



**NORTHWEST TERRITORIES
LEGISLATIVE ASSEMBLY**

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The Honourable Jeannie Marie-Jewell, Speaker

MEMBERS PRESENT

Mr. Titus Allooloo, Mr. Antoine, Hon. Silas Arngna'naaq, Mr. Ballantyne, Hon. Nellie Cournoyea, Mr. Dent, Mr. Gargan, Hon. Stephen Kakfwi, Mr. Koe, Mr. Lewis, Hon. Jeannie Marie-Jewell, Mr. Ng, Hon. Rebecca Mike, Hon. Don Morin, Mr. Ningark, Mr. Patterson, Hon. John Pollard, Mr. Pudlat, Mr. Pudluk, Hon. John Todd, Mr. Whitford, Mr. Zoe

ITEM 1: PRAYER

---Prayer

MADAM SPEAKER:

Good afternoon. Item 2, budget address. The Minister of Finance.

ITEM 2: BUDGET ADDRESS

HON. JOHN POLLARD:

Thank you, Madam Speaker. Another barn-burner from this side of the House.

---Laughter

Madam Speaker, it was said to me by my staff, that I should try to liven it up. I said, I might try to sing it, but it is written in B flat and I don't sing in B flat. Madam Speaker, in the past, a budget address was a forum to announce major new initiatives that would be funded from growing revenues. In today's economic climate, the emphasis for government, as well as the private sector, has shifted toward streamlining, downsizing and increasing efficiency. Across the country, a government budget address is more likely than not to contain both expenditure reductions and revenue raising initiatives.

Despite these new realities, this budget contains a positive message. The Government of the Northwest Territories has responded to a difficult fiscal environment by adjusting program delivery and government structure to meet the needs of Northwest Territories residents, within current resource levels.

This government has a long-term strategy for achieving fiscal reform. This strategy was outlined in the Premier's February 1992 statement on Reshaping Northern Government. Government must become more efficient, more productive and more responsive to the needs of Northwest Territories residents. By

providing better, more effective services at less cost, we can avoid drastic reductions in services.

Fiscal Position And Outlook

Madam Speaker, when the previous budget was tabled a year ago, the government projected a \$26 million deficit for 1992-93 and a balanced budget for 1993-94. We are now showing a small surplus for 1992-93 and a projected \$23 million deficit for 1993-94. Madam Speaker, there has been some criticism of our forecasting in these areas. I would point out, on a billion dollar budget, to be within \$25 million, we believe is as accurate as we can be, taking into consideration the factors that affect us.

Madam Speaker, the 1993-94 deficit was higher than forecast because of unforeseen events. A severe forest fire season last summer cost us an additional \$10 million for fire suppression. The outbreak of anthrax in the wood buffalo population cost us more than \$1 million to control. As well, Madam Speaker, almost \$10 million in additional social housing costs were incurred due to the federal spending cutbacks and the requirement to ensure that minimum client needs were met. This still falls far short of meeting the real need for housing in the north and our ability to address the housing deficiency will be further eroded in 1994-95 and future years with the withdrawal of federal funding support for new social housing.

The 1994-95 budget forecasts capital and O and M expenditures of \$1.2 billion and revenues of an equal amount. This government has committed itself to presenting a balanced budget, and we have achieved this goal through a number of expenditure and revenue measures.

Expenditures

Capital and O and M expenditures are budgeted to grow by only two-tenths of one per cent in 1994-95 over 1993-94 revised estimates. A tight rein must be kept on government spending to achieve this low growth rate. Wherever possible, however, we have tried to achieve savings by becoming more efficient, so that funds can be reallocated to meet increased demand for programs and services.

This session, Members will be asked to approve O and M spending of a little over \$1 billion. This represents an increase of only two per cent from the 1993-94 main estimates amount.

Social Services

Madam Speaker, included in this budget is an additional \$3.5 million to allow for essential payments to social assistance clients. The underlying causes of increased social assistance spending are being analyzed and further funding adjustments may be necessary. In addition, the way in which social assistance is provided is being reviewed. Details of this review will be given later in this address.

Funding has also been increased by \$1.4 million to meet the operating and maintenance costs of several new social services facilities, including a new child welfare group home in Baker Lake, two new group homes for disabled adults in Rankin Inlet and Inuvik and the new Baffin regional alcohol and drug treatment centre located in Iqaluit.

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Education, Culture And Employment

Funding for the Department of Education, Culture and Employment to plan, develop and operate the elementary and secondary school system will increase by \$6 million. This will bring it to a total of more than \$144 million in 1994-95. Included in this increase are the funds required to extend grades in 15 community schools, together with the costs of additional teachers, classroom assistants, transportation and support services associated with ever increasing enrolments. Further information on grade extensions will be provided by Mr. Nerysoo during the committee of the whole review of the department's budget.

The increase in grade extensions has allowed more students to attend high school in their home communities. As a result, the operation of Akaitcho Hall is no longer economic or necessary and the closure of this facility is planned for June 30, 1994.

Increased contributions to school boards of approximately \$1.5 million will be used to fund the community teacher education program, which is designed to increase the number of aboriginal teachers in Northwest Territories schools. The program will primarily be directed at individuals already working in education settings. The first group of successful trainees is scheduled to assume teaching positions in the fall of 1995.

Due to projected growth in post-secondary student enrolments, \$1 million has been added to the student financial assistance program, together with a \$1

million increase in the provision for student loan remissions.

Municipal And Community Affairs

The Department of Municipal and Community Affairs will increase transfer payments to hamlets by \$684,000 and support to settlements will increase by \$257,000. As well, the department's budget includes an additional \$400,000 to provide communities with funding support to operate recreation facilities and hire recreation leaders. New recreation leaders are being supported in Hall Beach, Wrigley and Lac La Martre and a new facility maintainer position in Whale Cove will be funded. This increase reflects the government's and the Honourable Silas Arngna'naaq's continued support for community recreation programs which help to strengthen community well-being and provide a positive focus for youth. Madam Speaker, I would say at this point that we have received some criticism from the federal government for these kinds of facilities we provide to smaller communities. My answer has been, to Mr. Martin, that you do not find a Davis Inlet in the Northwest Territories. I cannot express the importance that we place upon keeping our youth busy in these small communities.

Transportation

In the area of transportation, the budget includes \$1.2 million in additional O and M costs for the extension of the Mackenzie Highway, as well as \$400,000 to operate the new ferry at Ndulee. Increased general highway maintenance costs of \$850,000 are also included. The highway extension, the ferry

and increased highway maintenance will all provide additional opportunities for local employment.

Madam Speaker, as previously promised, the Baker Lake training centre will be in operation in 1994-95. The centre will train northerners in the specialized techniques and procedures necessary for the safe and efficient operation of our community airports.

Renewable Resources

The budget of the Department of Renewable Resources includes \$3 million for the second of five equal payments to the Nunavut harvester income support fund in accordance with an agreement with Nunavut Tunngavik Incorporated.

Economic Development And Tourism

Also reflected in this budget are organizational changes in the Department of Economic Development and Tourism. The department has been reorganized and streamlined to simplify application procedures and assist in the stimulation of economic development. Decision-making has been decentralized to improve the department's ability to respond to changing economic circumstances and to better address the needs of the small business community. Regional offices have been given increased authority and responsibilities and associated funding has been transferred to facilitate this change.

Housing Corporation

The Government of the Northwest Territories' contribution to the operations and maintenance budget of the Northwest Territories Housing Corporation has been increased by eight per cent over the 1993-94 main estimates amount to more than \$56 million. The total operations and maintenance budget of the corporation is over \$105 million, of which \$77.5 million is in grants and contributions to local housing organizations, up \$8.2 million from 1993-94.

This increase, Madam Speaker, will fund the operating costs of new housing units and increased operating costs on existing housing. Approximately 80 per cent of the Housing Corporation's expenditures supports the local housing associations and authorities who administer and maintain over 5,500 rental housing units across the north.

Health

The \$178 million budget for the Department of Health represents almost 18 per cent of the total operations and maintenance budget, and is 2.3 per cent less than the 1993-94 main estimates amount. This reduction reflects the government's continuing efforts to control health costs in the area of medicare, medical travel and hospital services, while improving the quality of and access to services.

Madam Speaker, savings are being achieved primarily through the repatriation of services from the south. This permits care closer to home, with resultant savings in out-of-territory hospital expenses and the related decrease in medical travel costs. The budget anticipates reductions of more than \$6 million through such initiatives, without any reduction in service levels.

Public Works And Services

Madam Speaker, the Department of Public Works and Services budget is 2.1 per cent less than the 1993-94 main estimates. This budget includes a reduction of \$1.5 million resulting from the sale of staff housing units, which will now be maintained by their new owners. Additional savings are anticipated as more housing units are sold.

The department has been reorganized and the construction management function decentralized to improve effectiveness and provide greater regional presence. The budget also reflects the privatization of the publications and productions function.

Madam Speaker, in addition to these expenditure initiatives which are reflected in the budget, there are a number of other initiatives which are being considered.

Income Security Reform

The first of these is a review of the government's spending on income support and employment training. This budget has allocated \$80 million in O and M funding for the Department of Social Services, of which approximately \$32 million will be spent to provide direct income support to persons. The budget also allocates \$212 million in O and M funding to the Department of Education, Culture and Employment, of which approximately \$56 million is directly targeted to training and employment support. These amounts demonstrate the Government of the Northwest Territories' strong commitment to provide income support to those in financial need and to those who need education and training to find a job.

Madam Speaker, government spending alone cannot provide meaningful employment and restore an individual's dignity by reducing his or her dependence on government. We need more opportunities for participation in the economy and for increasing individual self-reliance. We also need to restructure government expenditure on income support and on employment development and training programs so that we spend more efficiently. This is how we can transform passive social service payments into an investment in people.

Therefore, Madam Speaker, we have begun an in-depth review of our income support systems. The intent is to integrate all the government's programs of

income support to avoid duplication and overlap and to provide maximum benefits to residents. The challenge will be to eliminate the barriers that exist in programs such as social assistance and the social housing rental scale and to establish work incentives and training initiatives which will encourage residents to enter or return to the job market.

One element in our approach will be to involve, as much as possible, communities and claimant groups along with local businesses in the delivery of integrated programs to upgrade the skills of social services recipients and provide them with on-the-job training. We believe this will increase the number of skilled individuals available for employment and will enhance the community's overall self-sufficiency. We intend to overhaul the system so that different programs are not working at cross-purposes and do not create disincentives to work and training.

The Minister of Social Services, Ms. Rebecca Mike, is working closely with the Minister of Education, Culture and Employment, Mr. Richard Nerysoo, to find ways to integrate to the greatest extent possible income support, training and employment development programs. The two departments are developing pilot projects specifically intended to test this integrated approach. They will be seeking final Financial Management Board approval of these initiatives later this year.

Madam Speaker, we were particularly pleased by the recent announcement by the federal Minister of Human Resources, that the federal government will undertake a complete review of income support programs. The objectives of the federal government are very similar to ours. Since successful reform cannot be achieved without changes to federal programs, the federal initiative comes at a most opportune time and, Madam Speaker, we intend to participate very actively in intergovernmental discussions on income support. We will ensure that our reforms dovetail with the federal reforms. A first meeting of federal, provincial and territorial Ministers is being held today. Minister Nerysoo will be making a statement on this matter when he returns from Ottawa.

Public Service Management

Madam Speaker, over \$400 million of the Government of the Northwest Territories' budget goes to public service salaries and benefits. All three of our existing collective agreements with public service

unions and associations expire in 1994. We expect collective bargaining to start soon.

In the last few years, other jurisdictions in Canada have taken measures to reduce the cost of their public service wage bills including wage freezes and roll-backs, lay-offs and forced time off without pay.

Northwest Territories public servants, in comparison, have not been subjected to the drastic measures taken elsewhere. We have had no massive lay-offs of government employees. Employees affected by government initiatives have either found other jobs within government or received benefits from the workforce adjustment program which the government negotiated with the Union of Northern Workers.

Furthermore, Madam Speaker, if we compare public service salaries and benefits within the Northwest Territories, the government pay and benefits package appears to be significantly higher than that offered by community employers. We are undertaking a survey to determine whether the differences among the pay and benefits packages of the various community and public sector employers are significant and if so, how large the disparity is. The results of this survey are expected by late spring and will assist us in determining future direction in a number of areas. The results of the survey will be reported to this House, Madam Speaker.

Madam Speaker, we cannot ignore the impact of the cost of the public service on our financial situation. Public service costs represent one-third of our budget. Our serious financial situation has forced us to take a hard look at all of our priorities. This significant portion of our budget must also come under thorough review. Cost containment must extend to collective bargaining.

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The government will want to address a number of significant matters during collective bargaining. This will include rethinking components of the public service benefits package. Some Members of this House have stated that the benefits package needs to be more reflective of our northern environment. Business people have raised concerns with the value and structure of government employee benefits. The government realizes that it needs to rethink its benefits package. There must be serious flaws in a system where some employees qualify for as much as \$30,000 in vacation travel assistance.

The issue of pay for performance needs to be addressed in collective bargaining. Productivity in all sectors of our economy needs to be increased for the country to become more competitive and a stronger linkage between pay and performance is fundamental to this. There is also a need to discuss greater flexibility and innovation to allow us to become more effective and efficient in the delivery of public services. This applies particularly to hours of work and shift scheduling provisions of the collective agreement.

We will also need to examine the reasons why employees who resign after only a few years get severance pay and why we pay their costs to leave the Northwest Territories.

Madam Speaker, we have a history in the north of being able to resolve difficult problems together. Our employees are valued and appreciated. However, we must be realistic and negotiate within the context of today's financial realities and labour environment. We look forward to exploring innovative ways to deal with our problems, reduce costs, and respond to emerging workplace issues.

Madam Speaker, it is in recognition of our financial realities and the need for responsible actions that I will be introducing in this session, on behalf of the Legislative Assembly's Management and Services Board, an amendment to the Legislative Assembly and Executive Council Act that will result in a zero increase to Members' salaries for 1994-95.

--Applause

Madam Speaker, as I mentioned previously, there has been a strong desire to link public sector compensation more closely to performance and to the achievement of results. Bringing about this change must start at the highest level of the bureaucracy. On behalf of the Premier and my Cabinet colleagues, I am pleased to announce that a new approach to deputy minister compensation will be implemented during the upcoming fiscal year. This new approach will involve the conversion of a significant portion of deputy ministers' base salaries to performance pay. Although deputies will see their regular take home pay substantially reduced, they will have the opportunity to earn greater merit pay based on their performance and the results they achieve.

Madam Speaker, creative initiatives are also needed in other human resource management areas. As we move closer to division, the need for strategies to plan

for, develop, recruit and retain staff are taking on greater importance. We have, therefore, begun to develop a corporate human resource planning strategy. We will be reviewing existing policies and programs to ensure that we have knowledgeable staff to fill future public service jobs. We must attract capable northerners, assess their abilities, provide them with training and monitor their progress in order that we can assist them in pursuing a career path within government. Although Mr. Nerysoo's officials in the Department of Education, Culture and Employment and officials in the Financial Management Board Secretariat are taking the lead role in developing this strategy, Madam Speaker, it must involve all departments and agencies.

A major component of the strategy will be an extensive review of the effectiveness of the affirmative action policy in increasing, developing and retaining affirmative action employees. Part of the review will include talking with those who use the policy, including eligible staff, interested groups and representatives of the broader community. The results of this review will be reported to both Cabinet and this Assembly with a specific action plan before the end of 1994.

Revenues

Madam Speaker, I would now like to address the revenue side of the budget.

Last year, we implemented a new Northwest Territories payroll tax. This tax came into effect on July 1, 1993. The government remains convinced that all individuals who are employed in the Northwest Territories must share in the tax burden. This tax is the most effective way we have to ensure that such sharing takes place. Implementation of the tax has proceeded smoothly, largely as a result of the cooperation of Northwest Territories employers. Indications are that our forecast -- that it would raise about \$8 million in the current year -- is on track.

Last year, the government also introduced a cost of living tax credit for Northwest Territories' residents. This credit is based on net income and is available to all Northwest Territories residents who file a Northwest Territories income tax return. The credit for 1993 will be up to \$322.50, depending on income, half the rate of future years. Madam Speaker, that is because we didn't implement it until half-way through the year. The credit can be claimed by filling out and filing the form included with all 1993 Northwest Territories income tax returns. The government will

be initiating a public awareness campaign through ads in northern newspapers to encourage residents to file their tax returns so that they may get this credit as well as the federal child tax benefit.

Despite forecast healthy economic growth this year and next, the government is projecting lower tax revenues in the current fiscal year, and only a slight improvement next year. This is due primarily to a decline in corporate income tax revenues in 1992. In that year, corporations in Canada and the Northwest Territories had lower profits and, therefore, lower taxes. Because 1992 taxes were not completely assessed until well into 1993, the lower 1992 taxes are reflected in our 1993 and 1994 payments from Revenue Canada.

The government has balanced this year's budget mainly by controlling spending. I am announcing that in this budget there is:

-no increase to personal income taxes;

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-no increase to the one per cent payroll tax;

-no increase to fuel tax rates;

-no change to liquor mark-ups;

-no changes to property tax mill rates;

-no change to the income tax rate for small businesses; and,

-no sales tax introduced in the Northwest Territories.

---Applause

However...

---Laughter

Madam Speaker, I have one tax change to announce. Effective January 1, 1994, the Northwest Territories corporate income tax rate will increase from 12 per cent to 14 per cent. This rate change will not apply to the first \$200,000 of active business income of Canadian-controlled private corporations. This change will result in additional revenues of \$5 million in the coming year. Legislation to implement this rate will be introduced during this session.

---Applause

Madam Speaker, this is the first increase in the corporate income tax rate in four years. The new rate will still be the lowest of any province or territory other than Quebec. Because our rate will still be lower than in Yukon and in nine of the ten provinces, we do not expect that this increase will significantly affect investment intentions of large companies in our economy.

Although the government considered a range of taxation alternatives, no changes have been made to taxes on individuals in this budget. Last year, we asked employees to pay more through the new payroll tax and an increase in the personal income tax rate. This year, we are expecting large corporations to increase their contribution.

Last week, the federal government announced a reduction of \$5.00 a carton in the federal cigarette tax, along with other measures to combat tobacco smuggling in Canada. Given that Northwest Territories tobacco taxes are levied as a percentage of the retail sale price, including the federal tax, this measure will result in a revenue reduction of up to \$3.40 per carton in our tax, or about \$2 million a year if we do not act to avoid this erosion of our revenues. The lower price would also increase consumption. I don't have to tell this House of the effects of an increase in smoking on the health of our residents. We are examining the revenue and health implications of the federal action and I will report back to the House with a plan for dealing with the problem.

Tax increases in this budget have been kept to a minimum, because we believe that a balanced budget must come primarily from restructuring spending, not by increasing the tax burden, with its resulting negative impact on individuals, business and the economy.

The Economy

Madam Speaker, in 1993, the economy of the Northwest Territories offered excellent employment and investment opportunities.

The job situation in the Northwest Territories proved to be much healthier than at the national level. About 900 new jobs were created in the Northwest Territories last year. This represents a 4.4 per cent increase, the second largest annual increase in employment since consistent record-keeping began in 1983. Government initiatives such as the Northwest Territories worker training fund delivered by the Department of Education, Culture and Employment,

contributed to this employment growth. Madam Speaker, we also believe that negotiating those contracts and trying to spend more of our money in the Northwest Territories, has resulted in more northerners being employed.

Most of the goods produced in the Northwest Territories are sold elsewhere. Unfortunately, over the past few years, Canadian and international demand for our goods was weaker because of the recession and the subsequent fragile recovery. Consequently, in 1992, real final domestic demand, a measure of consumer, government and business spending, grew by one per cent, slightly above the Canadian average of 0.4 per cent. It is estimated that real final domestic demand in 1993 grew by between one and two per cent. In 1994 and 1995, we expect annual growth of two to three per cent. Employment is expected to grow by about 2.5 per cent a year.

Mining

Mineral mining is the largest goods-producing industry in the Northwest Territories and has historically accounted for ten per cent of the direct jobs available here. In 1992, largely because of a 17 per cent fall in gold output, real GDP grew by only 0.4 per cent. This decline was attributed partly to falling productivity, but it was primarily due to the closure of the Colomac gold mine in June of 1991.

Although final statistics are not yet available for 1993, it is estimated that the mining industry's performance was measurably better and significant improvement is expected this year and the next.

Key factors are causing the outlook to improve. World demand is improving. Metal prices have stabilized or increased in US dollar terms. The declining value of the Canadian dollar has further increased revenues for Canadian producers. Our mines have cut operating costs while maintaining total metal production. This is crucial for the export performance of the Northwest Territories because 95 per cent of our total exports of goods are non-renewable resources.

With the expected return to full production at territorial gold mines and with the planned reopening of the Colomac gold mine in April of 1994 and the approximately 240 jobs that this is expected to provide, the outlook for the industry is bright.

Diamond exploration activity is front and centre in the economic news. The total area of claims recorded in

the Northwest Territories during 1993 reached 30 million acres, an area almost twice the size of New Brunswick. This represents

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a 75 per cent increase over the previous year and 18 times the area claimed in 1991. It is becoming increasingly more probable that the Northwest Territories will host the first diamond-producing mine in North America.

---Applause

This would vastly increase the role of mining as a direct and indirect generator of employment and income. I think Mr. Todd will be talking a little more about this, possibly today, Madam Speaker.

The full potential of our wealth will truly be realized only if the employment and investment opportunities yielded by this economic activity accrue to northerners. Latest statistics indicate that of 1,683 full-time workers in the metal mining industry in the Northwest Territories, only 51 per cent were northerners and less than 10 per cent were aboriginal persons.

These ratios must improve. The Government of the Northwest Territories, through its education and training system, is dedicated to expanding employment of local people. The Department of Energy, Mines and Petroleum Resources has a number of initiatives specifically aimed at increasing northern and aboriginal employment in the mining industry. However, the cooperation of employers is also needed to successfully reach this goal. In addition, employment clauses in land claims agreements and the potential for new mine development over the next five to ten years will support the trend towards higher levels of aboriginal employment.

This government continues to support the development of a transportation corridor in the resource-rich Slave geological province. The construction of an all-weather road between Yellowknife and Coppermine and of a deep sea port on the Coronation Gulf would have major benefits, not only for the Northwest Territories, but for all of Canada. The cooperative efforts of government, both territorial and federal, and the private sector, are required to make this happen. The Honourable John Todd, Minister of Transportation, is actively pursuing this important initiative.

Renewable Resources

The Minister of Renewable Resources, the Honourable Stephen Kakfwi, will table a new Renewable Resources development strategy during this session. This strategy will identify economic opportunities in the renewable resource sector, which produces goods that have a current annual value of more than \$55 million. The Department of Economic Development and Tourism will disseminate this information and provide support when needed to transform these opportunities into viable business ventures.

Progress over the last two years has been encouraging, particularly in the area of wildlife, fisheries and forestry. New opportunities for residents have included the establishment of an outfitting venture in Fort Providence for hunting wood bison, a very successful harvest of muskox by hunters of Cambridge Bay, commercial harvesting of the rapidly expanding caribou population on Southampton Island, expansion of offshore and inshore fisheries quotas and licenses and six new forest harvesting licenses that will allow the harvesting of more than \$9 million worth of wood. This progress has occurred without compromising the long-term and vital interests of northerners for sustainable access to country food and fuel wood.

Economic Development

We recognize that in most communities, the economic environment is not buoyant and there are limited employment opportunities. To help meet the need for jobs, the Department of Economic Development and Tourism is encouraging innovative initiatives that build on traditional skills and occupations.

In the Kitikmeot region, a group of women in Taloyoak have formed the Natilikmiot Anakavik Producers Cooperative to revive the production of dolls. This has come about through the efforts of the producers, the departments of Education, Culture and Employment, Economic Development and Tourism, the hamlet and the Northwest Territories Development Corporation.

Progress is being made in the development of the inshore and offshore fisheries in the Baffin region. Last summer, 500 metric tonnes of offshore turbot were harvested in the Davis Strait from a new quota awarded to Cumberland Sound Fisheries Limited. In September 1993, an exploratory fishing program, funded in part by the federal-territorial economic

development agreement, was successful in identifying a stock of turbot of commercial potential near Broughton Island. Both of these developments bode well for increasing the employment and income generated by Baffin fisheries. Exploration for fish resources will continue in 1994.

Exploratory fishing will also continue in the Keewatin region in 1994 to build upon the encouraging results from last summer. It is believed that this program will result in new economic opportunities and growth within two to five years.

Arctic food production will also be undertaken in the North Slave region in 1994. The Dogrib people have recently decided to undertake a federally inspected test harvest of approximately 500 caribou for commercial purposes. The harvest will take place in late winter and, if successful, could be repeated in 1995. This project is as a result of ongoing consultations over a two year period with the residents of North Slave.

In the Inuvik region, an economic development committee has been established in Fort Norman. The committee has met with the Department of Economic Development and Tourism to initiate a community economic planning process. A number of initiatives have been identified, most of which focus on the development of the tourism industry. Tourism will also be a focus in the Deh Cho region. Initiatives will be undertaken to attract tourists travelling the Alaska Highway.

In summary, Madam Speaker, the longer term economic outlook of the Northwest Territories remains very positive. Diamond mining would provide a tremendous boost to the economy. As prices for minerals increase, output and employment should improve. The development of a transportation infrastructure will open the Northwest Territories to tourism and further mineral exploration and development. With the devolution of responsibility for oil and gas and minerals to this government, decision-making can take place

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in the Northwest Territories and at local levels where northerners can then stake a claim in their own future.

Madam Speaker, the economic development of the Northwest Territories will also bring significant benefits for Canada. There will be economic benefits since most of the goods used by Northwest Territories

producers and bought by Northwest Territories consumers come from southern Canada. There will also be fiscal benefits since economic development will decrease the government's reliance on transfers from the Government of Canada.

Federal-Territorial Fiscal Arrangements

Madam Speaker, there are a number of outstanding federal-territorial fiscal issues which require resolution. These include the formula financing agreement, the devolution of oil and gas and minerals, the health billings dispute and funding for social housing.

Formula Financing

The coming fiscal year is a crucial one for federal-territorial fiscal relations since 1994-95 is the final year of the current five year formula financing agreement. Renewal discussions are expected to begin within the next month.

Considerable effort has been made by both sides to improve our fiscal relationship with the federal government. Our meetings with federal Ministers indicate they have a willingness to listen and to resolve outstanding issues. We are looking forward to productive discussions on our financing arrangements. However, given the current federal fiscal situation, we must be realistic about what we can achieve.

There are two major outstanding issues related to the formula financing agreement which we would like to see resolved and changes implemented before the expiry of the current agreement in 1995.

One element of the formula which we would like to see addressed is the GDP ceiling. This ceiling, which has cost us hundreds of millions of dollars in lost revenues, links the growth of our base funding to economic growth in southern Canada. While we disagree, in principle, with the application of a ceiling unrelated to our expenditure requirements, we understand the federal government needs to limit its fiscal exposure. However, the ceiling on formula financing is more restrictive than the one applied to federal-provincial equalization payments. We have asked the federal government to apply the formula financing ceiling in a more equitable way.

Secondly, the formula currently contains an element which penalizes the Government of the Northwest Territories when our tax revenues increase as a result

of economic growth, since for every \$1 earned in additional taxes, the formula financing grant falls by \$1.30. This aspect of the formula creates the wrong incentives for economic growth and development. We have made a proposal to the federal government that would eliminate this element, and the disincentives it creates, without increasing federal spending.

The successful resolution of some of these issues would be a significant boost to economic growth as well as a benefit to both governments. We understand that the federal government is facing a serious deficit situation and must keep expenditures in check. This precludes large increases in transfer payments to the Northwest Territories. However, federal expenditure reductions and tax increases alone will not resolve the federal deficit problem. As the federal Minister of Finance and the Prime Minister have recognized, the active pursuit of economic growth-enhancing policies is the third and essential component of a deficit reduction policy. The Northwest Territories could make more meaningful contributions to national economic growth if some of the issues in federal-territorial relations were resolved.

For this to happen, Madam Speaker, the right set of incentives has to be in place. First and foremost among these is a formula financing agreement which does not create fiscal disincentives to economic growth and development for the Government of the Northwest Territories. As I have already explained, the formula creates the wrong incentives for the Government of the Northwest Territories and can, in its current form, only lead to reduced revenues for both governments in the longer term.

Oil And Gas And Minerals Devolution

Devolution of remaining province-like programs from the federal to the territorial government would also create more incentives for our government to promote economic growth and development, especially in the areas of minerals and oil and gas. By repatriating decision-making to the Northwest Territories, our government could work in closer cooperation with local residents, claimant groups and industry to promote orderly development of our mining and oil and gas industries.

Efforts at concluding a northern accord on oil and gas and at devolving responsibilities for mining have not, however, been successful up until now. Resolution of the formula financing issue, along with the provision that the Government of the Northwest Territories can

retain meaningful benefits from oil and gas and mining royalties, would remove the major stumbling block in concluding devolution agreements. We believe that this would result in increased support by business, claimant groups and all Northwest Territories residents for the development of these two major industries. This development would more than compensate the federal government for any foregone revenue and also provide a net fiscal benefit to the Government of the Northwest Territories.

Health Billings

Madam Speaker, we want to work with the federal government to resolve a number of other outstanding issues. With regard to this government's dispute with Canada over payment for aboriginal health care, I have approached the federal Ministers of Finance and Indian and Northern Affairs on this issue. We have agreed to explore the possibility of reaching a settlement. Resolution of this dispute would be a major milestone in improving federal-territorial fiscal relations.

Social Housing

Members are aware that the federal government has cut funding for new social housing steadily since 1991. Now, all of that funding is gone.

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More than 3,500 housing units are required across the Northwest Territories right now, and the shortfall between needs and available housing is growing. Overcrowding is already a major problem in many communities. As our young population grows, local housing shortages will get worse. Ultimately, this will lead to more health problems, more family violence and other social problems, and increased learning and behaviour problems of school age children. Most of those who need housing assistance in the Northwest Territories are aboriginal people and the federal government has a special responsibility to them.

Madam Speaker, the Government of the Northwest Territories simply does not have the resources to address the housing crisis on its own, especially in light of the severe cuts imposed on formula financing growth by the GDP ceiling. The Minister responsible for the Northwest Territories Housing Corporation, the Honourable Don Morin, has met twice with the current federal Housing Minister to inform him of our urgent housing shortage and the impact of federal restraint.

Mr. Morin is also working with a special committee made up of Housing Ministers from several provinces. This committee will advise the federal Minister on the significance of the special housing needs of the territories and of some of the provinces, and the need to address the funding shortfall. This issue has been raised on several occasions with federal Ministers.

We will continue to pursue the issue of social housing vigorously with the federal government, in consultation with aboriginal organizations and the Advisory Committee on Social Housing. The federal government has to recognize its responsibilities for providing housing to aboriginal persons in the north. It must reinstate funding for social housing in the Northwest Territories.

National Infrastructure Program

Madam Speaker, an example of the kind of productive federal-territorial discussions which are possible are those relating to the \$2 billion national infrastructure program, announced by Canada in December. When supplemented with contributions from provincial, territorial and municipal governments, this program will provide up to \$6 billion in capital spending across Canada to promote employment and accelerate economic recovery.

The Northwest Territories supports the goals of the initiative. As Members will recall, when we were first made aware of the infrastructure program by the federal government, the funding allocated to the Northwest Territories was less than \$4 million. The program would have consisted of two components: a national infrastructure program to be administered by the Government of the Northwest Territories; and, a First Nations infrastructure initiative to be administered by the Department of Indian and Northern Affairs. Delivery of these two programs independently would have resulted in different treatment for different communities in the Northwest Territories.

As a result of representations by the government and the direct intervention of the Premier with Prime Minister Jean Chretien, the federal government has increased the amount of funding allocated to the Northwest Territories and eliminated the double standard in program delivery. First, an additional \$400,000 has been allocated on the basis of revised unemployment estimates. Second, the funding allocated to Indian and Northern affairs for the First Nations infrastructure initiative will be combined with the allocation to the Government of the Northwest

Territories under one program to be administered by our government.

These changes mean that total federal funding allocated to the Northwest Territories under the infrastructure initiative will be \$5.3 million over two years.

If all communities participate in this program, approximately \$13 million could be spent on capital improvements in the Northwest Territories over the next two years. However, no funding has been allocated for this initiative in the government's 1994-95 capital budget. As soon as agreement has been reached with Canada on the administration of this program, funding will need to be identified. Once this has been done, details will be communicated to all Northwest Territories communities in March 1994.

Conclusion

Madam Speaker, I am almost at the end and I am sure there are many people who are relieved about that. But I would like to say that every day it becomes clearer that the Northwest Territories can depend less and less on the federal government for its needs and to defend its interest. We must become more self-sufficient and less dependent on Ottawa. This can only happen if Northwest Territories residents are working together towards clear goals. All of us must work hard to reconcile the interest of aboriginal organizations and claimants, business and industry, government and other groups if we are to bring about and manage the political and economic development of the Northwest Territories. There are large economic resources available in the Northwest Territories whose development would make us much less dependent on the federal government. We need to put aside our differences, stop dealing with the federal government independently of one another and work together to place our future where it should be, in the hands of northerners.

Madam Speaker, my Cabinet colleagues and I would like to offer thanks to the Members of the Standing Committee on Finance and to other MLAs for their assistance and advice in preparing this budget. Madam Speaker, I would also like to thank my Cabinet colleagues and their deputies and departments for putting up with my badgering as well.

I will conclude this address by summarizing the message we want to convey. Governments can no longer finance new spending initiatives out of revenue growth. Existing programs may no longer be

affordable. The only way to ensure that governments can continue to provide services is to rethink the way we deliver those services.

Reform will not be achieved overnight. Nor should it be. The changes that are necessary will require careful consideration and consultation with those affected.

The budget we are presenting today takes important steps toward achieving this reform. Thank you, Madam Speaker.

---Applause

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MADAM SPEAKER: Thank you. Item 3, Minister' statements. The honourable Member for Keewatin Central, Mr. Todd.

ITEM 3: MINISTERS' STATEMENTS

Minister's Statement 9-12(5): BHP Minerals - NWT Diamonds Project

HON. JOHN TODD:

Thank you, Madam Speaker. Last week, BHP Minerals submitted a project description of their proposed diamond mine, near Lac De Gras, to the federal government's regional environmental review committee. The document is intended to describe the major aspects of the project, as a preliminary step in the environmental review process. The project must be developed in a manner which assures environmental safety and a minimum of social disruption.

The company is continuing to test the property and has not yet confirmed that they have an economic deposit. However, there is reason to expect that the results of these tests will be positive. It is important that Members of this Assembly are informed of some of the major elements of the project description.

BHP is pursuing an aggressive development schedule, with construction starting in 1995 and production commencing in 1997. Three separate diamond bearing kimberlite pipes in close proximity to each other would be developed, using a central processing facility. They would be developed initially as open pits, with a mine life of 20 years.

This would be a very large project. By way of comparison, it would process more ore than all other

operating mines in the NWT combined. There would be a construction workforce of 1,000 and a production workforce of 650 people, who would fly in and out from Yellowknife and other local communities. A further 780 to 880 indirect jobs are estimated to be generated from the project.

The company has stated its intent to ensure that the benefits of the project to the people of the north are maximized and shared equitably. It plans to negotiate a benefit agreement with the Dogrib people, and to use Yellowknife as the point of hire.

The NWT diamonds project employment policy will be to hire qualified employees first from the proximate Dene and Metis communities, then from within the NWT, before looking elsewhere. Preference will be given to suppliers of goods and services in the NWT, followed by those from the rest of Canada.

---Applause

MADAM SPEAKER:

Thank you. Item 3, Ministers' statements. Item 4, Members' statements. The honourable Member for Iqaluit, Mr. Patterson.

ITEM 3: MEMBERS' STATEMENTS

Member's Statement On Tribute To Simon Awa

MR. PATTERSON:

Thank you, Madam Speaker. It's not every day that politicians rise to pay tribute to people who work in the media, but today I am very pleased to express on behalf of my constituents, our gratitude for the excellent work done by an over 11 year employee of CBC in the eastern Arctic whose last working day was last Friday.

Simon Awa came to CBC radio with the excellent background of having been president of the Baffin Region Inuit Association. Over his 11 years, Simon was well-known within the CBC as someone keenly dedicated to improving the quality of Inuktitut programming and staffing. He did a great deal to improve and strengthen the role Inuit played in CBC North as operations manager for some five years, recently as chair of the Inuit Services Committee of CBC North which advises the CBC on Inuktitut issues, and in his recent return to on-air broadcasting with special responsibilities on the presentation of news in Inuktitut.

Although well respected as a very well organized manager, Simon's first love was being on air. Being very well informed of current issues of the day in the north, in Canada and internationally, Simon possessed that rare gift of being able to extemporaneously read a news story, seemingly effortlessly in Inuktitut, even though that often requires that the story be retold in a manner quite different from the way English speakers communicate. I've seen John Ningark do that too, Madam Speaker.

For example, I am told that when a tank showed up in a news story about Bosnia, Simon described it clearly and concisely as a vehicle with tracks, metal plating and a big gun on top. I know that unilingual Inuit were very grateful for his strong, clear presentations of the news, and all this done only with an English text to work from.

Simon is also well-known as a hunter, active participant in search and rescue in Iqaluit -- in fact, I've had the pleasure of being Simon's hunting companion from time to time over the years, myself.

Today is Simon's first day as executive director of the Nunavut Implementation Commission. He now, obviously, wants to shift his focus to be involved in the development of Nunavut. He's been thinking of this change for a long time. His background as a superb communicator, manager and long-time student of current events will be a definite asset in this new challenge.

Myself and my constituents thank him for his years in the CBC and wish him well in his new job. Qujannamiik.

---Applause

MADAM SPEAKER:

Thank you. Well-timed Member's statement. Item 4, Members' statements. The honourable Member for Yellowknife Centre, Mr. Lewis.

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Member's Statement On St. Valentine's Day

MR. LEWIS:

Thank you, Madam Speaker. It's ironic that on Friday we had a debate and agreed on a declaration of non-violence, especially non-violence of men towards

women, Madam Speaker, and today is St. Valentine's Day.

St. Valentine's Day is when we are supposed to show love to our spouses, mates and partners, and to recognize them as life-long friends. But it made me think on the way to work today, Madam Speaker, that so often we find love and tragedy go hand in hand because St. Valentine was one of these guys that got bumped off. That's how you become a martre, you die with what you believe in. By helping a whole bunch of Christians against the nasty Romans, he became a saint. We remember him on days like this because he died for what he believed in, but died violently.

Madam Speaker, today I was also thinking on the way to work that in 1929 one of the very famous dates in American history was the St. Valentine's Day massacre, when Al Capone, who was very heavy into the bootlegging business -- not cigarettes, but the other stuff --

---Laughter

...dressed all his hoodlums up in the uniforms of the Chicago police, found unarmed members of the rival gang of Bugsy Malone and lined them up inside a garage and shot them all. What a way to remember St. Valentine's Day, this irony of violence and love among people.

Today, perhaps, it will give us a chance to reflect, Madam Speaker, that not only are we talking about domestic peace and harmony with the partner we've chosen to live with, but in a wider sense the society which we would like to have as a lawful society where we respect the laws we've all agreed to live under. That, to me, would be a wonderful end, if you like, of this debate we had on Friday. Thank you, Madam Speaker.

---Applause.

MADAM SPEAKER:

Thank you. Item 4, Members' statements. The honourable Member for Amittuq, Mr. Alloofoo.

Member's Statement On Nunavut Leaders' Summit In Rankin

MR. ALLOOFOO:

Thank you, Madam Speaker. On January 17, in Rankin Inlet, the Nunavut leaders who were

assembled there, including Members of the Nunavut Caucus of this Legislative Assembly, concluded three days of discussion by approving a declaration and three accompanying statements which were developed during the course of the meeting. I intend to table these documents today at the appropriate time, Madam Speaker, so that the worthwhile work that the delegates did at the meeting might be available for the public.

Madam Speaker, this was the second Nunavut leaders' meeting that has been held. You may recall that the first occurred two years ago in Iqaluit. The first meeting was prior to many crucial events, as we go down the road to Nunavut. Since we first got together in Iqaluit, the boundary plebiscite

was held, the land claim has been ratified, and both the Land Claim Act and the Nunavut Act were made the law of the land.

Prior to our latest leadership meeting in Rankin Inlet, the members of the Nunavut Implementation Commission were appointed and we were pleased they were able to join us at the table as we discuss how best we might proceed during the coming years.

Madam Speaker, on behalf of the Nunavut Caucus, I offer my congratulations to the new members of the Nunavut Implementation Commission, and trust that they will work in the spirit of cooperation with all residents of Nunavut in order that the tasks that we have set for them will be done in an orderly and competent manner.

The members of the commission are John Amagoalik, chief commissioner from Iqaluit, Billy Lyall and Joe Ohokannoak from Cambridge Bay, David Alagalak and Guy Alikut from Arviat, Meeka Kilabuk and Kenn Harper from Iqaluit, George Qulaut and Peter Emerk from Rankin Inlet, and Mary Simon from Ottawa. I am sure they will prove through their actions the trust that we have in them as they bring forward their recommendations between now and 1999. Thank you.

MADAM SPEAKER:

Thank you. Item 4, Members' statements. The honourable Member for Baffin South, Mr. Pudlat.

Member's Statement On Community Transfers To Cape Dorset

MR. PUDLAT:

(Translation) Thank you, Madam Speaker. I am going to speak about the community transfer initiative, especially to acknowledge the hard work and accomplishments by the hamlet of Cape Dorset. I would like to thank Mr. Stephen Kakfwi for his kind words in his statement.

Madam Speaker, the hamlet of Cape Dorset has worked for many years to try to gain local control of different government programs. During a series of meetings in Yellowknife last week, a delegation from the hamlet of Cape Dorset made considerable progress as it moves forward in gaining control of Economic Development, Social Services, Public Works and housing programs.

The hamlet of Cape Dorset has been a strong leader in the community transfer initiative. Other communities can now look to Cape Dorset as an example of what is possible for themselves. When I met with the delegation last Monday, the mayor, Akalayuk Qavavau, asked me to pass on deep-felt appreciation to the Government Leader. I also would like to thank, on behalf of the hamlet of Cape Dorset, Mr. Stephen Kakfwi for his support. I was informed by Mayor Qavavau that the delegation was especially impressed by Mr. Kakfwi's cooperative approach and his knowledge in dealing with the issues. They also wanted to express their gratitude to the Ministers of Social Services, Economic Development and Tourism, Safety and Public Works and Housing, for their help and encouragement during their meetings. I also would like to acknowledge the hard work put into this initiative by the former mayor of Cape Dorset, Mr. Charlie Manning, and the continuation of that work by the present mayor, Akalayuk

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Qavavau. I also want to recognize Chuck Gilhuly, their senior administration officer, for his invaluable contribution.

Madam Speaker, I seek unanimous consent to finish my statement.

MADAM SPEAKER:

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

MR. PUDLAT:

(Translation) Thank you, Madam Speaker and my fellow MLAs. The progress date of the community

transfer initiative could not have been reached in Cape Dorset had it not been for the constant community support and guidance. Madam Speaker, I am very proud of the achievements of the community of Cape Dorset and I am sure this House will join me in congratulating them. Thank you, Madam Speaker.

MADAM SPEAKER:

Item 4, Members' statements. The honourable Member for Deh Cho, Mr. Gargan.

Member's Statement Congratulating Graduates Of Guide Training Program

MR. GARGAN:

Thank you, Madam Speaker. Madam Speaker, it gives me great pleasure to congratulate the following people for successfully completing the three week level I guide training program from January 14 to February 4, under the capable tutelage of Master Guide, Clayton Bourque of Fort Smith. Rudolph Landry, John George Landry, Michael John Squirrel, Edward Gargan, Gregory Alizo, Lawrence Denetre, Robert Sambali, Maurice Minoza, Arthur Alizo and Vern Minoza. I applaud the efforts of the government in this regard and hope the government will continue to support these individuals when they go for their level II guide training this fall.

However, Madam Speaker, at the same time, I must also stress my concern that the Deh Cho region is being neglected by the Big River Tourism Association and GNWT programs in the area of training and promotions. It seems to me, Madam Speaker, the smaller communities such as Fort Providence and Kakisa, are about ten years behind in the development of a tourism industry compared to the larger centres in the Northwest Territories.

There are fantastic opportunities within the Deh Cho region for tourism. We have a rich, cultural tradition to share with southern visitors and some of the best trophy hunting anywhere in the world. Madam Speaker, I urge the government to work with the smaller communities, regional tribal councils and the Northwest Territories Guide Association to develop these valuable tools and marketing opportunities and strategy.

I have heard rumours, Madam Speaker, that the Arctic College is considering moving the guide training program from Fort Smith to Yellowknife. I do not believe, Madam Speaker, that this initiative will

accomplish anything, given the proven success of the residents of Fort Smith, who are presently running the course. I would urge the Minister to reconsider this move and leave this successful program in Fort Smith.

Madam Speaker, once again, I would like to congratulate the young men who completed the level I guide training program and thank the government and Clayton Bourque for making this possible. Thank you, Madam Speaker, and happy Valentine's day.

---Applause

MADAM SPEAKER:

Thank you. Item 4, Members' statements. The honourable Member for Natilikmiot, Mr. Ningark.

Member's Statement On Community Economic Development

MR. NINGARK:

Thank you, Madam Speaker. Madam Speaker, economic development dictates any community in the country. When there are job opportunities, there is less likelihood for social problems to occur. Thereby, spending in the area of health, education, social welfare, et cetera, is reduced traumatically. Madam Speaker, our responsibility as legislators, in this particular jurisdiction, is to ensure this government spends money in our jurisdiction, not outside our jurisdiction and community businesses are utilized as much as resources will allow. Community businesses and local development corporations are supported by our government. Gjoa Haven and Taloyoak are in the process of developing community-oriented and community-operated businesses. I want to urge all the departments and MLAs to support community growth in all aspects. This is done through NWT job creation and by utilizing the local businesses. I would urge all Members, this coming year, to support the people in the NWT. Thank you.

---Applause

MADAM SPEAKER:

Thank you. Item 4, Members' statements. The honourable Member for Kitikmeot, Mr. Ng.

Member's Statement On GNWT Sale Of Staff Housing

MR. NG:

Thank you, Madam Speaker. The GNWT tabled the long-term staff housing strategy in December, 1992. It was designed to ensure a more fair and equitable staff housing program, encourage home ownership and stimulate growth of a private sector housing market. Although there has been general support for the guiding principles of the strategy, there have been numerous concerns raised by the public, GNWT staff and Members of this Legislature on the implementation of the strategy. These concerns have ranged from inadequate consultation with tenant employees in enacting the rate adjustments of units, unfair allocation of units, the perceived favouritism to preferred staff, perceived selling of housing units under market value, the perceived improprieties in undertaking substantial renovations to units prior to selling them off, et cetera.

Madam Speaker, I wish to add my concerns to the ones brought forward by other honourable Members of this House. Under the staff housing strategy, only existing tenants are eligible to purchase a unit. An employee has to be allocated a unit based on their needs, before being allowed to initiate the purchase of a unit. This does not allow staff the opportunity to choose a housing unit based on what they feel would meet their current or future needs. If an employee is making a major

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investment in their own home in a community, they should have the right of choice.

Madam Speaker, the most significant problem, I believe that the government omitted when developing their long-term staff housing strategy, was dealing with the staff residing in public housing units. A large majority of these staff are local aboriginal employees, already committed to the community. These employees, if encouraged and supported in purchasing their own homes, would not only add long-term stability to the creation of a private housing market, but would free up a valuable public housing unit for lower income tenants.

The GNWT has also indicated they went through public tender, or real estate agents, to sell off all surplus housing units. I disagree with this approach. I believe units should automatically be added to the local housing associations' inventory to address the local public housing needs.

Without getting into specifics, I am currently dealing with problems in my constituency as a result of the

perceived unfair implementation process of the strategy. I can say that the Minister of Personnel is aware of the problem and is attempting to address it. Madam Speaker, I seek unanimous consent to conclude my statement.

MADAM SPEAKER:

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

MR. NG:

Thank you, Madam Speaker and colleagues. Madam Speaker, it is recognized that there are many past and current problem areas in the development and implementation of the long-term staff housing strategy. In discussing this issue with my colleagues, it is quite obvious there are different understandings and interpretations of the strategy, even amongst ourselves.

Madam Speaker, in closing, I believe it is time for the GNWT to review the policy draft and publicize clear guidelines on the process for dealing with the sale and disposal of GNWT staff housing units, in order to ensure that employees, the government, the public and our communities all benefit from this strategy. Thank you.

---Applause

MADAM SPEAKER:

Thank you. Item 4, Members' statements. The honourable Member for Sahtu, Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Thank you, Madam Speaker. I seek unanimous consent to return to Ministers' statements.

MADAM SPEAKER:

The honourable Member is seeking unanimous consent to return to Ministers' statements. Are there any nays? There are no nays. Proceed.

REVERT BACK TO ITEM 3: MINISTERS' STATEMENTS

Minister's Statement 10-12(5): Cape Dorset Community Transfer Initiative

HON. STEPHEN KAKFWI:

Thank you. Madam Speaker, I would like to provide you with an update on the progress being made by the hamlet of Cape Dorset to assume increased local control and autonomy through the community transfer initiative.

Representatives from the hamlet council travelled to Yellowknife last week to discuss the details of transfer. I am pleased to inform you that, as a result of these meetings, we are very close to finalizing a comprehensive community transfer agreement for implementation on April 1, 1994. At that time, the hamlet will become responsible for Economic Development, Social Services, Public Works and housing programs in Cape Dorset. This is an ambitious transfer, as a result of years of hard work and commitment by the present and past hamlet councils, under the guidance of the entire community.

And I hope I've had enough practice here -- Mayor Akalayuk Qavavau and I agreed that, although all details surrounding the conditions for transfer will not be resolved by April 1, we will proceed with the transfer agreement. Because the community transfer initiative reflects a radical change in the way that this government relates to community government, many of the details will take more time to be considered and to be resolved. We both acknowledged that this approach means taking a joint leap of faith and believing in each other's commitment to settling the outstanding issues in a satisfactory manner.

Councillor Kananginak Pootoogook told me that, since Cape Dorset became a hamlet in the early 1980s, the council has wanted to continue to increase local control over the programs that most influence people's daily lives. The community transfer initiative has provided the opportunity for this to happen.

Madam Speaker, I continue to be impressed by the dedication and commitment to local autonomy and community development that the hamlet of Cape Dorset has shown and by the cooperation demonstrated by all GNWT departments. Changes of this magnitude require an immense degree of trust on both sides, and I am happy to say that the progress made this week shows that the trust is there. I look forward to being able to announce more success stories, along with the MLA, Mr. Pudlat, as other communities complete their transfer plans, as well. Thank you.

---Applause

MADAM SPEAKER:

Thank you. Item 3, Ministers' statements. Madam Premier.

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Minister's Statement 11-12(5): Minister Absent From The House

HON. NELLIE COURNOYEA:

Madam Speaker, the Honourable Richard Nerysoo will be absent from the House today and tomorrow. He'll be attending a meeting of Ministers of Labour and Social Services in Ottawa to discuss the income security reform. Thank you.

MADAM SPEAKER:

Thank you. Item 3, Ministers' statements. The Speaker would like to recognize Mr. Gary Bohnet, the president of the Metis Nation, along with his vice-president, Michael Paulette.

---Applause

Item 4, Members' statements. The honourable Member for Yellowknife South, Mr. Whitford.

ITEM 4: MEMBERS' STATEMENTS

Member's Statement On Passing Of Sue Rodriguez

MR. WHITFORD:

Thank you, Madam Speaker. This weekend saw the passing of Sue Rodriguez in North Saanich, British Columbia. Sue Rodriguez was an advocate of the right to voluntarily end one's life after proper consultation, and after diagnosis of a terminal and debilitating illness.

I've never met the lady, Madam Speaker, but her story has moved many Canadians to re-examine the issue of the right to die in dignity. I think a lot of us know people who have had, in the past, terminal and debilitating illnesses who have taken their lives in the end, but seen an unusual amount of effort placed by the medical profession to keep them alive artificially. It's not, in often cases, a very pretty sight to see loved ones withering away to nothing, being absolutely helpless to do anything. The quality of life they experience, in many people's estimation, is not really representative of their wishes.

Ms. Rodriguez fought this battle with every court that she could use, every means she could use, all the

way to the Supreme Court. Only recently the Supreme Court rejected her plea by a very narrow margin, Madam Speaker, by four or five votes on that which set that aside until a new argument is in place. It does raise the issue here -- I know people and I've had loved ones who were in that situation who know of unusual treatment being applied to them after they had given consent to the doctor so they could pass with a certain amount of dignity. I just wanted to make mention of this brave woman's efforts, Madam Speaker.

MADAM SPEAKER:

Thank you. Item 4, Members' statements. Item 5, returns to oral questions. Item 6, oral questions. The honourable Member for Baffin South, Mr. Pudlat.

ITEM 6: ORAL QUESTIONS

Question 68-12(5): Long-Term Staff Housing Strategy

MR. PUDLAT:

(Translation) Thank you, Madam Speaker. I have a question for the Minister responsible for Housing. The Members of this House know there is a social housing crisis with the federal cutbacks and the uncertainty about the future. However, the long-term staff housing strategy was introduced in December 1991, when the government developed its strategy to sell its staff housing in level II and III communities. Did the Minister know that the federal government was cutting social housing funding? Was the Minister aware of that?

MADAM SPEAKER:

Minister of Housing, Mr. Morin.

Return To Question 68-12(5): Long-Term Staff Housing Strategy

HON. DON MORIN:

Thank you, Madam Speaker. Whenever their new budget comes out from the federal government, that's when we are made aware of how much money they have cut us. Thank you.

MADAM SPEAKER:

Thank you. Item 6, oral questions. Supplementary, Mr. Pudlat.

Supplementary To Question 68-12(5): Long-Term Staff Housing Strategy

MR. PUDLAT:

(Translation) Supplementary to the Minister responsible for Housing. Given the current cuts to social housing by the federal government, the potential for new housing units in the NWT is very limited. It is also very expensive to build new units. Can the Minister explain why this is a good time for the government to be aggressively selling off what staff housing it owns, rather than looking at the overall NWT housing needs? This has been talked about for quite some time. Can the Minister explain why this is a good time for the government? Thank you, Madam Speaker.

MADAM SPEAKER:

Thank you. The Minister of Housing, Mr. Morin.

Further Return To Question 68-12(4): Long-Term Staff Housing Strategy

HON. DON MORIN:

Thank you, Madam Speaker. Presently, we have sold off a number of units in quite a few communities in all regions of the Northwest Territories. It makes good economic sense to be selling off the units. It does generate dollars for the territorial government and it does encourage people to get into their own homes. We have always said that home ownership is what we want to encourage. For those people who can afford to own their own homes, we try to do everything possible to assist them to do that. Thank you, Madam Speaker.

MADAM SPEAKER:

Item 6, oral questions. The honourable Member for Kitikmeot, Mr. Ng.

Question 69-12(5): Status Of GNWT Housing Requirements

MR. NG:

Thank you, Madam Speaker. My question is to the Minister of Public Works and Services. In level II and III communities, there is a limited amount of housing, including GNWT staff housing. Through the staff housing strategy, a number of your units are being sold off, as indicated by your list provided on Friday. In determining how many units are to be sold, has the

government established a poll of required housing in these level II and III communities in order to ensure

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that housing is available for the teachers, nurses and other staff who are hired from outside the community?

MADAM SPEAKER:

Thank you. Minister of Public Works and Services, Mr. Morin.

Return To Question 69-12(5): Status Of GNWT Housing Requirements

HON. DON MORIN:

Thank you, Madam Speaker. The houses are offered to employees who live in those units. Then the Department of Personnel is looking at houses that are not needed. But it is the Department of Personnel that tells DPW the number of units that are needed. Thank you.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Ng.

Supplementary To Question 69-12(5): Status Of GNWT Housing Requirements

MR. NG:

Can the Minister advise us if there is a strategy for the allowance of growth in government positions? For example, are there going to be designated houses for teachers coming in from outside the community because of grade expansions in the communities?

MADAM SPEAKER:

Thank you. Minister of Public Works and Services, Mr. Morin.

Further Return To Question 69-12(5): Status Of GNWT Housing Requirements

HON. DON MORIN:

Thank you, Madam Speaker. Yes, that need will have to be addressed. If there are not enough units, the government would lease those units from developers in those communities. If at all possible, we wouldn't be building any new units ourselves. Thank you.

MADAM SPEAKER:

Thank you. Item 6, oral questions. Item 7, written questions. The honourable Member for Natilikmiot, Mr. Ningark.

MR. NINGARK:

Thank you, Madam Speaker. I would like to get unanimous consent from the House to return to oral questions. Thank you.

MADAM SPEAKER:

The honourable Member is seeking unanimous consent to return to oral questions. Are there any nays? There are no nays. Please proceed, Mr. Ningark.

REVERT BACK TO ITEM 6: ORAL QUESTIONS

Question 70-12(5): Plans To Provide Housing For New Government Positions

MR. NINGARK:

Thank you, Madam Speaker and colleagues. My question is directed to the Minister of Personnel. In the budget, which the Minister of Finance introduced in this House, there are some new positions. What is the government's plan with providing housing for the new positions identified in 1994-95 budget in level II and III communities?

MADAM SPEAKER:

Thank you. Minister of Personnel, Ms. Mike.

Return To Question 70-12(5): Plans To Provide Housing For New Government Positions

HON. REBECCA MIKE:

Thank you, Madam Speaker. There are ongoing talks with Cabinet, between Mr. Morin and myself. The position was stated by Mr. Morin, when he made the reply to Mr. Ng's question. Thank you.

MADAM SPEAKER:

Thank you. Item 6, oral questions. Supplementary, Mr. Ningark.

MR. NINGARK:

Thank you, Madam Speaker. This is a new question.

MADAM SPEAKER:

Mr. Ningark, there are others who wanted to ask questions, so I will proceed with them first. The honourable Member for Iqaluit, Mr. Patterson.

Question 71-12(5): Staff Housing Strategy - Policy Of The GNWT

MR. PATTERSON:

Thank you, Madam Speaker. To the Minister of Personnel, Madam Speaker, is the term "staff housing strategy" a policy of the Government of the Northwest Territories? Thank you.

MADAM SPEAKER:

Thank you. Minister of Personnel.

Return To Question 71-12(5): Staff Housing Strategy - Policy Of The GNWT

HON. REBECCA MIKE:

Thank you, Madam Speaker. At the present time, the GNWT's position is that we get out of staff housing. Thank you.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Patterson.

Supplementary To Question 71-12(5): Staff Housing Strategy - Policy Of The GNWT

MR. PATTERSON:

I am going to elaborate a bit, Madam Speaker, because I don't believe the honourable Minister understood my question. Her department is responsible for the long-term staff housing strategy. I would like to know, is it a policy in the sense of a written description of levels of service that will be provided in implementing this strategy through the Northwest Territories? Is it a written policy such as the business incentive policy and other policies of the Northwest Territories? Thank you.

MADAM SPEAKER:

Thank you. Minister of Personnel.

HON. REBECCA MIKE:

Thank you, Madam Speaker. I will take his question as notice.

MADAM SPEAKER:

Thank you. Item 6, oral questions. The honourable Member for Kitikmeot, Mr. Ng.

Question 72-12(5): Housing Units Sold By Public Tender

MR. NG:

Thank you, Madam Speaker. It is unclear whether the Department of Public Works and Services or the Department of Personnel is involved in the government staff

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housing strategy. I will direct the question first to the Minister of Public Works and Services, as his department is responsible for disposal of the units. It is my understanding after the next round of staff housing sales, that all the remaining units in level II and III communities will be sold by public tender. Is that a correct assumption on my part? Thank you.

MADAM SPEAKER:

Thank you. Minister of Public Works and Services, Mr. Morin.

Return To Question 72-12(5): Housing Units Sold By Public Tender

HON. DON MORIN:

Thank you, Madam Speaker. No, that is not correct. The houses have been offered once more to the employees. Only those houses that are declared surplus by the Department of Personnel will be offered for general sale. We are not even close to that step yet. Right now, it is only those people who are living in the units, in level II and III communities, who can purchase them. Thank you.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Ng.

Supplementary To Question 72-12(5): Housing Units Sold By Public Tender

MR. NG:

Current policy states that a current tenant is eligible to initiate the process. Is there an allowance to allow non-tenants, GNWT staff, to purchase these staff housing units?

MADAM SPEAKER:

Thank you. Minister of Public Works and Services, Mr. Morin.

Further Return To Question 72-12(5): Housing Units Sold By Public Tender

HON. DON MORIN:

Thank you, Madam Speaker. It is fairly straightforward. Those people who are living in those units, are the people who are offered the units they are living in. I understand in Cambridge Bay there is a problem with some units because some government people are living in units and those units were reallocated prior to December 16. But those people who were unable to move into those units were unable to move in prior to December 16 because the people living in there had not finished their homes yet. So in that case, we could look at it on an individual basis. But in general, it's only those people who are living in their units.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Ng.

Supplementary To Question 72-12(5): Housing Units Sold By Public Tender

MR. NG:

I would like to ask the Minister if the classification of GNWT employees includes term employees, or is it only the full-time employees who are eligible for these purchases?

MADAM SPEAKER:

Thank you. Minister of Public Works and Services, Mr. Morin.

Further Return To Question 72-12(5): Housing Units Sold By Public Tender

HON. DON MORIN:

Thank you, Madam Speaker. My recollection is that there's nothing in there that says term or full-time, it just says government employees. That's all it is. Thank you.

MADAM SPEAKER:

Thank you. Item 6, oral questions. The honourable Member for Yellowknife South, Mr. Whitford.

Question 73-12(5): Process Used To Determine Prices For Staff Housing

MR. WHITFORD:

Thank you, Madam Speaker. I have a question I would like to direct to the Minister responsible for Public Works, which deals with the housing issue. The government has indicated that part of the rationale for selling staff houses in the communities is to develop a local housing market. He's to be applauded for the stand that he's taking and Cabinet is taking on that particular position. However, Madam Speaker, that can only happen if the houses that are being sold are sold at fair market value, fair market prices. Everybody knows of a little story or two, I'm sure, of somebody getting a really good deal on a house. I'd like to ask the Minister, how are prices for staff housing determined?

MADAM SPEAKER:

Thank you. Minister of Public Works and Services, Mr. Morin.

Return To Question 73-12(5): Process Used To Determine Prices For Staff Housing

HON. DON MORIN:

Thank you, Madam Speaker. Houses are assessed by private people. They are trained to do that work. The government went to tender, people bid on it and they went out and assessed the units. They also assessed the damage to the units, or how they have to be fixed up to make them more liveable. That was all taken into the assessment, then they are offered for sale. Thank you.

MADAM SPEAKER:

Supplementary, Mr. Whitford.

Supplementary To Question 73-12(5): Process Used To Determine Prices For Staff Housing

MR. WHITFORD:

Thank you, Madam Speaker. That's a good answer. We have numerous communities that are off-road, in the High Arctic where it is difficult to go in there, and very, very expensive to build. Is the sale price reflected in the replacement cost of units? A house that is currently being sold, is the sale price of a replacement unit considered in that?

MADAM SPEAKER:

Thank you. Minister of Public Works and Services, Mr. Morin.

Further Return To Question 73-12(5): Process Used To Determine Prices For Staff Housing

HON. DON MORIN:

Thank you, Madam Speaker. No, the sale price does not consider the replacement value, or is linked to it. If we were to do that, then there would be no sense going through this process at all. The houses would be far too high and you wouldn't sell any. Thank you.

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MADAM SPEAKER:

Thank you. Supplementary, Mr. Whitford.

Supplementary To Question 73-12(5): Process Used To Determine Prices For Staff Housing

MR. WHITFORD:

Thank you, Madam Speaker. If the sale prices have been determined because of an assessment that has been made, all factors taken into consideration, market value and all that, is there still room then for the tenant who is actually living in that house to negotiate that price downward?

MADAM SPEAKER:

Thank you. Minister of Public Works and Services, Mr. Morin.

Further Return To Question 73-12(5): Process Used To Determine Prices For Staff Housing

HON. DON MORIN:

Thank you, Madam Speaker. The appraisal was done by an independent appraiser. That price is given to the tenant. If he does not agree, he can make a counter offer. That does not mean the government has to accept. Thank you.

MADAM SPEAKER:

Thank you. Item 6, oral questions. The honourable Member for Natilikmiot, Mr. Ningark.

Question 74-12(5): Rental Rates For Public Housing

MR. NINGARK:

Thank you, Madam Speaker. Happy Valentine's Day to you. My question is to the Minister of Housing. When I travelled, before this session, to Gjoa Haven and Taloyoak, I talked to a number of people. Some of those people I talked to were teachers in that area. In the smaller, more remote communities, it may be that no government employees are interested in buying the unit they occupy. Previously, the Minister explained that this unit would then be turned over to the NWT Housing Corporation, which is currently doing the rental review. Will the government employees residing in these units have to pay higher rents when they are taken over by the Housing Corporation? Thank you.

MADAM SPEAKER:

Thank you, Mr. Ningark. Minister of Public Works and Services, Mr. Morin.

Return To Question 74-12(5): Rental Rates For Public Housing

HON. DON MORIN:

Thank you, Madam Speaker. I don't know whether they would have to pay higher rents. We have a process in place right now to review the rental structure for the NWT Housing Corporation. We're at the very start of that process. It depends on what this House recommends, or what this House supports. That will dictate the rents in the public housing units. Thank you.

MADAM SPEAKER:

Thank you, Minister of Housing. Supplementary, Mr. Ningark.

Supplementary To Question 74-12(5): Rental Rates For Public Housing

MR. NINGARK:

Thank you, Madam Speaker. Supplementary to the honourable Mr. Morin, Minister of Housing. If the few that the government cannot sell in smaller communities are going to transfer to the Housing Corporation, could these surplus staff units be available as access units? Thank you.

MADAM SPEAKER:

Minister of Housing, Mr. Morin.

Further Return To Question 74-12(5): Rental Rates For Public Housing

HON. DON MORIN:

Thank you, Madam Speaker. Anything is possible, and we'll look into all options open to us. The main thing you must understand is that we'll encourage home ownership as much as possible, we'll do everything possible to encourage people or assist people to get into their own homes. We have to keep enough staff housing, regardless of whether the Housing Corporation administers it or not, we still have to keep enough staff housing for those civil servants, teachers, nurses or whatever, who come in and out of the community. So we have to look at all those issues. It may even be possible that we have some public units, prior to 1988, that we can sell off to those people of higher income who can afford to operate and run them. We'll look at everything to encourage home ownership. Thank you.

MADAM SPEAKER:

Thank you. Item 6, oral questions. The honourable Member for Iqaluit, Mr. Patterson.

Question 75-12(5): Procedures For Sale Of Staff Housing

MR. PATTERSON:

Thank you, Madam Speaker. This is to the Minister of Public Works. Madam Speaker, in response to an earlier question about whether term employees were allowed to buy staff houses, Mr. Morin referred to rules. I'd like to ask the Minister if the procedures relating to the sale of staff housing, including who gets the first chance to bid, and who gets the next chance if the tenant doesn't want to bid, and the process for evaluation of many of the issues that have been raised in this House today, are those guidelines or rules written down somewhere? Thank you.

MADAM SPEAKER:

Thank you. Minister of Public Works and Services, Mr. Morin.

Return To Question 75-12(5): Procedures For Sale Of Staff Housing

HON. DON MORIN:

Thank you, Madam Speaker. Yes, there is clear direction on how we are to sell off staff housing. I will

be happy to make that available to all the Members tomorrow. Thank you.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Patterson.

Supplementary To Question 75-12(5): Procedures For Sale Of Staff Housing

MR. PATTERSON:

Thank you, Madam Speaker. I think there is a great deal of confusion, perhaps even amongst the employees of this government about how these staff housing sales are to be implemented. I would like to ask the Minister, who offered to make the written guidelines available to Members of this House, will he undertake to table those written guidelines in this Assembly? Thank you.

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MADAM SPEAKER:

Thank you. Minister of Public Works and Services, Mr. Morin.

Further Return To Question 75-12(5): Procedures For Sale Of Staff Housing

HON. DON MORIN:

Thank you, Madam Speaker. Yes.

MADAM SPEAKER:

Thank you. Item 6, oral questions. The honourable Member for Deh Cho, Mr. Gargan.

MR. GARGAN:

Thank you, Madam Speaker. I have a written question.

MADAM SPEAKER:

The honourable Member for Yellowknife South, Mr. Whitford.

Question 76-12(5): Use Of GNWT-Owned Apartment Buildings For Social Housing

MR. WHITFORD:

Thank you, Madam Speaker. Madam Speaker, I hate to prolong the agony of the Minister, but this is a

question to the Minister of Public Works. Last week, I asked a question concerning Yellowknife in the housing scheme of things. In the government's eyes there is a need for housing in the communities. I also stressed the point that there is a need for public housing in Yellowknife. We have many people in great need. The Minister acknowledged that there is a need in Yellowknife, but he said the price was one of affordability rather than availability. And that as part of the long-term housing strategy, the government is getting out of housing in Yellowknife and has indicated that any surplus housing would be made available to the NWT Housing Corporation. It has come to my attention, Madam Speaker, that there are two apartment buildings that are currently owned by the Government of the Northwest Territories. One being Burwash and the other being Dorset. Can the Minister indicate whether these apartment buildings, which have one and two-bedroom units and are within walking distance of downtown, be turned over to the Housing Corporation for possible use for social housing?

MADAM SPEAKER:

Thank you. Minister of Public Works and Services, Mr. Morin.

Return To Question 76-12(5): Use Of GNWT-Owned Apartment Buildings For Social Housing

HON. DON MORIN:

Thank you, Madam Speaker. We haven't even considered what to do with those apartment buildings yet. The government has instructed my department to give them a list of all the assets we own in Yellowknife, other than single detached units. Once we have the value of all those assets, we will look at what we are going to do with them. Thank you.

MADAM SPEAKER:

Thank you. Item 6, oral questions. The honourable Member for Amittuq, Mr. Allooloo.

Question 77-12(5): Eligibility Of Term Employees To Purchase Housing Units

MR. ALLOOLOO:

Thank you, Madam Speaker. I listened with interest with regard to term employees. Will the term employees, even though their term might be finished with the Government of the Northwest Territories, still be eligible to purchase their houses?

MADAM SPEAKER:

Mr. Allooloo, you didn't indicate who you were posing your question to. But I take it from conversation, you are presenting your question to the Minister of Public Works and Services?

MR. ALLOOLOO:

That is correct, Madam Speaker.

MADAM SPEAKER:

Thank you. Minister of Public Works and Services, Mr. Morin.

Return To Question 77-12(5): Eligibility Of Term Employees To Purchase Housing Units

HON. DON MORIN:

Thank you, Madam Speaker. In Pond Inlet, there was a case of an employee, who was a term employee, who was offered his house. Presently, he is not employed by the Government of the NWT. I am getting a legal opinion on that issue and I will respond to the Member as soon as Justice gets back to me. Thank you.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Allooloo.

Supplementary To Question 77-12(5): Eligibility Of Term Employees To Purchase Housing Units

MR. ALLOOLOO:

Madam Speaker, I was not only referring to the Pond Inlet case. I think it would be of interest to all government term employees, whether they are living in Yellowknife, Hay River, Fort Smith or Iqaluit. If they are eligible, they might be interested in purchasing their houses. Thank you.

MADAM SPEAKER:

Minister of Public Works and Services.

Further Return To Question 77-12(5): Eligibility Of Term Employees To Purchase Housing Units

HON. DON MORIN:

Thank you, Madam Speaker. There was no question. But I would like to thank the Member for raising the

issue. Justice will give me an opinion and then from that we will know what to do. Thank you.

MADAM SPEAKER:

Thank you. Item 6, oral questions. The honourable Member for Kitikmeot, Mr. Ng.

Question 78-12(5): Eligibility Of Public Housing Residents To Purchase GNWT Staff Housing

MR. NG:

Thank you, Madam Speaker. My question is to the Minister of Personnel, since her department is responsible for the implementation of the staff housing strategy. Are GNWT staff currently residing in public housing, eligible to purchase GNWT staff housing units?

MADAM SPEAKER:

Thank you. Minister of Personnel.

Return To Question 78-12(5): Eligibility Of Public Housing Residents To Purchase GNWT Staff Housing

HON. REBECCA MIKE:

Thank you, Madam Chair. As Mr. Morin explained earlier, the people who receive a sales offer,

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are the staff who are living in staff housing, not public housing units. Thank you.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Ng.

MR. NG:

Thank you, Madam Speaker. Why weren't the staff in public housing taken into account in the development of the staff housing strategy?

MADAM SPEAKER:

Thank you. Minister of Personnel, Ms. Mike.

HON. REBECCA MIKE:

Thank you, Madam Chair. Can the Member repeat his question, I didn't have my ear piece in place?

MADAM SPEAKER:

Thank you. May I also remind you, Ms. Mike, we are not in committee of the whole, I am not Madam Chair. Mr. Ng, please repeat your supplementary.

Supplementary To Question 78-12(5): Eligibility Of Public Housing Residents To Purchase GNWT Staff Housing

MR. NG:

Thank you, Madam Speaker. Why weren't staff residing in public housing units taken into consideration in the development of the government's long-term staff housing strategy?

MADAM SPEAKER:

Thank you. Minister of Personnel, Ms. Mike.

Further Return To Question 78-12(5): Eligibility Of Public Housing Residents To Purchase GNWT Staff Housing

HON. REBECCA MIKE:

Thank you, Madam Speaker. I don't have the answer to that one. As you know, I just took over the portfolio for Personnel in September. It was in place then and there have been ongoing discussions. Thank you.

SOME HON. MEMBERS:

(Microphone turned off)

MADAM SPEAKER:

Thank you. Order. Supplementary, Mr. Ng.

Supplementary To Question 78-12(5): Eligibility Of Public Housing Residents To Purchase GNWT Staff Housing

MR. NG:

Thank you, Madam Speaker. Can I ask the Minister if she will consider taking into consideration the employees in public housing in the new review of the long-term staff housing strategy? Thank you.

MADAM SPEAKER:

Minister of Personnel, Ms. Mike.

Further Return To Question 78-12(5): Eligibility Of Public Housing Residents To Purchase GNWT Staff Housing

HON. REBECCA MIKE:

Thank you, Madam Speaker. I wrote all the MLAs a letter indicating I would be willing to sit down with them and go through the communities. If they had any questions or if there were any problems, I would try to work them out with them. They know their communities better than I do. I will certainly consider his question and bring it to the Cabinet's attention. Thank you.

MADAM SPEAKER:

Thank you. Item 6, oral questions. The honourable Member for Amittuq, Mr. Allooloo.

Question 79-12(5): Basis Of Allocation Of Staff Housing

MR. ALLOOLOO:

Thank you, Madam Speaker. I have a question to the same Minister. Many government employees who are interested in buying a government unit are not living in government staff housing or in a unit they are interested in. Out of the decision to sell only to occupants, there have been numerous occasions of favouritism in the allocation of vacant units. Madam Speaker, can the Minister of Personnel assure this House that all housing allocations, since the announcement of the staff housing strategy, have been in accordance with her department's guideline for allocation for fairness and based on need.

MADAM SPEAKER:

Thank you. Minister of Personnel, Ms. Mike.

Return To Question 79-12(5): Basis Of Allocation Of Staff Housing

HON. REBECCA MIKE:

Thank you, Madam Speaker. Like I said earlier, I will take it to the Cabinet because this was the government's initiative for selling the staff housing. Then I can see what can be done. Thank you.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Allooloo.

Supplementary To Question 79-12(5): Basis Of Allocation Of Staff Housing

MR. ALLOOLOO:

Thank you, Madam Speaker. Is the Minister saying the allocation of vacant staff housing has not been based on fairness and need? Is that what she is going to have to go to Cabinet for? Thank you.

MADAM SPEAKER:

Thank you. Minister of Personnel, Ms. Mike.

Further Return To Question 79-12(5): Basis Of Allocation Of Staff Housing

HON. REBECCA MIKE:

Thank you, Madam Speaker. The last time we met on staff housing, the government's direction was a deadline of December 16 that the tenant had to be living in government staff housing in order to be eligible. Thank you.

MADAM SPEAKER:

Thank you. Item 6, oral questions. The honourable Member for Iqaluit, Mr. Patterson.

Question 80-12(5): Criteria For Assessing Leased Land For Staff Housing Strategy

MR. PATTERSON:

Madam Speaker, this is a question to the Minister of Public Works and Services about the criteria for assessing the value of staff housing units. Madam Speaker, there is a concern, at least in some cases, that the assessments have been quite low, especially in level II and III communities, compared to construction costs, replacement costs and the like. Since the assessors were from Yellowknife and familiar with the Yellowknife market, I would like to ask the Minister if he is aware what weight was put in assessing staff

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housing in level II and III communities where the land is leased? What weight was put on the reduced value due to the land in question being leased, not fee simple title? Thank you.

MADAM SPEAKER:

Thank you. Minister of Public Works and Services, Mr. Morin.

HON. DON MORIN:

Thank you, Madam Speaker. I wouldn't know that answer. That is technical information, so I would have to get that information from the department. I take the question as notice and I will get the information for Mr. Patterson. Thank you.

MADAM SPEAKER:

Item 6, oral questions. The honourable Member for Natilikmiot, Mr. Ningark.

Question 81-12(5): Potential Tenants For Community Office Buildings

MR. NINGARK:

Thank you, Mr. Chairman. As I indicated earlier, in my Member's statement, economic development is very crucial, essential and important in small communities across the north. By creating jobs, we are accommodating people in the communities who have social problems as a result of a lack of employment and job opportunities. My question is directed to the Minister of Economic Development. The community development centres of Gjoa Haven and Taloyoak are in the process of getting a plan to try to supply services to the government's department that may be in need of offices. There is one going in Taloyoak. I would like to ask the Minister if he has come up with a plan of potential tenants who may be able to use the community centre office building? Thank you.

MADAM SPEAKER:

Thank you. Minister of Economic Development, Mr. Todd.

Return To Question 81-12(5): Potential Tenants For Community Office Buildings

HON. JOHN TODD:

Thank you, Madam Speaker. The honourable Member is correct. We are working closely with the community of Taloyoak and Gjoa Haven in the development of potential economic activity in there. The current situation with respect to Taloyoak, we are working with the Minister of Public Works in trying to identify potential government agencies that could go in that building as well as others in the community. We have hired a consultant, Avery and Associates, who has been working in the community -- I think he has been in there twice. I met with him this morning and I am fairly confident in the next 60 to 90 days, hopefully by the end of March, we should be in a

position to move forward on this important initiative which is going to be locally owned and controlled.

With respect to Gjoa Haven, I did meet with the assistant deputy mayor, secretary manager and one of the other council members, and we are not quite as far along on this initiative as we are on Taloyoak. But we are moving towards putting together a proposal that would provide some economic benefits and, more importantly, some local ownership into that community as well. I am confident in the next short while we will be able to move forward on a reasonable project in Taloyoak and perhaps Gjoa Haven this year. Thank you.

MADAM SPEAKER:

Thank you. Item 6, oral questions. Item 7, written questions. The honourable Member for Deh Cho, Mr. Gargan.

ITEM 7: WRITTEN QUESTIONS

Written Question 5-12(5): Status Of GNWT Leased Units

MR. GARGAN:

Thank you, Madam Speaker. This is to the Minister of Personnel.

Would the Minister responsible for the Department of Personnel please advise this House of the following:

- How many leased units does the government own?
- How many leased units have been vacated because employees are not willing to pay the high rent?
- How many leased units remain vacant due to high cost of rent?
- Can the Minister provide a list of owners and leased staff housing units which have been vacant for more than two months?
- What is the government's intention regarding these vacant leased units?

MADAM SPEAKER:

Thank you. Item 7, written questions. The honourable Member for Yellowknife South, Mr. Whitford.

Written Question 6-12(5): Construction Costs Per Square Foot

MR. WHITFORD:

Thank you, Madam Speaker. I have a written question I would like to direct to the Minister responsible for Housing.

Would the Minister responsible for the NWT Housing Corporation please table a list of the new construction cost per square foot for houses in every community in the Northwest Territories.

MADAM SPEAKER:

Thank you. Item 7, written questions. Item 8, returns to written questions. Item 9, replies to opening address. Item 10, replies to budget address. Item 11, petitions. The honourable Member for High Arctic, Mr. Pudluk.

ITEM 11: PETITION 2-12(5)

MR. PUDLUK:

Thank you, Madam Speaker. This petition comes from Dr. Allan in Little Cornwallis Island concerning the drinking water and sewage disposal for Cominco Limited. There are 189 signatures on this petition. Thank you.

MADAM SPEAKER:

Thank you. Item 11, petitions. Item 12, reports of standing and special committees. Item 13, reports of committees on the review of bills. Item 14, tabling of documents. Item 15, notices of motion. Item 16, notices of motions for first reading of bills. Item 17, motions. Item 18, first reading of bills. The honourable Member for Keewatin Central, Mr. Todd.

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ITEM 18: FIRST READING OF BILLS

Bill 9: An Act To Amend The Motor Vehicles Act

HON. JOHN TODD:

Thank you, Madam Speaker. Madam Speaker, I move, seconded by the honourable Member for Tu Nedhe, that Bill 9, an Act to Amend the Motor Vehicles Act, be read for the first time.

MADAM SPEAKER:

Thank you. Your motion is in order. To the motion.

AN HON. MEMBER:

Question.

MADAM SPEAKER:

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

---Carried

Bill 9 has had first reading. Item 18, first reading of bills. The honourable Member for Sahtu, Mr. Kakfwi.

Bill 12: An Act To Amend The Wildlife Act

HON. STEPHEN KAKFWI:

Madam Speaker, I move, seconded by the honourable Member for Tu Nedhe, that Bill 12, An Act to Amend the Wildlife Act, be read for the first time.

MADAM SPEAKER:

Thank you. The motion is in order. To the motion.

AN HON. MEMBER:

Question.

MADAM SPEAKER:

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

---Carried

Bill 12 has had first reading. Item 18, first reading of bills. The honourable Member for Hay River, Mr. Pollard.

Bill 11: An Act To Amend The Safety Act

HON. JOHN POLLARD:

Thank you, Madam Speaker. Madam Speaker, I move, seconded by the honourable Member for Baffin Central, that Bill 11, an Act to Amend the Safety Act, be read for the first time. Thank you, Madam Speaker.

MADAM SPEAKER:

Your motion is in order. To the motion.

AN HON. MEMBER:

Question.

MADAM SPEAKER:

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

---Carried

Bill 11 has had first reading. Bill 18, first reading of bills. The honourable Member for Hay River, Mr. Pollard.

Bill 1: Appropriation Act, No. 2, 1994-95

HON. JOHN POLLARD:

Thank you, Madam Speaker. I move, seconded by the honourable Member for Nunakput, that Bill 1, Appropriation Act, No. 2, 1994-95, be read for the first time. Thank you, Madam Speaker.

MADAM SPEAKER:

Thank you. Your motion is in order. To the motion.

AN HON. MEMBER:

Question.

MADAM SPEAKER:

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

---Carried

Bill 1 has had first reading. Item 18, first reading of bills. The honourable Member for Hay River, Mr. Pollard.

Bill 8: An Act To Amend The Legislative Assembly And Executive Council Act

HON. JOHN POLLARD:

Thank you, Madam Speaker. Madam Speaker, I move, seconded by the honourable Member for Nunakput, that Bill 8, an Act to Amend the Legislative Assembly and Executive Council Act, be read for the first time. Thank you, Madam Speaker.

MADAM SPEAKER:

Thank you. Your motion is in order. Recorded vote has been called for. To the motion.

AN HON. MEMBER:

Question.

MADAM SPEAKER:

Question has been called. All those in favour? Mr. Clerk, recorded vote.

Recorded Vote

CLERK OF THE HOUSE (Mr. Hamilton):

Mr. Pollard, Ms. Cournoyea, Mr. Kakfwi, Mr. Morin, Mr. Todd, Mr. Whitford, Mr. Ningark, Mr. Lewis, Mr. Pudlat, Mr. Allooloo, Mr. Arngna'naaq and Ms. Mike.

MADAM SPEAKER:

All those against?

CLERK OF THE HOUSE (Mr. Hamilton):

Mr. Zoe.

MADAM SPEAKER:

Those abstaining?

CLERK OF THE HOUSE (Mr. Hamilton):

Mr. Patterson, Mr. Dent, Mr. Koe, Mr. Antoine, Mr. Ng and Mr. Pudluk.

MADAM SPEAKER:

Thank you. Twelve in favour, one against, six abstentions.

---Carried

Bill 8, An Act to Amend the Legislative Assembly and Executive Council Act, has had first reading. Thank you. Item 19, second reading of bills. The honourable Member for Hay River, Mr. Pollard.

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ITEM 19: SECOND READING OF BILLS

Bill 1: Appropriation Act, No. 2, 1994-95

HON. JOHN POLLARD:

Thank you, Madam Speaker. I move, seconded by the honourable Member for Nunakput, that Bill 1, Appropriation Act, No. 2, 1994-95, be read for the second time. Madam Speaker, this bill authorized the Government of the Northwest Territories to make operations and maintenance expenditures for the

fiscal year ending March 31, 1995. Thank you, Madam Speaker.

MADAM SPEAKER:

Thank you. Your motion is in order. To the principle of the bill.

AN HON. MEMBER:

Question.

MADAM SPEAKER:

Question has been called. All those in favour? All those opposed? The motion is carried.

---Carried

Bill 1, Appropriation Act, No. 2, 1994-95, has had second reading and is referred to committee of the whole. Item 19, second reading of bills. Item 20, consideration in committee of the whole of bills and other matters: Bill 1, Appropriation Act, No. 2, 1994-95; Minister's Statement 5-12(5), Session Business; Tabled Document 1-12(5), Towards an NWT Mineral Strategy; Tabled Document 2-12(5), Building and Learning Strategy; Tabled Document 3-12(5), Towards a Strategy to 2010: A Discussion Paper; and, Tabled Document 11-12(5), First Annual Report of the Languages Commissioner of the NWT for the Year 1992-93, with Mr. Lewis in the chair.

ITEM 20: CONSIDERATION IN COMMITTEE OF THE WHOLE OF BILLS AND OTHER MATTERS

CHAIRMAN (Mr. Lewis):

I will call the committee of the whole to order. We have a number of items in front of us. What is the wish of the committee? Mr. Ningark.

MR. NINGARK:

Thank you, Mr. Chairman. At this time there is no business from the committee of the whole. Thank you. Mr. Chairman, pardon me, I have to correct myself, there is business from the OMC at this time. Thank you.

CHAIRMAN (Mr. Lewis):

If there is anybody who would like to make a motion to report progress, then they are free to do so. Mr. Dent.

MR. DENT:

Thank you, Mr. Chairman. I move that we report progress.

CHAIRMAN (Mr. Lewis):

This motion is not debatable. All those in favour of this motion? All those opposed? There being no opposition, the motion is carried.

---Carried

I would like to rise and report progress.

MADAM SPEAKER:

Thank you. I'll call the House back to order. Item 21, report of committee of the whole. The honourable Member for Yellowknife Centre, Mr. Lewis.

ITEM 21: REPORT OF COMMITTEE OF THE WHOLE

CHAIRMAN (Mr. Lewis):

Madam Speaker, your committee is reporting progress. Madam Speaker, I move that the report of the committee of the whole be concurred with.

MADAM SPEAKER:

Thank you. Is there a seconder for the motion? Seconded by the honourable Member for North Slave. The motion is in order. All those in favour? All those opposed? Motion is carried.

---Carried

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

ITEM 23: ORDERS OF THE DAY

CLERK OF THE HOUSE (Mr. Hamilton):

Madam Speaker, there will be a meeting of the Standing Committee on Finance immediately after adjournment; at 6:00 pm there is a meeting of the Advisory Committee on Social Housing; at 9:00 am tomorrow morning of Caucus; at 10:00 am tomorrow of the Standing Committee on Rules, Procedures and Privileges; and at 10:30 tomorrow of the Ordinary Members' Caucus. Orders of the day for Tuesday, February 15, 1994.

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. Replies to Budget Address
10. Petitions
11. Reports of Standing and Special Committees
12. Reports of Committees on the Review of Bills
13. Tabling of Documents
14. Notices of Motion
15. Notices of Motions for First Reading of Bills
16. Motions
17. First Reading of Bills
18. Second Reading of Bills

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- Bill 8, An Act to Amend the Legislative Assembly and Executive Council Act
- Bill 9, An Act to Amend the Motor Vehicles Act
- Bill 11, An Act to Amend the Safety Act
- Bill 12, An Act to Amend the Wildlife Act
- 19. Consideration in Committee of the Whole of Bills and Other Matters
 - Bill 1, Appropriation Act, No. 2, 1994-95
 - Minister's Statement 5-12(5), Session Business
 - Tabled Document 1-12(5), Towards an NWT Mineral Strategy
 - Tabled Document 2-12(5), Building and Learning Strategy

- Tabled Document 3-12(5), Towards a Strategy to 2010: A Discussion Paper

- Tabled Document 11-12(5), First Annual Report of the Languages Commissioner of the NWT for the Year 1992-93

20. Report of Committee of the Whole

21. Third Reading of Bills

22. Orders of the Day

MADAM SPEAKER:

Thank you. This House is adjourned until Tuesday, February 15, at 1:30 pm.

---ADJOURNMENT