. Chairman. In the remarks that the Minister just made a little while ago, in his talk about the area of the Keewatin Dental Clinic, I understood him to say that the dental clinic is inferior, or is not of the same level of service as it was previously. I would like to know if, in fact, this is what he was saying. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Pudluk):

Thank you. Mr. Minister.

HON. DENNIS PATTERSON:

Mr. Chairman, I would like to clarify my comments. The excellent services offered by the Kiquiti Clinic probably are comparable to the previous level of service. There are some pluses with this new approach, in that, it is locally based and locally owned.

No, the problem, Mr. Chairman, is that the federal government is not providing the same level of funding that was provided when the service was delivered through the University of Manitoba. The Keewatin Health Board has put together an excellent service which is based on the previous funding levels, but we are not getting the money from the federal government.

It is not a shortfall of services, it is a shortfall of funds that is the problem. Thank you.

CHAIRMAN (Mr. Pudluk):

Thank you. General comments. Mr. Nerysoo.

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MR. NERYSOO:

Mr. Chairman, if I could maybe make a couple more comments. I do not want to take up too much time, but at the same time, I do want to raise a couple of concerns. Mr. Chairman, for those who do not know, the certified nursing assistants, I believe that is what they are called, seem to be in a situation where they are being, what you might say, removed from the delivery of health services in the Northwest Territories.

Now, it concerns me in that this is one area where northern residents can get into the medical field. In fact, we developed a program, here in the Northwest Territories, where northern residents were trained in that particular program. Now, I am hearing, and have had discussions on a number of occasions with individuals who are finding themselves in a position where they are being squeezed out of hospitals across the Northwest Territories, and not being a part of the delivery of health services.

Now, I do not know how the Minister is going to deal with this situation, but surely, there is a continuing role for C.N.A.s in the Northwest Territories. Maybe the Department of Health has to clarify, in its own policy, in its own direction what role that position is to play. Right now, it seems that we are not considering the expertise of those individuals. I think that is not helpful to the delivery of health services, particularly since most of the C.N.A.s are people who have been born and raised in the Northwest Territories, or at least, have a very good understanding of the people and the environment that they live in. I am concerned about that particular matter.

CHAIRMAN (Mr. Pudluk):

Thank you. Mr. Minister

HON. DENNIS PATTERSON:

Mr. Chairman, the department certainly supports the important role of the certified nursing assistants and we are happy to have been involved in the development of this program. These people are critical in hospital and senior citizens homes. I want to see the program linked with our professional nurse training programs so that, as we have done with classroom assistants in the past, we can build on these people to train them as nurses, so they can eventually replace the nurses that we largely import from the south.

Mr. Chairman, I believe the Member may be referring to the issue that has arisen in Stanton Yellowknife Hospital, and to my knowledge, that is the only place, right now, where we have a problem, where C.N.A.s are feeling that they are not being appreciated, shall we say.

I have received an expression of concern on the part of the Status of Women about that issue, and I am concerned. I want to tell the Member that I am working to resolve that issue with the Stanton Yellowknife Hospital board, I am hoping that it can be worked out. I am concerned about it, and I will take his advice that perhaps the policies of the department could be looked at with a view to ensure the appropriate role for these certified nursing assistants. Thank you.

CHAIRMAN (Mr. Pudluk):

Thank you. Mr. Nerysoo.

MR. NERYSOO:

Thank you, Mr. Chairman. I just want to raise a couple of other concerns. Mr. Chairman, if the Minister might somehow try to address the matter of communication between the community health centres, the regional hospital boards, and then from there to Yellowknife, or whatever institution patients are being sent to, where expert advice is being sought on medical situations for a patient. Maybe I could clarify that for you.

There are many individuals in the communities who are expressing concern that they do not really know their situation after they have been diagnosed. The doctor says, yes, we are going to send you for an operation in Yellowknife. That is the end of it. People in the communities do not know when they are

supposed to go, if appointments have been made, they have no idea that those things are being done. For instance, the most recent incident, and I will talk more specifically to the Minister about, was an individual who thought they had resolved a discussion in April of this year, was asked two days ago, by the nurse, what did the doctor tell you? She said, has the doctor contacted you? I always make the assumption that it is going to be the nurse that would contact the patient, and the doctor. If that is not the case, then I think we are in deep trouble because that is not fair to the patient. I would ask the Minister to somehow work this matter out. We talked about this particular issue last week in Inuvik about communication. It is not simply a matter of the communication between the board, and the departmental staff. It is communication with the patients, and the services that they are supposed to be receiving. I have recently received a concern where a patient was supposed to receive a specialized biopsy, in fact, it is a muscle biopsy. The University of Winnipeg has a list and it will be two years before they can even be considered. It seems to me that people do not know what they should be doing. It only came to my attention, and I thought it was interesting that this issue was raised this past April, the last communication from Winnipeg to them was a couple of days ago. Now that is really unfair to the patient. Particularly, since the patient is a young child and has no way to contact anyone the parents are supposed to do that. I raised this point, not to suggest that it is impossible to resolve the problem, but I wanted people here to understand that we have to improve communication with our patients. Our local health centres have to be as much responsible for that communication, as the deputy minister, or for that matter, the regional administrator. You cannot always rely on those two people, or the staff at headquarters, and in the region, to be solely responsible for communication. Those people have to assume some responsibility for that, as well. I just wanted to point that out to you.

CHAIRMAN (Mr. Pudluk):

Thank you. Mr. Minister.

HON. DENNIS PATTERSON:

Thank you, Mr. Chairman. Mr. Chairman, I think the Member's concern about communication between the health system and patients is very well taken. I believe it was a fundamental problem, for example, that was revealed during the abortion services' review, but the Assembly will see some very helpful

recommendations in dealing with that problem. What is being suggested, which I endorse, is that one thing we have to do is provide a means of what I would call cultural sensitivity training to our physicians. This will be necessary, as long as we employ physicians who are not indigenous or northern people. We are now actively looking at ways in which we can build this cultural sensitivity into physicians, and health professionals' practices. We may even, possibly, consider ways of tying it into the licensing process, itself. I also agree with the honourable Member that communication problems with southern physicians is, perhaps, even worse. I recently heard a story about a fellow from Pelly Bay, who was asked to come back in two weeks, by an Edmonton doctor, to have his stitches taken out. This doctor had no idea how far away Pelly Bay was, or that there was a local health centre, which was quite capable of removing stitches without the necessity of such a big trip. We are also going to try to address the communication problems with southern physicians. One way of addressing that is to try and deliver as many services as we can in the Northwest Territories, and we have had some success in this direction already. At the local level, there are also problems. This is where the C.H.R.s are critical, and I will say to the honourable Member,

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that I see a role for C.N.A.s, at least in some of the larger health centres, we may pilot some use of C.N.A.s, and I think they will improve the communication problems the Member is describing. Thank you.

CHAIRMAN (Mr. Pudluk):

Thank you. General comments? Mr. Arngna'naaq.

MR. ARNGNA'NAAQ:

Thank you, Mr. Chairman. I just wanted to get further clarification on the question I was asking, in saying that the funding has been reduced, or has been cut by the federal government. I would like to know, is that the case for any other possible creation by private sectors of dental services in the Northwest Territories? That the federal government will reduce their funding if this was to happen in other cases? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Pudluk):

Thank you. Mr. Minister.

HON. DENNIS PATTERSON:

Mr. Chairman, to answer the Member's question, I would have to describe the funding problem we are having with the Keewatin clinic. Right now, there is no problem in getting the federal government to pay for a specific dental procedure, where it is performed by say, a Yellowknife dentist, on an aboriginal person. We are not having those kinds of problems, yet. However, what has happened is, the Keewatin Health Board entered into a contract with the new group formed in Keewatin, and that contract was at about the same funding level as had previously been spent by the federal government through the University of Manitoba. Once the contract was entered into, the Department of Health and the Keewatin Health Board were told, in no uncertain terms, that many of the costs reflected in that contract were ineligible for funding by the Department of National Health and Welfare. They said we will not pay for an office manager, for example, which I believe is one of key components of the clinic. We will only pay for so many days travel in the communities, and we will pay less than the days contracted for. So they have scrutinized this contract, they have said they will not pay many of the aspects of the contract, and the Government of the Northwest Territories is left holding the bag for the difference. I think so far it looks like that will be something like \$300,000 a year. It is not getting paid for a specific dental procedure, it is getting the same level of funding that they seem to pay quite readily to a southern based service out of the University of Manitoba. When we do it in the north, we cannot get the same level of funding, and it is because the federal government is trying to off-load onto the Government of the Northwest Territories. What I am hoping we can do is tackle this problem at the political level, if necessary, because it amounts to discrimination against northerners, and possibly, against Inuit if you want to look at it that way, as I do, and as the Keewatin Health Board does. Thank you.

CHAIRMAN (Mr. Ningark):

General comments. Mr. Gargan.

MR. GARGAN:

Mr. Arngna'naaq was first on the list.

CHAIRMAN (Mr. Ningark):

Mr. Arngna'naaq.

MR. ARNGNA'NAAQ:

Thank you, Mr. Chairman. I think I understand what Mr. Patterson is saying here. So, in fact, to keep the level of service that was maintained by the University of Manitoba, it will cost this government \$300,000, more to maintain that level of service that was given by the University of Manitoba. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. DENNIS PATTERSON:

Mr. Chairman, I think, in many ways, through this new approach developed by the Keewatin Regional Health Board, for which they should be given credit, the level and quality of service is in many ways probably improved over the previous model. The simple problem is that the federal government is not willing to pay a northern based northern owned clinic the same amount of money they were willing to pay the University of Manitoba to deliver those services from Winnipeg, and we are short, somebody is short, as a result. I hope it is not the Government of the Northwest Territories that has to pick up the bill because we are not budgeted for those expenses.

We are going to insist that the federal government should pay at the same level as before, and if I have not got this right, I am sure Mr. Todd will correct me.

CHAIRMAN (Mr. Ningark):

Thank you. General comments, Mr. Arngna'naaq.

MR. ARNGNA'NAAQ:

Thank you, Mr. Chairman. We have not heard much recently about The N.W.T. Way, which was coming out of the Strength at Two Levels. I wanted to find out if the transportation routes from the Keewatin, that were being proposed by The N.W.T. Way, are being carried forward by the Department of Health.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. DENNIS PATTERSON:

Mr. Chairman, I am not sure what the Member is getting at with respect to transportation in Keewatin, but I want to clarify to the Member that The N.W.T. Way and I know it was much maligned in previous discussions in this House before I took on this job The

N.W.T. Way has probably been around for 35 years, and it refers to the concept, as I understand it, of delivering as much service at the community level as possible; primary health care wherever possible; avoidance of expensive and remote physician services where ever possible, and we are actually leading the country in that concept of primary health care. It is the way many jurisdictions facing crushing doctor's bills are trying to deal with rising health care costs. It also features health promotion and prevention wherever possible.

I am sorry, I am just not sure what the Member is referring to in the Strength at Two Levels report on transportation in the Keewatin. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Minister. Mr. Arngna'naaq.

MR. ARNGNA'NAAQ:

Thank you, Mr. Chairman. Maybe I could clarify it for the Minister. What I was referring to was the matter of transporting patients, right now, from the Keewatin communities to Churchill in Winnipeg, that route. What was being proposed, as I understood it, was that the patients would be transported from the Keewatin communities to Yellowknife, and being treated in Yellowknife, and if they needed further care, which is not available in Yellowknife, then they would be transported down to Edmonton. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. DENNIS PATTERSON:

Mr. Chairman, the current policy on the Department of Health on transportation of Keewatin patients is very flexible, and it is really based on what is appropriate and what makes sense with the particular patient. There are times when it would make sense to use services in Yellowknife, such as patients having babies, or other obstetrical problems. We had occasion to try this out when there was a strike in Manitoba, and we really had to put all obstetric patients into Stanton Yellowknife Hospital, and it seemed that there was general satisfaction with the services they were able to offer at that time, so

it is done on a per patient basis; on the basis of what makes sense.

I think generally speaking, if we can spend the dollars in the Northwest Territories, and save money, we will look for every opportunity to do so, and of course, the rising costs of hospitals in southern Canada, means that sometimes putting a patient in one of our northern hospitals could save up to \$1000 a day just in hospital fees alone. So, it is a judgement call. There is no arbitrary rule being applied. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. General comments, Mr. Gargan.

MR. GARGAN:

Mr. Chairman, I have one health concern that I would like to address. I have been looking into the objectives, but I do not see it. It is in regard to gathering statistics, and I do not think it will take much for this government to take a few minutes, or if they have someone who specializes in that area, to go into the river to take soil samples, plant samples, and test them to see whether it is healthy, or the condition of the environment as well as the human condition, hair samples, blood samples, tests. I always found that, for example, in Black Lake, Saskatchewan, where there is a uranium mine, people are dying of cancer over there, and they cannot do anything because they cannot prove whether or not it is a result of the mine that has caused this.

If we were to establish the conditions before the mine was built, then you have some basis for taking a company to court, for polluting or for causing. I am always concerned about that, we still think it is not an issue, but I really am quite concerned that somewhere down the road if, for example, they went ahead with the mine near Baker Lake, I would be concerned about the people over there.

We do not know what the conditions of those people were at that time, then we cannot prove anything. I would hope that by doing yearly samples, and yearly tests, we will be able to determine if these were the conditions before the mine, and gradually from there you could say whether, or not, that the results of the health, or the conditions of those people were as a result of this.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. DENNIS PATTERSON:

Mr. Chairman, I certainly agree with the Member that the health effects of any industrial development should be measured and should be taken into an account before a development decision is made. I can assure the Member that if we were facing a project, like the uranium mining project in the Keewatin, the Department of Health would have been ready, and actually preparing to intervene in the review process to ensure that the health concerns that the Members have expressed were going to be addressed, before the decision was made.

I want to also say that the issue of contaminants in the Arctic has not gone away, and this House, and the previous Legislature debated that issue quite extensively. We have pressed for monies to continue work on this issue through the federal Green Plan, and \$200,000 has been committed in this fiscal year to work on the contaminants issue, although I am disappointed to report that notwithstanding that commitment, we still have not yet received the funds that were promised; therefore, we cannot carry out the studies that we were planning to undertake. I am hopeful that the issue of funding can be solved so that we can continue this important work. Thank you.

CHAIRMAN (Mr. Pudluk):

Thank you. Department of Health. Mr. Gargan.

MR. GARGAN:

Mr. Chairman, I realize, that perhaps there are contaminants in the environment, but what I was trying to get at, Mr. Chairman, is monitoring. A monitoring system on the health conditions of people in the north, in designated areas. You monitor it so that you will know a level, if development happens, and there are changes happening, then you could very well say that for the last 20 years it was at this level, and as soon as they put this mine in, it started to going up, cancer started going up, or liver sickness. Things started happening, then you could prove, in the event of a court challenge, that it was as a result of the mine, because before that, these were the conditions of the people, and there is a consistent trend. When developments happened, the trend changed. That is what I am trying to get at. I certainly agree that before anything, any development happens, that the health of the people and the environment should be considered.

What I am suggesting is that we do not have any monitoring programs, which could be done by the nurse maybe to take water samples, or tear samples, or blood samples, so that you are always monitoring on a yearly basis the health conditions of the people. Every year, it does not matter whether the development is 50 years away, the monitoring should start now. So that in the event that development does happen, this government or the communities can say that these are the conditions before you came for the last 50 years, and it has changed all of a sudden because of your pollution, or whatever the case may be. That is all I am trying to get at.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Gargan. Mr. Minister, would you like to respond to that.

HON. DENNIS PATTERSON:

Mr. Chairman, I would just hope that we can be vigilant enough about our health, that instead of measuring whether an industrial project produced disease of some kind, because we monitored the health of the people before, and after, instead of doing that, I would hope that we would have stood up and said, to whoever was making that decision, this project cannot go ahead in this form, or cannot go ahead at all because we predict that it will harm the health of the people. I think that is the preferable way to do it, rather than measuring how sick they got after.

Just consulting with my Deputy Minister on that point, Mr. Chairman, I think we do measure certain basic things, like the weight of infants at birth, and basic health statistics and mortality rates and that sort of thing. We do not take the kind of detailed sampling that the Member is suggesting. I think that is would possibly be very expensive to do that, at least in the whole Northwest Territories, but if there is any area where this should be done, I would like to hear about it, and I would be open to working on that. I would like to say, that as far as cancer is concerned, Mr. Chairman, there is a very easy way to reduce the higher incidents of cancer in the Northwest Territories, and that is by attacking the single largest cause of cancer, and that is cigarette smoking. That would be a wonderful way, if we could reduce that, a wonderful way of reducing cancer. We know all about it, we know all about the horrendous rates of smoking in the Northwest Territories and if the Member is concerned about cancer, that is a thing that we can do to tackle cancer deaths and rates of cancer, is to tackle smoking. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Patterson. I know of cases where people died of cancer who have not smoked in their whole life. Mr. Gargan.

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MR. GARGAN:

Thank you, Mr. Chairman. All I am trying to say, Mr. Chairman, is that right now, if you challenge major industries with regard to what the conditions were before the industry was there, and after, you find that a lot of communities do not have any kind of base line data or consistencies in the condition of the people, before that industry was there.

If you start getting contaminated fish, or people started to get sick as a result of that industry, if you do not have data that goes back for years, then you do not have a case. You can never challenge the companies. That is all I am saying. You should be able to prepare yourself now so that companies that do decide to develop in certain areas are aware that, look, these are the conditions of these people, and we hope to maintain this consistency.

If there is any change, it is possible it is as a result of that. I do not think companies would want to be challenged, if we had a long history of data that we can base our analysis on.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. DENNIS PATTERSON:

Mr. Chairman, I will note the Member's suggestions. I do not have an answer to his concerns today, frankly. It is very clear that we are not doing the kind of measurement that the Member is suggesting, but I will ask my officials to examine that and advise me whether we can do more extensive monitoring.

Mr. Chairman, I want to show respect to the Chair, at all times, but I have to challenge you in suggesting that you know someone who had smoked all their life, and did not develop cancer. I have to tell you that 80 percent of cancer deaths are related to smoking, over 80 percent, and if you know someone who has lived a long life and avoided cancer through heavy smoking, then you know a minority. You know someone who has beaten the odds.

The fact is, in the territories, women have a 200 percent higher than national average of getting cancer, twice the national average. Men in the Northwest Territories have over half as much chance of getting compared to the Canadian average, and that is because we are heavy smokers in the north. The rates are going up. It is killing our people, and it is killing our health system as far as costs are concerned. No one should pretend that it is okay to smoke, and you can live to a ripe old age. I have to challenge you on that, Mr. Chairman, with the greatest respect.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Minister. I think you misunderstood me. What I said was, I know of people who die of cancer who have never, ever smoked in their life. That was my comment. Department of Health. Mr. Gargan.

MR. GARGAN:

Mr. Chairman, the Minister just gave us with confidence some analysis on cancer, you must have been monitoring to come to that conclusion. I guess that is my point. You would not be able to say that unless you knew, through long periods of monitoring, that is the trend.

The other question, Mr. Chairman, is we do have the Baffin Health Board, and the Keewatin Health Board, and all of these nice boards, but we do not have a Mackenzie Health Board. I wonder when we are going to have something in my area, not that we want one, but it would be nice if we created a Deh Cho Health Board, or a south Slave Health Board, those are the only regions that are operating with no boards.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Gargan. The honourable Minister.

HON. DENNIS PATTERSON:

Mr. Chairman, I would welcome the honourable Member's assistance is solving this problem. I am not happy that we have a public administrator for the south Mackenzie area. I am told, and I am new to this job, that efforts have been made to seek agreement from the Deh Cho, the south Slave and the Dogrib people, about how a health board could be constituted.

We have been unable to achieve agreement and consensus on that, but if there is a way of doing it,

and honourable Members from those regions can assist me in coming up with a model that will be accepted by those regions, I would be delighted to assist in constituting a board. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. We are discussing the Department of Health, 1992-93 Main Estimates. Detail?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Agreed. Mr. Dent.

MR. DENT:

Mr. Chairman, just for the record, before you get to page 14-10, I would like to say that there may be the potential for conflict of interest there for myself, so I will not participate in discussion, or vote on that page.

CHAIRMAN (Mr. Ningark):

Page 14-10 administration, total O & M \$10.879 million.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Supplementary health programs. Mr. Gargan.

MR. GARGAN:

Thank you, Mr. Chairman. Just with regard, again, to the medical travel and medical benefits, extended health benefits, are government employees still practising restraint, or are we still paying an exorbitant cost for government employees to travel south for their health benefits?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. DENNIS PATTERSON:

Mr. Chairman, that area is the responsibility of the Department of Personnel.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Minister. Mr. Gargan.

MR. GARGAN:

Thank you.

---Laughter

With regard to the Metis and non-native residents, with specified diseases who receive coverage, is it possible to broaden that a bit? I think we could put the Metis people in a different category so that they receive more benefits than non-native people? There must be a way of addressing their specific needs so that, at least, they have the same level of service as, maybe, status people.

It has been worked on for about five years now, if I recall, Mr. Chairman, and there have been motions on it. Mr. Koe brought it up. What are we doing to expand and to help the Metis population of the north?

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Gargan. Mr. Minister.

HON. DENNIS PATTERSON:

Mr. Chairman, the Metis have advocated that they should be treated the same as status people, the Inuit and status Dene people. We are examining

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that, and I guess the first step is the enumeration I referred to just to find out who are the Metis in the Northwest Territories. Once we have done that, it is under way right now, then we will be in a position to calculate the cost of extending benefits.

The Member is right. The extended health benefits program described in this section applies to everyone, including Metis. And so we are taking a universal approach with this list of diseases, but as I understand the Metis health benefits issue, we would look at funding Metis health benefits as if they were the same as the status people, and that would be a benefit different from that offered to non-native, non-status. That exercise is under way, and I think we should let it run its course before we fiddle with the extended health benefits. That would be my view, to work with the Metis Nation, take the next step, and then see where we are. Thank you.

CHAIRMAN (Mr. Ningark):

Qujannamiik. Mr. Nerysoo.

MR. NERYSOO:

Maybe, Mr. Chairman, if I might, I know that there is a great deal of pride in people, and sometimes the idea of using Bill C-31 is not always an advantage for people. The fact is those people have the capacity to register as status Indians under Bill C-31. It is an advantage not only for them, but also in terms of making sure that this government, hopefully, will get additional financial resources for health services in the Northwest Territories. In fact, in other areas where the federal government is supposedly responsible, so I think that some people have great pride in Metis or non-status. The fact is it could be a factor at times in their decision, so I just wanted to make that point.

The other point that I wanted to raise, Mr. Chairman, this matter that was raised, I do not know the details on the Keewatin situation, it really is not my constituency, but I want to be clear about this. Is it correct that the additional cost is \$300,000? Is that what the options are? Or the consideration? I just want to raise one point after you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Nerysoo. Mr. Minister.

HON. DENNIS PATTERSON:

Mr. Chairman, I should say that this is all still under active discussion at the officials level, and undoubtedly at the political level, and so the \$300,000 figure I threw out was tentative and preliminary. It is an estimate, and I do not pretend that it is going to be accurate, but that is our ball park estimate of the difference at the moment.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Nerysoo.

MR. NERYSOO:

Could the Minister then clarify for me if the federal government had been responsible for this situation, would they have, in fact, been responsible for picking up this cost for status Inuit? Would they, in fact, be responsible?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. DENNIS PATTERSON:

Well, Mr. Chairman, the federal government is actively trying to reduce their program, and they are doing it through several devices. In provinces, they are using Blue Cross, and Blue Cross is the bad guy who tells the patient sorry, you are only covered for this much. In the Northwest Territories, we are the bad guy that is delivering the program that has to tell, in this case the health board and their contractor, that we do not have the money to pay, because we are not getting it from the feds. I think they are trying to avoid the direct delivery that occurred in the past, and perhaps we have played into their hands. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Department of Health. Mr. Nerysoo.

MR. NERYSOO:

Thank you. Well, I think that what I wanted to get at, was, under normal circumstances, the federal government would have been responsible for picking up the costs. The additional costs that people talk about are not costs that are above and beyond what was, in fact, would have been an historical cause. It is above and beyond what is now the cost; what is now the cost to this government, is that correct? It is our cost now that is increasing, and, in fact, it is the federal government's costs that are decreasing in this particular case.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. DENNIS PATTERSON:

Mr. Chairman, aspects of the present contract are described by the federal government as above and beyond what the federal government will pay, even though when the federal government ran a different program. A Winnipeg based dental service in the Keewatin, was spending the same level of money, but they are saying now that we have a northern model, they are saying there are many aspects of that model that are above and beyond what they are willing to pay.

CHAIRMAN (Mr. Ningark):

Mr. Nerysoo.

MR. NERYSOO:

Mr. Chairman, all I wanted to say on that point, and again it is not in my constituency, but I do say this to the Minister, and I guess through him, to his officials. I think that there has to be a time when we refuse to accept the federal argument. There has to be a time, and I hope that our officials, when they are at the negotiating table, take some strong positions on this particular matter, because I know in the end, we may be in for a longer fight, and that is all part of the strategy we are going to deal with, in terms of dealing with this situation, but I do not think it is necessary to develop a strategy to say to the government, "We are not going to take any more of this off-loading stuff". We cannot simply suggest to the Government of Canada that this is going to be an acceptable manner in which they treat the Government of the Northwest Territories, or for that matter, officials who are negotiating on our behalf. That is not acceptable. It should not be acceptable by government, it should not be acceptable by the Assembly, and I doubt very much that other people would accept that this is the way we should accept off-loading from the Government of Canada. I think the circumstances, for instance, Mr. Chairman, in Manitoba, that was under the leadership of Phil Fontaine, all the status Indians sent their bills not to the Blue Cross, but actually to the Department of Health or to the Department of Indian Affairs.

It is interesting to note, Mr. Chairman, that in the Yukon, there is a bureaucracy still in place to deal with this issue, and what surprises me, is that there is no request for reduction of services there. In fact they have accepted the fact that until the transfer decision is made, and that is ongoing right now, they are in fact, responsible agents on behalf of status Indians, and I make that mention because I think we accept it, that we will be responsible, we would deliver services better, but we cannot accept the responsibility of the federal government in this area, and I do not think that we should do it. I just wanted to make that comment. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. Page 14-11, supplementary health programs. Total O and M \$15.287 million.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Over the page. Territorial hospital insurance services. Total O and M \$120.296 million.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Medical care plan. Total O and M \$19.193 million.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Page 14-14, medical travel, total O and M \$21,355 million. Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Details of grants and contributions, contributions \$88.730 million.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Information item, territorial hospital insurance services.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Continuation on page 14-18, territorial hospital insurance services information item. Are there any questions on this item?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Detail of work performed on behalf of third parties, nil. Agreed.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Total department, \$1.107, on page 14-22.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Page 14-23, revenues, recoveries and transfer payments.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Page 14-9, program summary, total O and M \$187.010 million. Agreed.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Does the committee agree that we conclude this activity, department?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. I would like to thank the witnesses for appearing in the committee of the whole. Thank you.

Does the committee agree that we go to the Department of Social Services? What is the wish of the committee? Mr. Dent.

MR. DENT:

Mr. Chairman, I would recommend that we continue with the Department of Social Services.

CHAIRMAN (Mr. Ningark):

Agreed.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Minister of Social Services, would you make your opening remarks?

Introductory Remarks, Department Of Social Services

HON. DENNIS PATTERSON:

Yes, thank you, Mr. Chairman. Mr. Chairman, I am pleased to present the Department of Social Services budget, it is 60 pages long, so I hope you will bear with me, no it is nine pages long, I am just kidding.

Mr. Chairman, the department has made significant progress in the quality of service delivery and in meeting program improvements in recent years. The major thrusts of the budget for this year are as follows:

- Improvements to the child care worker rates of pay,
- Start up funds for the operation of the new Hay River Reserve alcohol and drug treatment centre
- Provision of base funding for the fuel for seniors program, and increases for seniors supplementary benefits
- Funding for the operation of new and improved family violence shelters to open later this year, and
- Higher foster care rate payments and providing for more children in care.

In order to meet necessary budget restraint guidelines, reductions of \$651,000 and 2 PYs are reflected in this budget. As I proceed through these opening remarks, I will be advising you on these initiatives as they relate to specific items under each program area.

First, however, an overview of the budget. The proposed 1992-93 Main Estimates are \$92.5 million, which represents a 2.7 percent increase over the revised 1991-92 budget. In addition, approvals totalling \$1.4 million made part way through 1991 for programs such as child care worker pay increases, continue to impact in the current year.

There are 430.1 indeterminate person years and 34.6 casual person years associated with this funding. Revenue for the entire department for the period is estimated at \$28 million.

The budget includes \$19.49 million dollars for corrections services, as well as \$5.1 million in revenues from the federal government for programs such as young offenders agreement and prisoner exchange services. This division, including its 242.5 person years, has now been transferred to the Department of Justice.

Mr. Chairman, as far as new initiatives are concerned, the family and children's services activity directs and coordinates the administration of child welfare and day care legislation as well as programs related to the administration of family violence and child sexual abuse prevention services.

The proposed family and children's services budget includes additional funding for:

- Family violence shelters forced growth and the new shelter in Rankin Inlet;
- Child care workers pay increases;
- Children in care increases in rates for foster payment and forced growth for number of children in care.

The alcohol, drugs and community mental health services activity includes four program services areas:

- Alcohol and drug services to assist and support community based groups in the provision of

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education, preventive and treatment programs for people with alcohol and other drug problems;

- Clinical services to assist community care givers in assessing and treating children and adolescents with serious emotional or behavioural problems, other psychological difficulties, and special needs;
- Community mental health services to provide support and assistance in the provision of programs for people with mental health problems; and
- Suicide prevention services to facilitate and support community involvement and responsibility in the delivery of suicide prevention programs.

The establishment of a 30 bed alcohol and drug treatment centre at Hay River will result in increased operating costs. O and M funding in the amount of \$731,000 is required to meet start up costs associated with this facility.

Some savings have been achieved in the clinical services program. One position at headquarters has been eliminated, together with the associated O and M funding, as well as contract dollars. These and other reductions save approximately \$153,000.

The community and family support services activity provides services and financial assistance to aged and handicapped persons and to individuals and families in financial need.

The proposed main estimates reflect an increase in:

- Base funding for the fuel for seniors program;
- Senior citizens supplementary benefits;
- Southern placement costs for handicapped persons;
- New multi-level care facilities in Fort Smith, Arviat and Iqaluit; and
- New residences for elders in Fort Franklin and on the Hay River Reserve.

Funding for the employment enhancement agreement, which was entered into by the federal government and the G.N.W.T. in July, 1987, has been transferred to the Department of Education and Culture.

I would like to take this opportunity to address future directions for the department as several important questions were raised during the Standing Committee on Finance review. I have only been Minister of this department for a short while, but I have been meeting with senior staff in the Departments of Health and Social Services to discuss major issues and to lay the groundwork for new directions. My first consideration will be to determine ways in which certain program elements which overlap can be combined to provide greater efficiency.

I will establish a process to look at the effectiveness of particular program services. I share the concerns of my colleagues in the Standing Committee on Finance who raised the issue of family violence and particularly programs to provide treatment for the "batterers". As well as this, we discussed the importance of suicide prevention work, improving the

role, and effectiveness of social workers, dealing with the alcohol and drug abuse, and encouraging health, and independent communities with devolved program services delivered by the community. These, and many more items, will be considered, and a report with recommendations prepared for Cabinet and the Legislative Assembly.

Finally, a concern that is common to us all, reasonable and fair wages for alcohol and drug workers. A report, dealing with this issue, and all other affected groups, will be presented to Cabinet and I anticipate that you will see the results of these recommendations presented to the House in the next budget to be considered by yourselves, early in the new year.

Mr. Chairman, this completes my budget presentation. I would be happy to answer any questions Members may have. Thank you.

CHAIRMAN (Mr. Pudluk):

Mr. Nerysoo.

MR. NERYSOO:

Thank you, Mr. Chairman. I move that we report progress.

CHAIRMAN (Mr. Pudluk):

We do not have a quorum. Mr. Clerk, ring the bell.

Okay, this committee will come back to order. There is a motion on the floor to report progress. It is in order, not debatable. All those in favour? All those opposed? Motion is carried.

---Carried

I will rise and report progress.

MR. SPEAKER:

Item number 19, report of the Committee of the Whole. Mr. Chairman.

ITEM 19: REPORT OF COMMITTEE OF THE WHOLE

MR. PUDLUK:

Mr. Speaker, your committee has been considering Bill 33, and committee report 17-12(2), and wishes to report progress, with 21 motions being adopted. Mr. Speaker, I move that the report of the Chairman of the

committee of the whole be concurred with. Thank you.

MR. SPEAKER:

Is there a seconder to the motion? Mr. Dent. Motion is in order. All those in favour? All those opposed? Motion is carried.

---Carried

Item 20, third reading of bills. Mr. Whitford.

HON. TONY WHITFORD:

Thank you, Mr. Speaker.

ITEM 20: THIRD READING OF BILLS

Bill 9: An Act To Amend The Insurance Act

Mr. Speaker, I move, seconded by the honourable Member for Tu Nedhe, that Bill 9, an Act to Amend the Insurance Act, be read for the third time.

MR. SPEAKER:

Motion is in order, Mr. Whitford. All those in favour? I will do it again. All those in favour? Are you counting, Mr. Clerk? All those opposed? Motion is carried.

---Carried

---Applause

Bill 9 has had third reading. Mr. Gargan.

MR. GARGAN:

Mr. Speaker, I would like to get unanimous consent to go back to Item 12, tabling of documents.

MR. SPEAKER:

The honourable Member is seeking unanimous consent to return to tabling of documents. There are no nays. Proceed please, Mr. Gargan.

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REVERT BACK TO ITEM 12: TABLING OF DOCUMENTS

MR. GARGAN:

Thank you, Mr. Speaker. I would like to table seven documents.

---Laughter

First I would like to table, Tabled Document 114-12(2), the 1989 research article titled "Attitude Change Through Cultural Immersion In the Grade Nine Enrichment Curriculum" authored by Judith Lynn McPhie and June Beynon, which was published in the Canadian Ethics Study Journal. Second, I would like to table, Tabled Document 115-12(2), an article titled "A Family Of Learners And Story-Tellers", by the Native People's Magazine. Third, Tabled Document 116-12(2), is "Teachers Will Learn To Teach About The Environment" done by the Nunatsiq News. Fourth, Tabled Document 117-12(2), "My Little Corner Of Canada, The Syllabic System Must Go" done by the Nunatsiq News. Fifth, Tabled Document 118-12(2) "Keewatin Impression, Taking A Fresh Look At Education" done by Nunatsiq News. Sixth, Tabled Document 119-12(2), "Change Attitudes, Not Writing System" done by the Nunatsiq News. Lastly, unfortunately, Tabled Document 120-12(2), and article titled "Gargan Embarked From View On Cultural" from the September 28 edition of the Nunatsiq News. Thank you.

---Applause

MR. SPEAKER:

Mr. Nerysoo.

MR. NERYSOO:

Sorry, Mr. Speaker, I was going to table documents, too, but I thought about the staff, and all the hard work they were already doing.

---Laughter

MR. SPEAKER:

Tabling of documents. Mr. Arngna'naaq.

MR. ARNGNA'NAAQ:

Mr. Speaker, I would like to seek the indulgence of my fellow Members and seek unanimous consent to return to Item 3, Member's statements.

MR. SPEAKER:

The honourable Member is seeking unanimous consent to return to Item 3. Are there any nays? There are no nays. Proceed please, Mr. Arngna'naaq.

REVERT BACK TO ITEM 3: MEMBERS'
STATEMENTS

Member's Statement On Susan Aglukark

MR. ARNGNA'NAAQ:

Thank you, Mr. Speaker and fellow Members. I apologize that I was unable to be here this morning to make this statement. I intended to do this morning. Mr. Speaker, I would like today to congratulate Susan Aglukark of Arviat, on her second album Arctic Rose, which was officially launched last night in Arviat.

I would like to apologize for not being able to be a part of the launching in Arviat. Every Member of this Assembly should have received an invitation to the launching, but due to circumstances beyond the control of this House, we were unable to complete the Operations and Maintenance budget.

Susan Aglukark is a 25 year old singer who was born in Churchill, Manitoba, but was raised in Arviat. Susan was so extremely popular in her home town of Arviat that two concerts were booked last night, so that all of her supporters had an opportunity to hear, and see her. More than 200 people crowded into the Arviat airport on Tuesday to greet the singer whose music brings music and hope to the people.

Susan successfully launched her music career last year, with a debut of a video called "Searching" and an album called "Dreams For You". The video won the Much Music Top Cinematography award. Since the release of this video, and cassette, Susan's music career has blossomed, so much so that she resigned from the I.T.C. in June, 1992 to dedicate herself totally to music. She also became a role model for people in the Arctic, and has also been highly active speaking to students of all ages. On Canada Day, Susan performed on Parliament Hill to a televised audience of about 27 million people. Susan and the Arctic Roads Band recently performed before approximately 10,000 people in Vancouver's Earth Voice '92, the largest environmental festival in Canada. She was a feature performer last weekend in Edmonton, at the Dream Speakers, the first world artistic and cultural film festival. She will be the subject of an article in this month's Indian Life magazine and will be profiled sometime.

MR. SPEAKER:

Mr. Arngna'naaq, your allotted time has elapsed. Mr. Arngna'naaq.

MR. ARNGNA'NAAQ:

Mr. Speaker, I just have a few more lines, I seek unanimous consent to continue.

MR. SPEAKER:

The Member is seeking unanimous consent to continue. Are there any nays? There are no nays, please continue.

MR. ARNGNA'NAAQ:

Thank you, once again. I did not think it would be this long. She will be the subject of an article in this month's Indian Life magazine and will be profiled sometime in November on C.B.C.'s Ear to the Ground television show. I hope all northerners will tune in to Ear to the Ground and learn more about this rising northern star. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER:

Item 3, Members' statements. Item 20, third reading of bills. Item 21, Mr. Clerk, orders of the day.

ITEM 21: ORDERS OF THE DAY

CLERK OF THE HOUSE (Mr. Hamilton):

Mr. Speaker, meetings for tomorrow at 9:00 a.m. of the Ordinary Members' Caucus. Orders of the day for Friday, October 2, 1992.

1. Prayer
2. Ministers' Statements
3. Members' Statements
4. Returns to Oral Questions
5. Oral Questions
6. Written Questions
7. Returns to Written Questions
8. Replies to Opening Address
9. Petitions
10. Reports of Standing and Special Committees
11. Reports of Committees on the Review of Bills

12. Tabling of Documents

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13. Notices of Motion

14. Notices of Motions for First Reading of Bills

15. Motions

16. First Reading of Bills

- Bill 34

17. Second Reading of Bills

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

- Tabled Document 9-12(2)

- Tabled Document 10-12(2)

- Tabled Document 62-12(2)

- Tabled Document 66-12(2)

- Tabled Document 70-12(2)

- Motion 6

- Committee Report 17-12(2)

- Committee Report 20-12(2)

- Bill 33

19. Report of Committee of the Whole

20. Third Reading of Bills

21. Orders of the Day

MR. SPEAKER:

Thank you, Mr. Clerk. The house is adjourned until 10:00 a.m., Friday, October 2, 1992.

---ADJOURNMENT